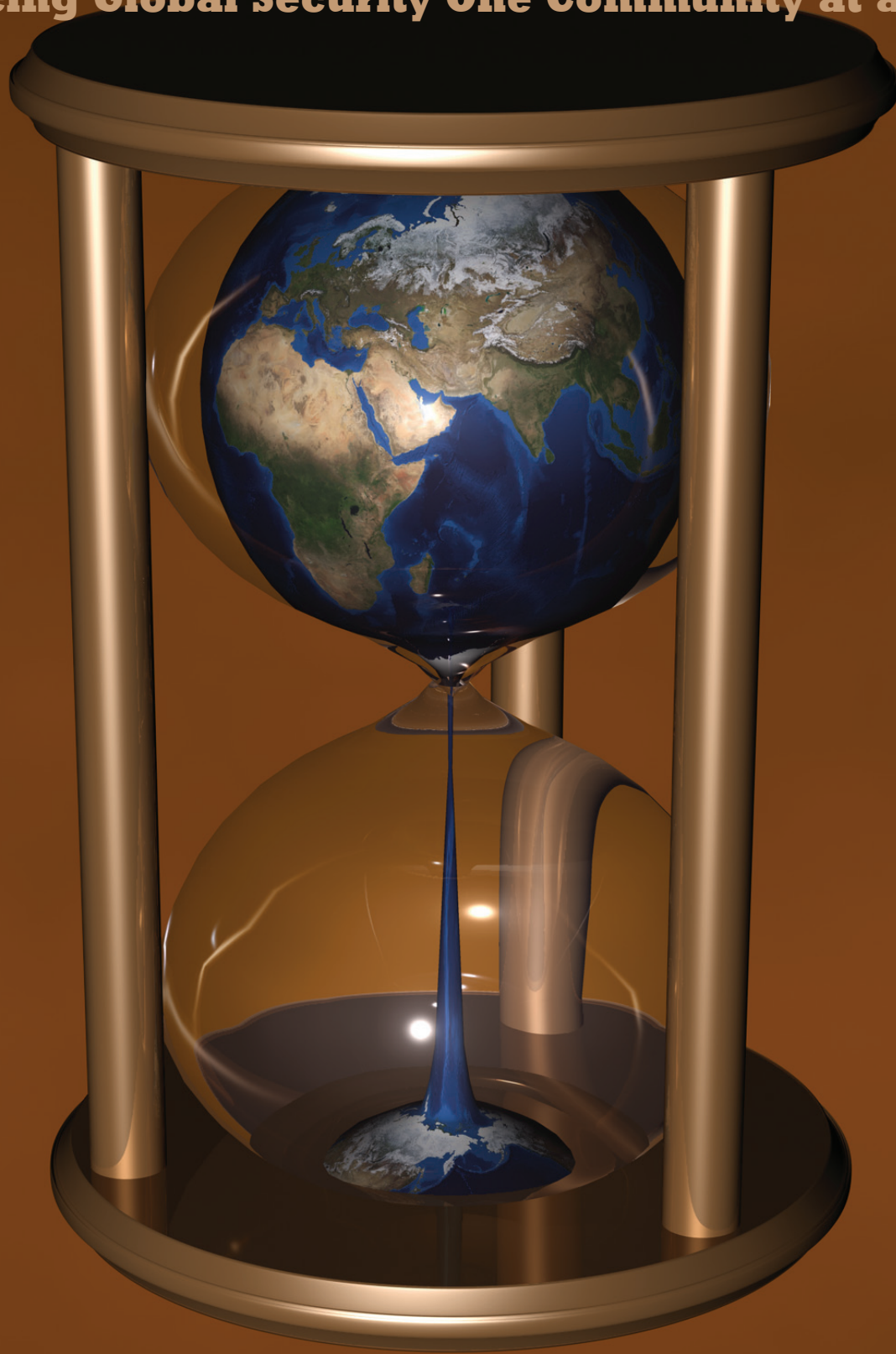


# Not a Moment to Lose...

Influencing Global Security One Community at a Time



**Security** Leadership Solutions  
Executive Council

**Francis James D'Addario CPP CFE**

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## Introduction: Past is Prologue

*Few hazards will surprise the student of risk mitigation. Historical data informs. Both natural and manmade catastrophes will occur with varying certainty over time. Our opportunity is influencing outcomes with awareness, preparedness and good mitigation practices.*

William Shakespeare acutely observed that our past is predictive of the future.<sup>2</sup> The past certainly informs most protection practitioners and their approach to security risk and mitigation. It did mine prior to my interview for the global security leadership position at Starbucks Coffee in May of 1997.

Consequential risks were not new to me; nor were measurable security risk mitigations. My previous security teams had managed the aftermath of more than 60 workplace homicides, hundreds of injuries, and countless threats to people and assets costing untold anguish and millions of dollars. Importantly, my teams had innovated, tested, implemented, and measured effective security practices for significant risk reduction and return on investment.

Data and experience formed my view that commercial armed robbery posed a primary risk to all cash handling businesses. In responding to an interview question regarding priorities, I mentioned that Starbucks was no exception to this hazard. I was a bit taken aback when my interviewers expressed uncertainty. It was apparent that my assessment of this potential impediment to Starbucks global aspirations was received more or less received as a personal opinion.

This high growth organization was learning its way, like a talented adolescent eager to travel but inexperienced in the risks that lay ahead. Interview panels followed with questions and comments that illustrated diverse concerns for other looming hazards including risks to assets including cash, inventory, information, manufacturing and supply chain. Terrorism and pandemic were remote possibilities in 1997. Armed robbery violence seemed equally unlikely to some.

There was a persuasive case to be made for prioritizing commercial armed robbery risk. Several comprehensive studies and behavioral science applications proofed prior to 1997 resulted in significant incidence and injury risk reductions. I shared the data that had enabled my previous teams to

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2 William Shakespeare, *The Tempest*, act II, scene I, lines 253–54.

significantly reduce the frequency and severity of violent events at three international corporations while facilitating cost containment, growth, and significant contribution to profit margin.

The armed robbery hazard in North America was well documented by the Western Behavioral Science Institute (WBSI), the National Association of Convenience Stores (NACS), Athena Research, and the National Food Service Security Council (NFSSC). The U.S. National Institute for Occupational Safety and Health (NIOSH) had published extensive guidelines for preventing workplace violence.<sup>3</sup> The convenience and quick service segments had moved decisively to curb the risk. Robbery incidence reductions of more than 50% were common. Many companies had mitigated robbery hazards using layered and integrated security approaches featuring crime prevention design, risk awareness training, cash control, and security technology.

There was much more than the numbers I left unsaid... the parade of victims I held close. I remembered their faces from happier times as well as the anguish of family and friends. I remembered their pitiful assailants. I was committed to making the workplace safe enough for my children and was passionately inclined to influence others to that reasonable goal.

Having read the Starbucks mission and guiding principles, I intuitively connected my risk assessment to the company's cultural imperative to provide a great workplace. After the interviews I remained uncertain of my employment chances. I knew from insiders that there was a "culture of consensus" at Starbucks. I had witnessed little consensus but was nevertheless excited to have the opportunity to influence the strategy. Opportunities to protect a rising global brand are few and far between.

Although grateful to receive the job offer on July 1, my enthusiasm was checked days later on the July 4 weekend when I deeply regretted learning that three Starbucks partners were found murdered in the manager's office area, next to the safe, in the relatively safe Georgetown section of Washington, D.C. in an apparent botched robbery attempt. During the weeks prior to joining the company I advised the cross-functional leadership group that convened to manage the aftermath. From the beginning of my career with Starbucks to this writing, that event has profoundly influenced my careful consideration of the consequences of risk and the benefits of mitigation.

A number of stories will follow that are intended to help readers improve their own personal security while influencing the protection of their families, communities, and organizations. We will cover

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3 NIOSH, *Violence in the Workplace, Risk Factors and Prevention Strategies*, National Institute for Occupational Safety & Health, Current Intelligence Bulletin 57, Risk Factors and Prevention Strategies, Division of Safety Research, June 1996, (1-800-356-4674) [www.cdc.gov/niosh/violcont.html](http://www.cdc.gov/niosh/violcont.html)

a range of hazards from our local neighborhood to the region, country, and globe. We will assess philosophy, methodology, and data to make the case for good security practices that empirically mitigate risk and its attendant anxiety.

Practices capable of return on investment include risk awareness, hazard detection and response; as well as injury, loss, and cost mitigation. We will never be threat-free. Yet we can afford to effectively recognize risk, reduce hazardous incidents, and mitigate consequences to continuously improve outcomes.

Shortly after my arrival at Starbucks I learned that one of my interviewers claimed I “predicted” the 1997 triple homicide. That was inaccurate. I merely observed that the commercial armed robbery hazard featured both frequency and severity for the industry segment. Surmising the likelihood of injury in a frequent threat environment is like anticipating the eventuality of a drowning in a 100-year flood plain. The severity of a foreseeable unmitigated outcome is nearly certain over time. Only the intervals of occurrence vary.

Data may instruct both hazard probabilities and impact consequences. Charting community or organization event history, benchmarking comparable communities, and assessing risk adjacency including network interconnectivity are recommended. Questions will arise. How likely is a risk? What is the frequency? Will it evolve in the community or chance to travel from other quarters? How severe is the impact?

Hazards are more or less predictable by virtue of their tendency to repeat over time. Risk frequency for all hazards may range from minutes to year or longer periods of measurement depending on the size, breadth, and niche of the institution. All, including “near geologic time,” help forecast impacts on people and assets taking climate, cultural demographics, geology, geography, socio-political conditions, and historical incidents into account.

Robbery violence is no different. As with other hazards commitment and resources can mitigate the frequency and severity. The Georgetown murders were a body blow. I was struck by the sense of palpable loss throughout Starbucks from baristas to the chairman of the board. I witnessed for the first time in my professional career a company that owned the consequence of tragedy to its core and was compelled not to repeat it.

Following the Starbucks homicides the existing loss prevention department was renamed Partner and Asset Protection (P&AP). This new identity communicated a service level agreement within the

organization. The departmental mission was: “Protect people. Secure assets. Contribute margin.” Those were the priorities in order. P&AP was to become an enabler of the global Starbucks experience from remote country origins to manufacturing and stores distributed around the world.

The priority was suppression of commercial armed robbery. Other global risks could wait. The Georgetown homicides had badly shaken security confidence across the enterprise. P&AP pressed forward to improve the chances that this kind of tragedy would not happen again. The mitigation of this risk would boost the investment confidence of stakeholders for addressing other hazards.

Employees at Starbucks are called “partners.” Stock ownership and health benefits for part-time employees were unique offerings in the early 1990s. Starbucks enjoyed meteoric success with its people-centric approach. Howard Behar, former chief operating officer, was fond of stipulating that, “We are not in the coffee business serving people, we are in the people business serving coffee.”<sup>4</sup> That mantra became a litmus test for performance. Partnerships also extend to other relationships including license and joint venture agreements as well as critical service dependencies.

Starbucks like other highly ethical companies strategically chose a path wider than simple business objectives.<sup>5</sup> Community missions for highly respected brands are often underpinned by visionary goals as well as requirements for principled conduct that may evolve to a culture of care.

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4 Tony Mosely, “(not the coffee business serving people),” eCustomerServiceWorld.com [www.ecustomerserviceworld.com/earticlesstore\\_articles.asp?type=article&id=357](http://www.ecustomerserviceworld.com/earticlesstore_articles.asp?type=article&id=357)

5 Starbucks Mission, [www.starbucks.com/mission/default.asp](http://www.starbucks.com/mission/default.asp)



## Starbucks Mission

**To inspire and nurture the human spirit— one person, one cup, and one neighborhood at a time.**

Here are the principles of how we live that every day:

**Our Coffee**

It has always been, and will always be, about quality. We're passionate about ethically sourcing the finest coffee beans, roasting them with great care, and improving the lives of people who grow them. We care deeply about all of this; our work is never done.

**Our Partners**

We're called partners, because it's not just a job, it's our passion. Together, we embrace diversity to create a place where each of us can be ourselves. We always treat each other with respect and dignity. And we hold each other to that standard.

**Our Customers**

When we are fully engaged, we connect with, laugh with, and uplift the lives of our customers— even if just for a few moments. Sure, it starts with the promise of a perfectly made beverage, but our work goes far beyond that. It's really about human connection.

**Our Stores**

When our customers feel this sense of belonging, our stores become a haven, a break from the worries outside, a place where you can meet with friends. It's about enjoyment at the speed of life—sometimes slow and savored, sometimes faster. Always full of humanity.

**Our Neighborhood**

Every store is part of a community, and we take our responsibility to be good neighbors seriously. We want to be invited in wherever we do business. We can be a force for positive action— bringing together our partners, customers, and the community to contribute every day. Now we see that our responsibility—and our potential for good—is even larger. The world is looking to Starbucks to set the new standard, yet again. We will lead.

**Our Shareholders**

We know that as we deliver in each of these areas, we enjoy the kind of success that rewards our shareholders. We are fully accountable to get each of these elements right so that Starbucks—and everyone it touches—can endure and thrive.

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Figure 1

Ethisphere named the 2009 world's most ethical companies based on corporate citizenship, governance, innovation contributing to the public well being, industry leadership, executive leadership and tone at the top; legal, regulatory and reputation track record; and internal ethics compliance.<sup>6</sup> A record number of nominations from more than 100 countries and 35 industries resulted in 99 recognitions including 44 "three-peats" (of which Starbucks was one). Perhaps not surprising the group consistently outperformed the Standard and Poor's 500 in growth 2002 through 2008.

My intention is to emphasize that principled conduct includes influencing recognition of risk that can move organization or community stakeholders toward more effective mitigation. Stakeholders are persons with vested interest from hourly employees to the board of directors including customers, service providers, investors, volunteers, and their dependents. Community stakeholders may range from village residents to national citizenry including, neigh-

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6 2009 World's Most Ethical Companies, Ethisphere [www.ethisphere.com/wme2009/](http://www.ethisphere.com/wme2009/)



bors, and distanced trade partners or allies. All may be influenced to address risk for mutually beneficial outcomes of improved safety, security and prosperity.

Sharing relative success is valuable for organizations, large or small. Good and best practices evolve to protect individuals, family, neighbors, and community. Our safety, livelihood, and aspirations depend on how we acknowledge hazards and manage their consequences. Principled pursuit of mission begets trust. The case can be made that security confidence is a primary enabler of mission. Conversely, security anxiety can breed distrust.

Turbulent economic conditions exacerbated by poverty, famine, and water scarcity, widen the gap between the haves and the have-nots. Disaster recovery capacity is thin. Financial resources are imperiled or lacking for even routine regional emergencies such as severe weather and seismic events that endanger large populations and assets including the fragile infrastructure and critical processes that we depend on to mitigate or recover from an event. Trust in institutions including governments has eroded.

We will likely witness rising crime and violence in the very near future as employment and resources contract. This book will make the strategic and tactical case for risk mitigation to ensure institutional and community resiliency.

We must be prepared, supplied, equipped, trained, and insured for emergency prevention response and to mitigate consequences if prevention fails. This will require anticipating risk events and prioritizing mitigation investment to improve our chances to survive or avoid unnecessary injury or loss. We may also be required to rise to the occasion self-sufficiently when others, including government emergency services, are not there to help us. All must be involved to improve our chances for success incrementally.

The responsibility for emergency and crisis preparedness is shifting. The private sector is estimated to manage up to 80% of our critical infrastructure. The U.S. Department of Homeland Security has identified key risk considerations by critical infrastructure sub-sectors. Comprehensive risk-based mitigation strategies have been adopted for Agriculture and Food, Banking and Finance, Chemical, Commercial Facilities, Communications, Dams, Defense Industrial, Emergency Services, Energy, Government Facilities, Information Technology, National Monuments and Icons, Nuclear, Postal and Shipping, Public Health Care, Transportation Systems, and Water. Government and private sector cooperation on risk protection has gained momentum since the tragedy of September 11, 2001 (9/11).<sup>7</sup>

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7    Homeland Security National Infrastructure Protection Plan, [www.dhs.gov/xprevprot/programs/editorial\\_0827.shtm](http://www.dhs.gov/xprevprot/programs/editorial_0827.shtm)

We see governments and non-governmental organizations lumbering to an “all-hazard” risk mitigation model following the missteps of U.S. Homeland Security before, during, and after Hurricane Katrina. Other international failures to adequately mitigate crises are numerous. Bruce Blythe, CEO of Crisis Management International and author of *Blindsided, A Manager’s Guide to Catastrophic Incidents in the Workplace* anticipated that international standards were underway for improving private sector business continuity and emergency preparedness.<sup>8</sup>

Our opportunity is not merely a matter of satisfying existing or evolving compliance requirements. Indeed, new and emerging risk is seldom covered due to the lagging nature of compliance. Informed choices will be required to improve our holistic chances for resilient self-sufficiency. Those will be qualified by our awareness and readiness to shelter-in-place, evacuate, render first aid, perform search and rescue, and engage our dependents to play their parts. Our ability to mitigate injury and loss and respond nimbly with emergency services, key supply chain recovery, utilities, housing, and jobs requires preparedness. The journey begins with care for people, assets, and critical processes.

My effort is not intended to be a history of the technical calculation of risk. If that is your aim I refer you to *Against the Gods*. Peter Bernstein capably chronicles the concept from ancient times through the development of probability and modern insurance concepts.<sup>9</sup>

Nor is it my intention to catalogue the failings of imperiled societies. Neither our hazards nor our solutions are new. I highly recommend Pulitzer Prize winning author Jared Diamond’s *Collapse* which explores “how societies choose to fail or succeed” from the Anasazi to the Vikings. Happily, Diamond’s lessons provide more insight for success than doom.<sup>10</sup>

Moises Naim’s *ILLICIT* will bring the reader up to date with the unintended consequences of globalization and inform “how smugglers, traffickers, and copycats are hijacking the global economy”<sup>11</sup>. The Editor of *Foreign Policy*, formerly Executive Director at The World Bank and Venezuelan Minister of Industry and Trade, paints the comprehensive landscape of organized crime’s illegal trade for

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8 Bruce Blythe, *Corporate Certification Update* 1/16/08 “It appears that the NFPA 1600 and ASIS All Hazards standards, and possibly BS 25999-2, Specification for Business Continuity Management, will be used as guiding documents for private sector entities that want to pursue preparedness certification. It is further predicted that the standards used initially will collapse into one ISO standard that has international acceptance and protocol. In that regard, the ISO/PAS 22399 on incident preparedness and operational continuity recently published in November 2007 would be a good reference for future preparedness.”

9 Peter Bernstein, *Against the Gods: The Remarkable Story of Risk* (New York: John Wiley and Sons, 1996).

10 Jared Diamond, *Collapse-How Societies Choose To Fail or Succeed* (New York: Viking Penguin, 2005).

11 Moises Naim, *ILLICIT*, (New York: Anchor Books, 2005)

arms, drugs, human beings, information, and money that is undermining legitimate economies and governments by trillions of dollars with our arguable complicity.

Stephen Flynn comprehensively describes Homeland Security infrastructure risk for the U.S. and potentially many other developed countries. His is a persuasive voice for infrastructure overhaul. Flynn's *Edge of Disaster* is a primer for strategic planning.<sup>12</sup> It is loaded with the pitfalls of one-time investments, divestitures of maintenance, and critical risk mitigation shortfalls. The Jeane J. Kirkpatrick Senior Fellow for the Council on Foreign Relations examines our current brittle condition and provides insight for its improvement.

I will endeavor to connect the reader to the principal points of risk, mitigation, and return on investment. Security data analysis is more comprehensively illuminated in *Measures and Metrics in Corporate Security—Communicating Business Value* by George Campbell, former Chief Security Officer of Fidelity Investments.<sup>13</sup> Relevant references and additional resources including charts, figures, and maps are intended as visual aids to illustrate concepts. Brief discussion exercises will follow each chapter. All are available for readers' use within copyright convention at their own risk or benefit. Many are scalable for family, small business, community, regional, national, or multi-national consideration.

Our collective ability to quantify the benefits of risk mitigation will influence investment in prevention and response preparedness. One institution's success or failure should influence another's. We will learn, hopefully vicariously, from both. Lesson secrecy is a hurdle we must overcome. Hazard recognition and risk mitigation must translate into personal habit, school curricula, and leadership agendas. I trust the key points of this book will provoke discussion and continuous risk improvement for all.

**Chapter One**, The Psychology of Security, will enable us to consider our priorities for an effective risk mitigation agenda, beginning with people. We will progress from our own family's protection to larger organizations and communities.

**Chapter Two**, The Geography of Risk, explores our relative capability for applying local risk event mitigation lessons for broader protection of people, assets and dependent critical process.

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12 Stephen Flynn, *The Edge of Disaster* (New York: Random House, 2007).

13 George K. Campbell, *Measures and Metrics in Corporate Security—Communicating Business Value* (Boston: Security Executive Council, 2006).  
[www.securityexecutivecouncil.com/secstore/index.php?main\\_page=product\\_info&products\\_id=180](http://www.securityexecutivecouncil.com/secstore/index.php?main_page=product_info&products_id=180)

## INTRODUCTION: PAST IS PROLOGUE

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**Chapter Three**, Who's Who in the Zoo? arguably establishes baseline protection pre-requisites of identity authentication and access control for both global community commerce and security.

**Chapter Four**, Prioritizing Risk Mitigation discusses the value of good and best security practices for effective interoperable protection.

**Chapter Five**, Estimating Return on Security Investment, attempts to underscore the importance of measuring the total cost risk and benefits in order to meet or exceed stakeholder expectations.

**Chapter Six**, Leveraging Data to Lead with Good Practices, provides context for understanding how we perform in relationship to our peers and against client expectations using benchmarks and surveys.

**Chapter Seven**, Sustainability Requires Governance, reminds us that our community is the final arbiter of security based on the shared values of the social contract.

**Chapter Eight**, Resilience, revisits the likelihood of critical events and the ability of prepared communities to mitigate or alleviate catastrophic consequences.

**The Epilogue**, "How do we make sure this never happens again, globally?" assures us that "continuous improvement" means the end is only the beginning.