FROM THE DESK OF

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SECURITY risks and issues facing modern day enterprises have not only become more significant and complex, but also now come with far reaching impact. In modern times, several trends seem to have clearly redefined the global landscape. A major trend that is emerging in today's global economy, is the convergence of risk in an ever changing threat landscape. According to a Frost & Sullivan analysis and survey with CEOs, a 400 per cent increase in investment on security solutions from 2008 to 2015 is expected in Asia.

Who do we protect?

A decade ago, a security plan was pretty much installing a couple of cameras around the building, using a keypad entry system into the office and possibly a warm body disguised as a security officer in the guard house by the gate.

But times have changed drastically. Companies today recognise the need to look beyond that of just specific threats to a single asset, and that security for businesses is now about protecting assets, managing risks and creating value.

Safeguarding people, processes and technology have now become an integral priority for modern day CEOs, whose first and foremost concern is about protecting shareholders' interest. With the realisation that a single major incident can be catastrophic to a going concern – just imagine the consequences if an intruder breaks in and taints the production line in a pharmaceutical factory – security vendors are now being tasked to design security and loss prevention systems that lowers and mitigates any potential risk to their business.

Protecting and ensuring a safe and secured working environment for employees is also a high priority. This requires appropriate loss prevention measures against internal threats that can be disruptive to productivity, as well as the external physical threats of violence and injury that can affect staff morale. Internal threats are obviously the most challenging risk to detect and stop, hence, every security plan and policy must have checks and balances. For example, every critical business process may require implementing two-man rules. This would simply mean that the security system would require two persons to authorise an action which is classified as critical. Creating a safe working environment is particularly important for Singapore companies as more are looking to expand their manufacturing operations overseas, sometimes, in remote locations.

Lastly, a robust well-designed security system also serves to protect the interest of a company's clients, especially for

Security for survival

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those whose business is in contract manufacturing. With compliance of international security and safety standards fast becoming a pre-requisite for doing business with leading MNCs – many of whom in fact conduct regular security audits on their vendors to abate potential risk that may in turn affect their own business process and viability – more and more of our local Singapore clients are tapping into our extensive knowledge through years of designing and implementing security projects for Fortune 500 clients and government agencies to fulfil their clients' requirements.

The changing face of security in Asia

The changing business landscape is unique in every country in the Asia-Pacific region, where companies find themselves facing different threats from both internal and external sources.

However, the reality is that Asian companies are still lagging behind the security practice of the American and European companies. But that will change. With Asia being the factory of the world, more and more companies are now being forced into embracing security concepts to comply with clients' requirements and security standards, in order to remain competitive and secure orders.

Take Hi-P International Ltd for example. Hi-P is a contract manufacturer listed on SGX and their client base includes some of the world's leaders in mobile phones, PDAs and other consumer products. Security is paramount to Hi-P especially since their clients entrust significant

Intellectual Property to them, and the company invests substantial amounts into their physical security systems every year. It is conceivable that a single incident of loss of client's product or IP could result in not just monetary loss but more critically would be a loss of faith by their client base, staff and shareholders.

It is this constant reassessment of risk that allowed Ademco Security Group to adopt a flexible approach in the design of Hi-P's security system across the Asia-Pacific region. In a recent project in China, the existing security system was further enhanced with an integrated access control, CCTV, intrusion detection system with a fence intrusion detection system as a first line of defence. The design encompassed in-depth security architecture where detection, deterrence, defence and deny policies are implemented in layers from the perimeter into the most secured areas within the facility.

Improving the bottom line

CEOs used to believe that security was a cost centre. However, this does not hold true any more. With the cutting edge of security technology today, investing in the right system and integrating it with business operations helps improve operational efficiencies and subsequently lowers the total cost of operating the business, delivering an end result that ultimately impacts the bottom line.

A clear demonstration of this was when Ademco Security Group was tasked with beefing up the security of a semi-conductor factory. Following the system design that involved a detailed assessment of

their business processes, we were able to leverage on the new security platform to improve overall efficiencies in their practices through the use of smart card technology across different operations:

The company had a meal coupon system in place, which entitled every member of the 3,000 strong staff to 26 meal coupons every month for meal and coffee breaks. Unfortunately this benefit was being abused, as some employees would sell the coupons to the canteen operators at a fraction of the price and went hungry instead, and others would pass on their coupons to their colleagues on their off days, so that their colleagues would have extra meals. To reduce unnecessary cost and minimise misuse, smart card readers were integrated into the canteen to verify the identity of the staff against their duty roster. Transmitting meal data to the finance department automatically for payment not only increased efficiency and saved time, but also allowed for a full audit trail for accounting purposes.

The same employee smart card was also integrated for use at the entry points of the factory, with the captured data instantaneously transmitted to the HR and Finance department. This delivered immediate cost savings benefits to the company, as the previous time and attendance punch card system required a staff of six in the HR and Finance department simply for the purpose of tabulating attendance records for payroll.

The smart card system was also integrated into the queue schedule management system of the medical clinic. Not only did this reduce confusion and bickering, as a further improvement to operations, emails would also be automatically generated to alert the staff's reporting officer of his visit to the clinic, thereby enhancing communications in a timely fashion for daily work flow planning purposes.

More possibilities

With the convergence of security and operations, CCTV is no longer just for the security guards. Intelligent video technology has now been adapted to improve overall operational efficiency, where access to live video footage from the same platform is also distributed to different functional roles.

Existing cameras can be adapted to enable the retailer to not only monitor the traffic into his chain of stores every hour on the hour, but also data mine the average sales per walk in customer and determine the rental versus traffic ratio with a high degree of accuracy. The ability to monitor customer flow and detect overcrowding allows retailers to review their staffing requirements and improve the overall efficiencies of their stores' safety issues.

At the end of the day, CEOs need to not only re-evaluate whether they are getting the maximum benefit from their investment in security, but also determine how best they can be leveraged to increase operational efficiencies. This requires a constant reassessment of their risk in every geographical area of operations that is then mitigated with a good system, plan and policy that integrates security with operational excellence and process. Doing so ensures that the interests of shareholders, staff and clients are well protected.

Security is no longer an afterthought, it is survival.