

4.1 BASIS FOR ENTERPRISE ASSETS PROTECTION

4.1.1 DEFINING ASSETS PROTECTION

For many people, the term *assets protection* suggests finance. Security professionals, however, think of assets protection in a different, broader sense. In the security arena, one often speaks of protecting three types of assets: people, property, and information. The larger view of assets protection, however, also considers intangible assets, such as an organization's reputation, relationships, and creditworthiness.

In considering all of an organization's assets and all potential hazards, both natural and man-made, the security function should take the lead on some matters and play a supporting role in others. This approach helps ensure that the security function is, and is seen to be, a value-adding element of the organization. The greatest protection of corporate assets occurs when an appropriate mix of physical, procedural, and electronic security measures is in place in relation to the assets being protected. This creates an effective defense-in-depth asset protection program.

Graduate students in a security management program were recently asked to define assets protection from their perspective. The students were all experienced, mid-career professionals in security, law enforcement, or the military. Almost all the students mentioned elements like asset definition, threat assessment, vulnerability and risk analysis, security methods for reducing risk, and the need to balance security costs with the benefits of protective measures employed. However, several additional aspects of assets protection emerged as well:

- Both tangible and intangible assets must be considered.
- A key objective is maintaining smooth business operations.
- Post-incident business or mission continuity is an important element.
- Both the current and future risk environments must be considered.
- Providing a safe and healthy environment should be factored in.
- Liability reduction/management is an important component.

As those students seemed to understand, assets protection must be a comprehensive, proactive function that is directly tied to the organization's mission.

In addition, it is essential to know what needs to be protected. In many cases, asset owners (such as business owners or managers) lack a thorough understanding of what their real assets are. Some think purely in financial terms, while others focus on tangible goods, such as facilities, inventory, vehicles, or equipment. A wider view of assets might include those listed in Figure 4-1.

TANGIBLE	INTANGIBLE	MIXED
Facilities/buildings	Reputation/image	People
Equipment	Goodwill/trust	Intellectual property
Inventory	Brand recognition	Knowledge
Vehicles	Relationships	Proprietary processes
Raw materials	Vendor diversity	Information technology capabilities
Cash/money	Longevity/history	Land/real estate
Accounts receivable	Past performance	Infrastructure
Supplies/consumables	Experience	Credit rating/financial stability
Telecommunications systems	Quality assurance processes	Customers (customer base)
Other capital assets	Workforce morale/spirit/loyalty	Contracts in place
	Workforce retention	Financial investments
	Management style	Geographic location
	Human capital development	Staffing sources/recruiting
	Liaison agreements	Certifications (e.g., ISO 9000)
	Market share	Continuity posture/resiliency
		Safety posture

NOTE: Tangible assets are generally those one can see, touch, or directly measure in physical form. Mixed assets have both tangible and intangible characteristics.

Figure 4-1
Examples of Organizational Assets by Type

4.1.2 **RELATION TO SECURITY AND OTHER DISCIPLINES**

Because assets protection is a broad, complex function, many departments or elements of an organization may be involved in it. However, a single office or person should be designated as the assets protection focal point. Assets protection professionals should either lead or follow, but in either case they should not allow themselves to be left out of key deliberations and decisions. Though it is the responsibility of senior management to provide the resources needed to enhance the protection of assets, it is the assets protection professional's responsibility to provide them with the best information for their decision-making process.

Assets protection incorporates all security functions as well as many related functions, such as investigations, risk management, safety, quality/product assurance, compliance, and emergency management. Therefore, the senior assets protection professional must have

strong collaboration and coordination skills as well as a thorough understanding of the workings of the enterprise. In today's asset protection program, countermeasures need to include people, hardware, and software.

Of particular interest today is convergence, which is the "integration of traditional and information [systems] security functions" (ASIS International, 2005). Such convergence makes collaboration even more important.

4.1.3 **HISTORICAL PERSPECTIVES**

From the dawn of mankind, organizations have faced threats to their safety and security. One of the tribe's important functions was the protection of its assets, which might include land, crops, water supplies, or its cultural or religious heritage.

Over the centuries, upon arriving in a new country, immigrants from particular regions have tended to settle together in communities that became known as ghettos. These ghettos have had a strong assets protection aspect.

Like tribes, gangs today emphasize assets protection. Their assets may include "turf," recognition, members, weapons, or market share of illegal activities.

Families, too, protect their assets, which include family members, the home and its contents, vehicles, financial assets, pets, occupations, and status in the community. Families use such methods as security equipment, insurance, education, communications procedures, and neighborhood watch groups.

Different assets protection methods work in different situations (Webster University, 2006):

The protection of assets is not an exact science. What works in one situation may have disastrous results in another. Asset owners and security professionals alike must analyze specific situations or environments; recognize needs, issues and resources; and draw conclusions regarding the most appropriate protection strategies and applications.

Assets protection can be performed by internal entities, external entities, or a combination. In the United States, the first private security firms emerged in the mid-19th century. They began as investigative agencies and expanded to provide other assets protection functions, such as executive protection, intelligence collection, counterintelligence, cargo escort, and protection of railroads, a critical infrastructure of the day (Securitas, 2006).

The concepts, techniques, tools, and philosophies of assets protection change as threats mutate, technologies advance, management approaches develop, and business around the world becomes transformed.