

Consultants the Need for Independence

Recently I was approached by a Manager of a large security company who claimed he was an independent consultant and system tester. Then during a later discussion he admitted he did not actually understand what an independent consultant was. This incident and several others cause me to bring to your attention the information from my presentation at the August 1992 Security Australia and ASIAL Conference where I presented a paper on the independence of consultants in the security and CCTV industries.

The 1992 presentation and subsequent article was the result of an industry directory which had 121 Independent Security Consultants listed, one of which was the Managing Director of one of the largest Security Companies in Australia. If you still have a copy of this directory, have a look and see how many more similar situations existed. More on the statistics later.

This presentation and my article on this subject had the required effect. In 1992 most understood what an independent consultant was and a number of Government Departments and large Corporations introduced Statutory Declarations, or Conduct Deeds into consultants contracts, where the consultant had to declare his/her independence according to the Department or Corporations definition of independence. The following is a modified and updated 1992 presentation.

This subject is controversial to some in the industry, but we should not lose sight of the fact that a Security or CCTV Consultant, Adviser or System Tester must be 100% Client oriented and totally independent.

Also, a Consultant, Adviser or System Tester (Referred to as Consultant in this article) should have the necessary skills, qualifications and independence.

If any of these three attributes are missing at the Consultant

level, the integrity of the whole industry can suffer in the eyes of the End User and Public.

If you were in the market for a new car, would you expect a particular manufacturer's dealer to give you unbiased advice?

Well the same applies when buying the services of a consultant, no matter whether the consultant is private, or public sector.

What is a Security Consultant?

There does not appear to be any requirement in licensing legislation for the individual to be independent of businesses involved in providing security equipment or services. This is a major problem for the consumer. The fact that a person holds a "Security Consultant's" licence is no guarantee that the advice given by the Consultant is independent.

There are other problems with licensing:

- * The lowest common denominator syndrome applies.

- * The definition of a Consultant is sometimes broad, an analogy could be. Would you go to an ear, nose and throat specialist, for an eye problem?

Many organisations utilise the services of Consultants to provide them with specialised services, not available within their own organisations.

Some major advantages of using an outside Consultant are:

- * An outsider is not influenced by internal politics of the organisation.

- * Can "tell it as it is" without fear of 'retribution'.

- * Can be critical of organisation.

- * A competent consultant can provide detailed information about all products and services commercially available, so an end user

can make an informed judgement about their needs.

- * These days a Company or Authority runs mean and lean, It makes sense to employ outside expertise that is cost effective

In addition, a consultant can often be a very cost effective way for an organisation to obtain specialist advice and/or technical assistance in writing specifications for security and/or CCTV equipment or services.

So how do you ensure that the consultant you choose is competent and independent?

Unfortunately, there are many people calling themselves "Consultants". Some so called Consultants actually work for companies selling products or services.

What is even more disturbing is that there are some Consultants advertising themselves as "independent," who own or are directors of companies in the business of providing security equipment or services and they are clearly NOT Independent.

Some of these people may say that this situation is okay. They will argue that there is no conflict of interest if the Client is aware of their affiliations.

At the very least these Consultants have their energies and attention divided between running a commercial business on one hand and a professional services business on the other.

At the worst they are constantly looking for opportunities to promote or sell their products. In the worst cases we have seen them specifying their own products or services.

In fact, I would suggest that if they are directors of a company they have a responsibility to their shareholders to promote their company's products or services. Even if this is not in the best in-

terest of their Clients!

What motivates people to do this: There appears to be two major reasons:

* Inability to "make a go" of the Consulting business and the resultant need to find a cash flow business, to support themselves.

* Pure greed.

Which ever way you look at it, the reasons are bad and you would have to suspect the ethics of individuals with these motivations.

Some of these Consultants are well known in the industry and are looked down upon by other suppliers who view their activities as highly unethical. The consumer may be unaware of their other business interests.

I understand that both Federal and State Government agencies are concerned about the independence of Consultants. I also understand that moves are afoot to ensure that only truly independent Consultants will be eligible for Government contracts. Clearly, Governments as consumers are increasing concerned about doing business ethically. Although there is one blip, the Security Construction Equipment Committee (SCEC) Approved Type One Security Consultants list has a very low number of truly independent consultants. Most consultants on the list are employed by security equipment or service providers. (Information above was correct at the time of writing)

If you look in the Telecom's Yellow Pages, you will find advertisements for "Independent" Consultants. Clearly some of these people are falsely advertising themselves. Telecom will insist that it is not their responsibility to vet advertisers.

The Security Australia 1992 Annual Directory was guilty of the same sin. The section entitled "Independent Security Consultants" was the cause of my very first ever letter to an Editor.

All the entries in this section were entered onto a spreadsheet. The results clearly showed those who did not qualify as "Independent," such as suppliers, installers, contractors, individuals with common directorship or employed by sup-

ply or services companies.

The results were as follows:

Independent	46	38%
Not Independent	52	43%
Unknown	10	8%
Other	13	11%
Total Entries	121	

These results were derived from known or stated situations and cross referenced to other sections of the directory. Most Grey areas are classified as unknown. Other, comprised of Accountants, PR Companies, Education, etc.

It should be noted that, I was very generous with my criteria for establishing the "Independence" of the listed Consultants. Some authorities suggest that less than 25% are truly independent. Later information we received indicated that only 18 of the 121 listed Independent Security Consultants were actually independent

What do I mean by "Independent"?

An Independent Consultant is defined as an individual (not an organisation) who does not derive ANY benefit from ANY organisation in the business of providing security or CCTV equipment or services.

Obviously this includes being a director or shareholder of a business. It also extends to the individual's spouse (or spouse equivalent). There can be no loopholes here!

The individual must be bound by and practice a strict code of ethics. Similar to those declared by the International Association of Professional Security Consultants.

A major problem for Consumers of these services is that none of the current Security Industry associations represents their interests, and indeed probably shouldn't anyway. Governments can't or find it difficult to help.

What criteria should you judge Consultants on?

Normally, if you were buying professional services from an accountant or a solicitor, you would

expect them to represent your best interests and not have a conflict of interest. You should expect, if not demand the same from a Security or CCTV Consultant.

After all the level of trust that you would normally need to afford a Security Consultant means that he or she would have access to much sensitive information about your organisation.

Ask yourself, in whose interest is this person working? His own or mine? After all, what am I paying him for? You should be paying for unbiased independent advice on your needs.

If you don't want independent advice, then you can easily go to one major Contractor and sign your life away to them.

If you are embarking on a major purchase of a security or CCTV system. How am I going to know if the Contractor is pulling the "wool over my eyes?" Who is going to keep them honest? Do I have the time, training or resources to do this? The answer is probably no. So you need a Consultant, but what use is the Consultant if the advice given is biased towards one supplier or the Consultant's other business.

Very often building owners or developers use the services of an engineering consulting firm to design and specify security systems for them. This approach stems from the mistaken belief that if a piece of security or CCTV equipment uses electricity, then, you should talk to an electrical engineer.

The usual approach of many consulting engineering firms to designing a system is to talk to several suppliers and get them to write the specification around a piece of their proprietary equipment. Despite, whether it is the best for the job or not!

They don't have to do much work and still get paid handsome fees. Sometimes these specifications are dressed up to look "generic" or to favour one manufacturer or supplier. However most Contractors can identify these specifications for what they are!

Unfortunately, there are no associations specifically representing

the interests of Independent Security Consultants in Australia.

Since 1992 there has been very little change so "Buyer Beware".

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