

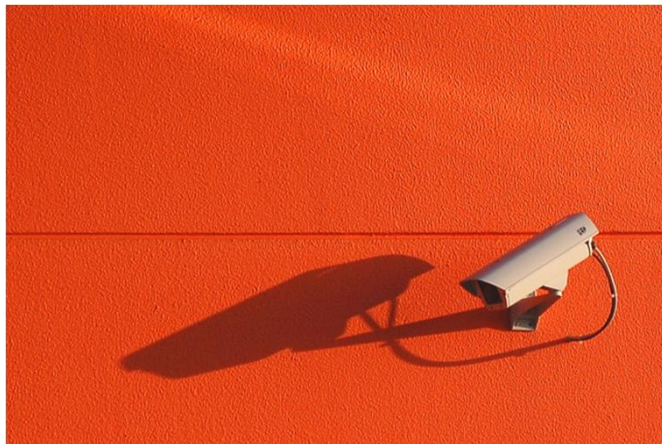


“Kibsification” of private security services: Towards more knowledge-intensive security offerings

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Background



- **Private security services:**
 - Support services
 - High-volume, low-value services
 - R&D investments lower than average
 - Low educational standards
 - Incremental and technology-oriented service development.

- **Market trends:**
 - Continuous growth
 - Increasing demand for protection of citizens and organisations
 - High customer satisfaction
 - Advanced technologies in use

- **External pressures for renewal:**
 - Growth is attracting new entrepreneurs to the field
 - Complex legislation and regulation
 - Public resistance is increasing
 - Security is becoming "everybody's business"

What is KIBS?



- KIBS refers to services that provide knowledge-intensive inputs to the business processes of other organisations.
- KIBS can refer both to business sectors or service firms (e.g. accounting, lawyers, consultants) and to services they provide.
- Specific characteristics of KIBS:
 - Knowledge-intensity, professional expertise
 - Consultancy and problem-solving
 - Client-orientation
 - Intangibility
 - Multidisciplinarity
 - Innovativeness
- Traditionally, security activities are excluded from KIBS.

Aim and research questions



- Aim is to discuss kibsification and KIBS potential in security industry.
- Research questions:
 1. What constitutes the knowledge-base of security KIBS?
 2. What kind of service offerings can be built on this security knowledge-base?
 3. How is client-orientation present in the security markets?

Materials and methods

- The analysis is based on three research projects and some company-specific development projects.

- **SecLi, 2009-2010**
 - Current structure of the security and safety business in Finland
 - Qualitative expert interviews and workshops, scenario work

- **ValueSSe, 2009-2012**
 - Value creation in security services
 - Action research, observations, grounded theory

- **SecNet, 2010-2011**
 - Global and local security networks
 - Questionnaire survey, network modelling, workshops

RQ1: Security knowledge-base

- KIBS relies heavily on professional knowledge.
 - Security industry as a whole does not yet fulfil the criteria of pure knowledge-intensive services.
 - Different services – different knowledge requirements:
 1. Basic security products or services
 2. Systems of security products and services
 3. Security consultancy and training
 4. Integrated security solutions
- *Security industry could identify the current knowledge gaps and profile the specialised knowledge related to each service.*

RQ2: Security offerings built on the knowledge-base

- KIBS emphasises consultancy and problem solving.
 - Security consultancy is not an integrated part of the current service offerings.
 - Security risk analysis could be used more efficiently in service design.
 - “Out of the box”: transformation from support service to strategic security partnership
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- *Security companies could strengthen their security expertise and provide more high-profiled security expert services.*
 - *Security industry has to identify what actual business problems of the customers they can resolve.*

RQ3: Client-orientation in security markets

- Strong client-orientation is a central prerequisite for KIBS.
 - Customers specify the security service content very strictly, and there is often very little room for service provider to take part in this process.
 - On the other hand, the service providers do not use the full potential of customer relationship management either.
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- *Security service providers should enhance the continuous dialogue with their customers.*
 - *To develop security KIBS, a profound understanding of customers' business and security needs is required.*

Conclusion and discussion

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"I didn't just jump to conclusions. I hopped and skipped first."

- KIBS is a prominent concept and kibsification is an emergent trend both for security business specifically and for support services in general.
- How does this conclusion benefit security providers?
 - It encourages them to identify and define security expertise: What is it? How can it benefit their customers?
 - It can help to profile all support services in a new way.
 - At best, it may create more knowledge-intensive security service innovations.



Thank you!
Comments? Questions?