

SECURITY TITLE BENCHMARK SURVEY REPORT

Based on a Security Executive Council Survey of
415 respondents between
September 26 and October 20, 2005

Security Executive Council Security Title Benchmark Report

A benchmark survey was posted on the CSO website home page (<http://www.csoonline.com/index.html>) and was conducted between September 26 and October 20, 2005. The survey was available to any CSOonline visitor. A total of 415 responded (not all respondents answered all questions).

Highlights

- ❖ By far the titles Director and Manager account for the largest proportion of the respondent pool (26% and 30% respectively).
- ❖ The most reported industries are financial services (10%), health care (8%), banking (6%), and insurance (6%). (The Hoover's industry categorization headers were used.)
- ❖ The most often cited total organizational revenue is the \$1 to 4.9 billion range (24%).
- ❖ Fifty-four percent of the respondents come from global companies; 36% of the respondents from Fortune 500 companies. Twenty-nine percent report both global and Fortune 500.
- ❖ Global companies compared to non-global companies have roughly the same breakout of title percentages. (See Table I.)
- ❖ Non-Fortune 500 companies have twice as many CSO and CISO titles compared to Fortune 500 companies but about the same percentages of VP and Director titles. Non-Fortune 500 companies also report twice as many Managers. (See Table II.)

See Appendix C for complete results of survey.

Table I TITLE COMPARISON BY GLOBAL/NON-GLOBAL ORGANIZATION

TITLE	GLOBAL	NON GLOBAL
CSO	16 4%	12 3%
CISO	14 3%	12 3%
VP	17 4%	16 4%
Director	59 14%	46 11%
Manager	72 17%	52 13%
Other	44 12%	52 13%
TOTALS	222 54%	190 46%

(Entire Survey Population)

TITLE	GLOBAL
CSO	16 7%
CISO	14 6%
VP	17 8%
Director	59 27%
Manager	72 32%
Other	44 20%
TOTALS	222 100%

(Global Companies Only)

TITLE	NON GLOBAL
CSO	12 6%
CISO	12 6%
VP	16 8%
Director	46 24%
Manager	52 27%
Other	52 27%
TOTALS	190 98%

(Non Global Companies Only)

Table II TITLE COMPARISON BY FORTUNE 500/NON-FORTUNE 500 ORGANIZATION

TITLE	F500	NON F500
CSO	9 2%	19 5%
CISO	7 2%	19 5%
VP	16 4%	17 4%
Director	43 10%	63 15%
Manager	40 10%	83 20%
Other	32 8%	65 16%
TOTALS	147 36%	266 64%

(Entire Survey Population)

TITLE	F500
CSO	9 6%
CISO	7 5%
VP	16 11%
Director	43 29%
Manager	40 27%
Other	32 22%
TOTALS	147 100%

(F500 Companies Only)

TITLE	NON F500
CSO	19 7%
CISO	19 7%
VP	17 6%
Director	63 24%
Manager	83 31%
Other	65 24%
TOTALS	266 99%

(Non F500 Companies Only)



To give an additional and validating view, a comparison was conducted between respondent pools from CSO magazine readers, Security Executive Council (SEC) members and the Security Executive Council Benchmark Survey (online visitors to CSOonline.com). (See Table III.)

Table III TITLE COMPARISON: Security Executive Council membership, Security Executive Council title benchmark and State of the CSO magazine reader survey

Number and Percentage of Respondents										
Security Title	SEC Members		SEC Members: F500		State of the CSO+ (CSO Magazine)		SEC Benchmark Survey		SEC Benchmark Survey: F500	
CSO	(7)	17%	(4)	20%	(31)	10%	(29)	7%	(9)	6%
CISO	(5)	12%	(1)	.05%	(66)	21%	(25)	6%	(7)	5%
VP*	(8)	20%	(5)	25%	(31)	10%	(33)	8%	(16)	11%
Director**	(19)	46%	(10)	50%	(66)	21%	(108)	26%	(43)	29%
Manager**	(1)	2%	(0)	0%	(63)	20%	(125)	30%	(40)	27%
Other	(1)	2%	(0)	0%	(56)	18%	(95)	23%	(32)	22%
TOTAL Respondents	(41)		(20)		(313)		(415)		(147)	

* VP, SVP, EVP

** All variations

+ CSO magazine subscribers were invited to participate, <http://www.csoonline.com/csoresearch/report89.html> <http://www.csoonline.com/csoresearch/report90.html> (See Appendix A for CSO magazine subscriber portrait.)

Note: SEC member organizations have an average revenue of \$20 billion.

The recent CSO magazine study and Security Executive Council Benchmark Survey, apart from the title CISO, show similar break-outs comparing titles. Clearly the Executive Council membership reflects a different pool than the general security professional public with higher percentages for the more senior titles. (However, due to the smaller sample number, the latter results are not reliable.)

Overall, the security function is making headway. Across the entire respondent pool, not being a global or Fortune 500 organization does not preclude an organization from having security personnel, including senior executive positions. In fact, non-Fortune 500 companies show more CSO and CISO titles. However, because there were more respondents from non-Fortune 500 companies that took the survey, a comparison within sub-populations (Fortune 500 and non-Fortune 500) show similar breakdowns (table II). The percentage of C-level titles is still small but has been growing over the past few years. Likely industries with highly visible security issues (e.g., banking and healthcare) will continue to have more security titles until it becomes clearer to the public that security involves more than protecting data in a database. A recent query to the Hoover's executives database, selecting VP (quite telling is there is not an option for CSO), using the keywords "security," "chief security officer," or "global security" and annual sales of \$3 billion or greater (to approximate Fortune 500 level companies) shows an impressive list of companies with a senior security executive (see Appendix B for a list of companies).

Future surveys will reveal the level of growth for the security function regarding a seat with the C-suite and senior level titles.



Appendix A

CSO Magazine Reader Portrait, July 2005
Circulation 27,000

Of security-related titles: Security/IT Management (NET) 80% (of total circulation)

<u>Title</u>	<u>Percent</u>
CSO, CISO, Chief Risk/Privacy/Compliance Officer	9%
CIO/CTO	9%
EVP, Sr. VP, VP of Security	5%
EVP, Sr. VP, VP of IS/IT/Communications/Networking	5%
Dir., Mgr. of Security/Risk/Privacy/Compliance	21%
Dir., Mgr. of IS/IT/Communications/Networking	23%
Consultant	8%

Source: BPA, July 2005
<http://www.bpaww.com/>

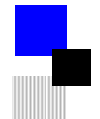


Appendix B

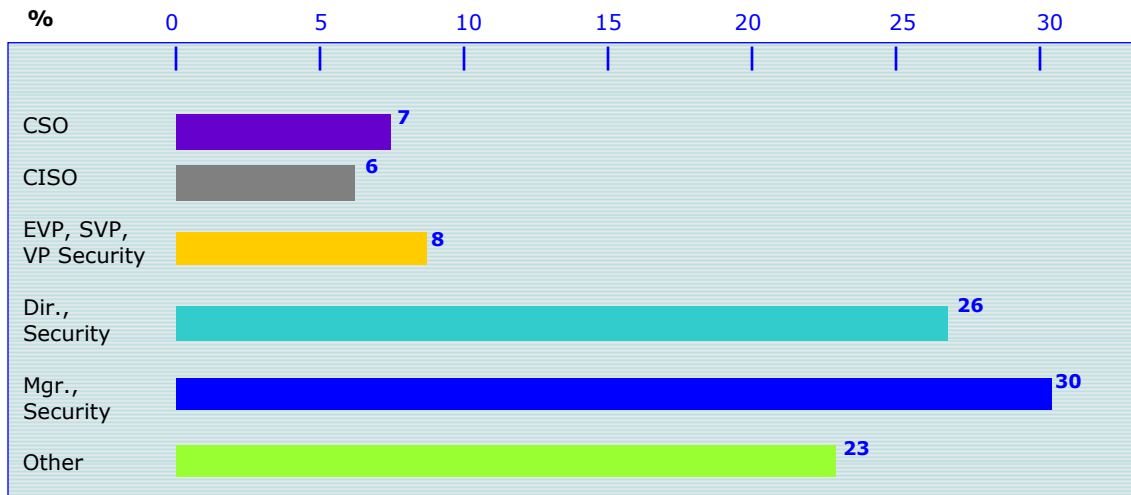
Hoover's Company List*

3M Company
American Airlines AMR Corporation
Apache Corporation
Archer Daniels Midland Company
BellSouth Corporation
BJ's Wholesale Club, Inc.
Colgate-Palmolive Company
Computer Associates International, Inc.
Computer Sciences Corporation
Continental Airlines, Inc.
Costco Wholesale Corporation
Delta Air Lines, Inc.
Fannie Mae
Federal Reserve Bank of New York
GE Infrastructure General Electric Company
L-3 Communications Holdings, Inc.
Macy's East
Major League Baseball
MGM Mirage
Mitsubishi Corporation
National Football League Inc.
Northrop Grumman Information Technology
Northwest Airlines Corporation
OfficeMax Incorporated
Oracle Corporation
Pfizer Inc
Raytheon Company
SAIC, Inc.
The Estée Lauder Companies Inc.
Time Warner Inc.
Tribune Company
United Airlines UAL Corporation
Verizon Communications Inc.
Winn-Dixie Stores, Inc.

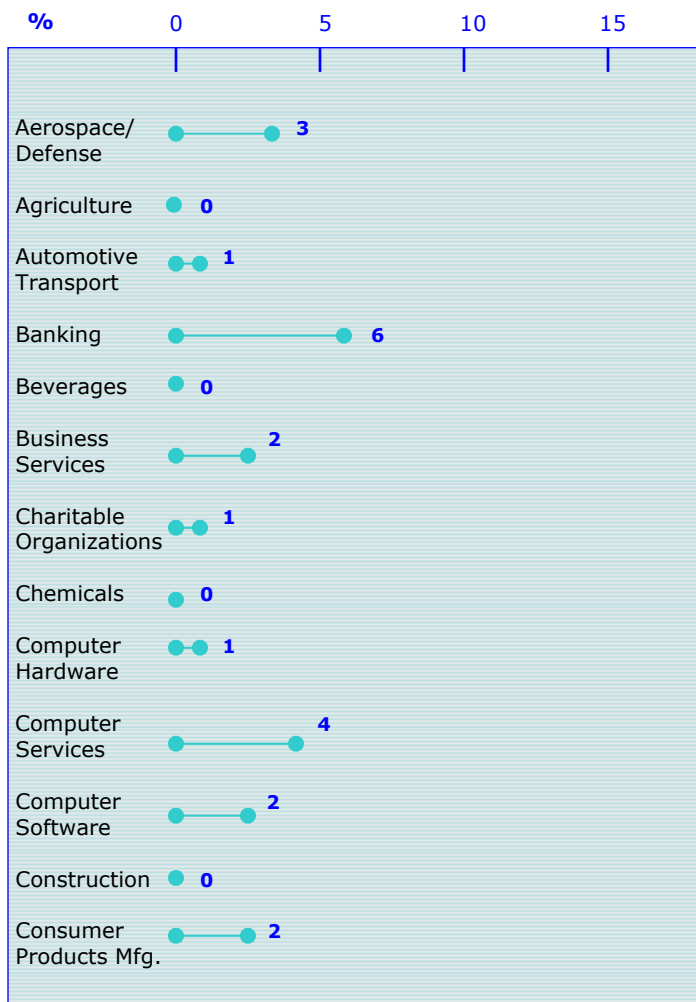
(*Note: This list is not authenticated by Security Executive Council nor necessarily exhaustive; it reflects what Hoover's has stored related to security executives at the VP or C level at \$3 billion plus companies.)

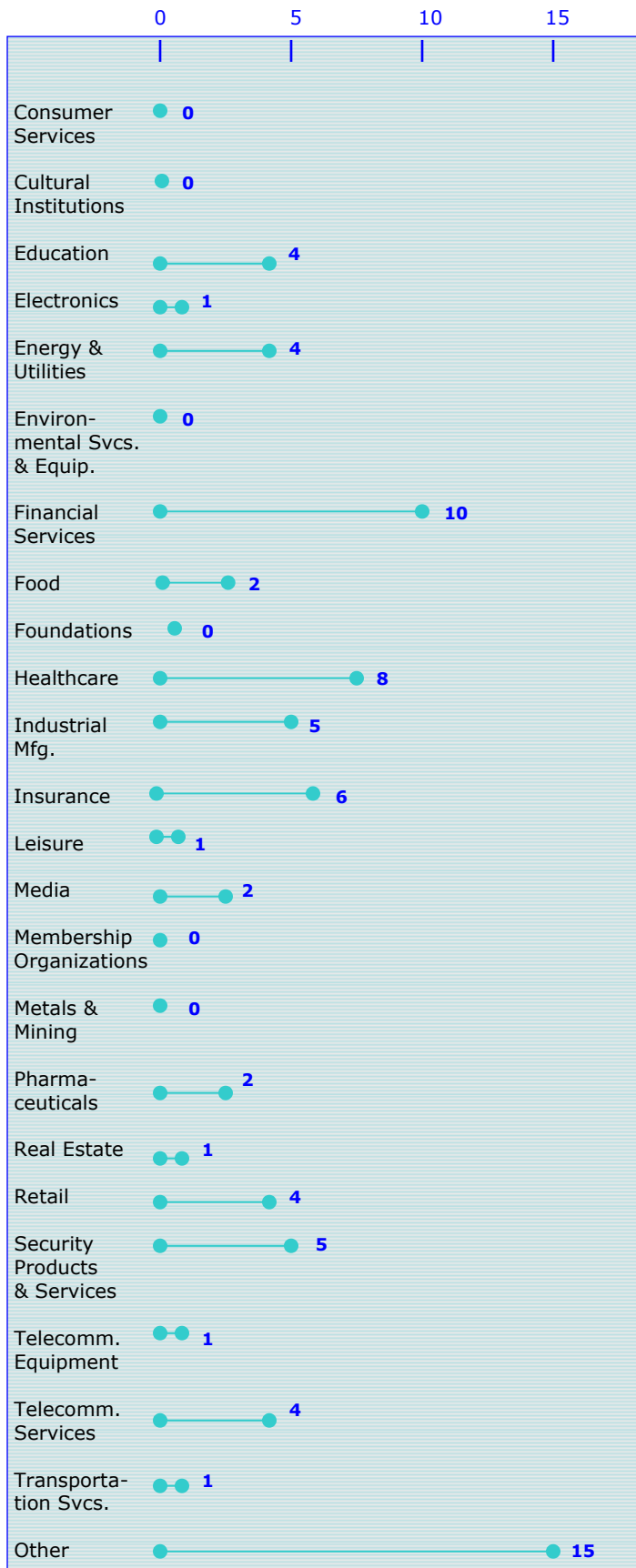


WHAT IS YOUR TITLE?

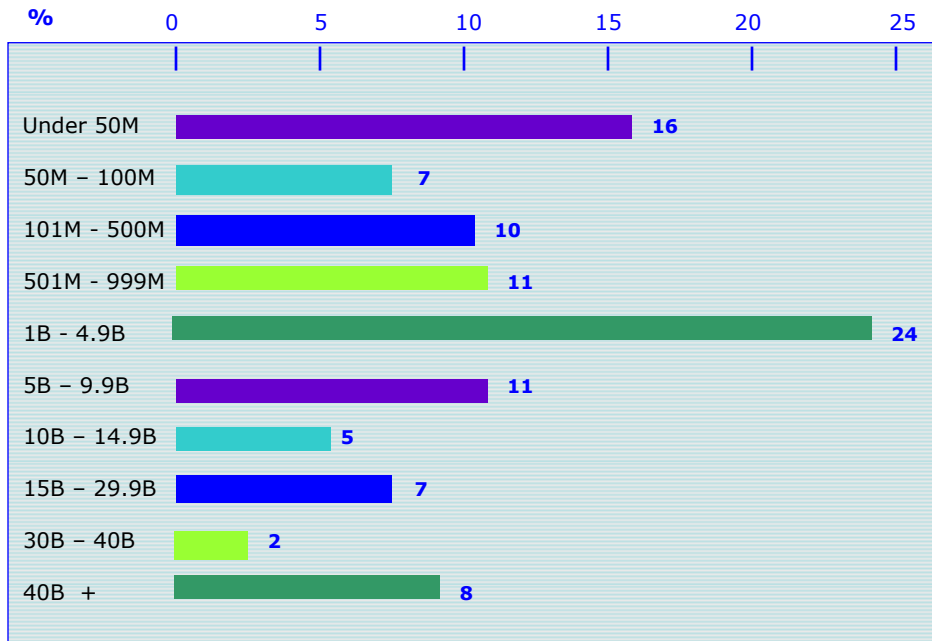


WHAT IS YOUR INDUSTRY?

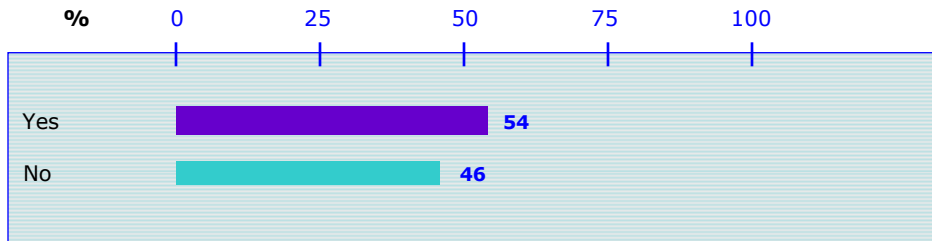




WHAT IS YOUR ORGANIZATION'S TOTAL REVENUE?



IS YOUR COMPANY GLOBAL?



IS YOUR COMPANY A FORTUNE 500 COMPANY?

