Barclay Simpson
corporate governance recruitment

Corporate Governance
Recruitment
Market Report 2015
Security

BARCLAY SIMPSON MARKET REPORT
2015
SECURITY

CONTENTS

Welcome to Barclay Simpson's 2015 Security Market Report

Barclay Simpson has been producing corporate governance market reports since 1990. This year we are producing two reports. This one, summarising and analysing recruitment trends in the security recruitment market, is supplemented by an employer survey. Later in the year we will produce our compensation and trends report, which will focus on remuneration and will again be supplemented by a survey of security professionals registered with Barclay Simpson. Comparable reports exist for all other areas of corporate governance. They can be accessed in section 8 of this report ("About Barclay Simpson") or at www.barclaysimpson.com.

We place great value on the professional reaction to our reports and would appreciate your comments and any further requests for clarification or information.

Offices	Disciplines
London	Internal Audit
Edinburgh	Risk
New York	Compliance
Dubai	Security and Resilience
Hong Kong	Legal
Singapore	Treasury

EXECUTIVE
SUMMARY

Directors are becoming more involved in cyber security than they were a year ago. According to the results of our survey, the increased threat of cyber attack has become a key recruitment driver.

Real need for security expertise

The cyber attack on Sony Pictures towards the end of last year, combined with the reputational damage it inflicted, made it possibly the most high profile cyber attack ever mounted. If business and political leaders were not aware of the dangers posed by cyber attacks, they are now. As a consequence, the fall in cyber security spending last year will almost certainly reverse as business leaders come to recognise that cyber security is one of the more significant risks they face. In fact, there is already evidence that directors are becoming more involved in cyber security than they were a year ago. According to the results of our survey, the increased threat of cyber attack has become a key recruitment driver.

On a more mundane basis, security recruitment, as it is with other workers, is ultimately based on confidence. Whilst there are questions over the sustainability of the UK's economic recovery, there is little doubt about its effect on the security recruitment market. **Demand for security professionals is mirroring demand for people in the wider economy. If only to confirm this, the recruitment budgets of 41% of the security functions we surveyed at the end of 2014 had increased.**

Economic productivity now rising

With employment in the UK reaching an all time high, perhaps the biggest criticism of the recovery is the fall in productivity. Given the complexity of data capture, the reported falls may be wrong. However, in uncertain times it is perhaps less risky for companies to increase output by

recruiting people, rather than committing to more expensive capital investment.

The good news for the UK economy is that business investment is recovering. Historically, there has been a well defined link between business investment, a significant proportion of which is spent on IT, and recruitment trends in security. As business investment rises, so does the recruitment of security professionals. Furthermore, after an extended period when real earnings were falling (a fate our salary surveys have previously confirmed many security professionals did not escape) real earnings are finally rising.

Security departments are chronically understaffed

A key finding from our survey is that security functions remain chronically understaffed. **76% of respondents, a similar percentage to the previous year, report they are insufficiently resourced to meet the demands made on their functions.** It is perhaps the reason why 78% report they have recruited or have attempted to recruit in the last six months and only 4% anticipate they will not need to recruit externally in 2015. 4% is the lowest percentage of all the corporate governance areas that Barclay Simpson recruits for.

2015 looks positive

Our survey makes positive reading and appears to confirm that it has been some years since the employment prospects for security professionals have been this good. Confidence around the economy is high and there is real need behind the demand for security expertise. **It does pose the question: where will the required security professionals come from?**

02 MARKET ANALYSIS

VACANCIES

Numbers employed in security growing

The results of our survey confirm our own experience that the number of vacancies and the number of people employed in security is rising. The increase in vacancies is widespread in financial services and particularly in banking where security resources are being developed to provide first and second line risk management. Within commerce, the threat and consequences of cyber attacks are becoming widely understood. **Many companies involved in providing critical national infrastructure are undertaking reviews and re-organisations of their security resources.** A further development associated with the heightened level of threat is that companies are more likely to bring their Cyber Security Operations Centres (CSOC) in-house and on-shore where they should be more responsive and manageable. This has resulted in higher demand for CSOC managers which we expect to continue.

Another area of high demand, in response to fast paced developments in applications, is application security. Risk and third party assessments, including areas such as PCI compliance, are also areas of high demand. Smaller companies are finding that relying on one security manager is not necessarily enough. There has been a notable increase in demand for security professionals from smaller companies, in sectors such as insurance, fund management and retail.


● New vacancies
● Outstanding vacancies

RATE OF PLACEMENTS

Companies looking to fill vacancies more quickly

To provide a better insight into the dynamics of the security market, this graph plots the rate at which placements have been made across the last four years. The graph demonstrates the rate at which candidates are being offered jobs which are then accepted.

The rate of placements fell in 2013 and also in the first half of 2014, as companies were prepared to leave vacancies unfilled, rather than compromise on their perfect recruit. Vacancies are now being filled more quickly and responses to our survey include those complaining that potential recruits have accepted jobs elsewhere before they have completed their own recruitment processes. **As a consequence, there is now a broader appreciation that wish lists for the perfect recruit need to reconsidered and also companies must utilise effective and swift recruitment processes.** Recruitment processes, from first interview to offer, are now regularly taking no longer than two weeks. This is a change from the often interminable recruitment processes of a year ago.

A factor slowing the rate of placements is the prevalence of counter offers. Not surprisingly, employers increasingly appreciate the difficulties involved in replacing valued security professionals and are currently far more likely to make a counter offer.

● Placement rate
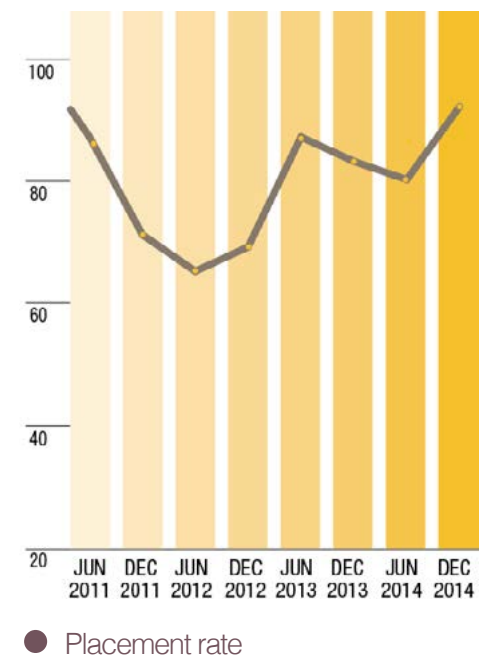
Recruitment market is evolving

The recruitment market for cyber security, IT security and information security professionals is currently evolving more rapidly than ever. It is an exciting time. As commerce increasingly adopts digital technology, new threats are emerging. Security professionals working in all sectors need to be able to embrace change and those who can will reap the benefits in terms of career progression and earning potential. As skills become dated, it is more difficult for technical security professionals to leave and then re-join the profession.

Risk is less company centric

For some sections of the security recruitment market there has been a change in emphasis. Historically companies decided on their budgets and recruitment strategies within IT / cyber security on their assessment of the IT risks and their risk appetite. **Now, with increased government and regulatory oversight, and particularly those businesses considered critical to national infrastructure, decisions regarding the level of security resource deployed have become less company centric and more likely to be swayed by external influences.** The pressure to recruit has increased and this is being reflected in the recruitment market.

Shortage of appropriate candidates

Our survey suggests that security functions overwhelmingly anticipate they will need to recruit in 2015. Their recent experience suggests that 53% are finding potential recruits difficult to source and 72% have difficulties recruiting. Some functions complain that there are too many security professionals in the recruitment market who do not have the necessary skills. Their time is wasted by sifting through CVs and conducting ultimately pointless interviews. **We do not believe this is a problem that Barclay Simpson has contributed to based on our knowledge and experience of the market place.**

With a limited pool of appropriately skilled candidates who can cross what were previously impervious barriers between sectors, it is imperative that companies adopt efficient and effective recruitment processes. For some, they simply need to recognise that the market has changed. We are also coming to recognise that security professionals are frequently seeking to achieve something different when they change job.

Candidates seeking more exciting challenges

There are many interesting and challenging roles currently available in the security recruitment market. **Security professionals are becoming less attracted simply by big name corporations and banks, often preferring the opportunity to work with leading edge technology.** Large retail banks, and to a lesser extent other FTSE 100 companies, have recently struggled to fill permanent positions with vacancies often open for several months. They have frequently lost their otherwise preferred candidate to agile smaller businesses who conduct short and efficient recruitment processes and are able to offer varied roles with exciting technological challenges. The appeal of such work can even outweigh salary considerations.

> The recruitment market for cyber security, IT security and information security professionals is currently evolving more rapidly than ever.

Technical skills vital

Companies are, however, responding to candidate shortages. Some of these responses are picked up in our survey. For example, whilst last year companies reported that finding candidates with the right interpersonal skills was a greater challenge than finding those with the right technical skills, this year the trend has reversed.

Our conclusion is that given the shortage of security professionals, many departments are satisfied with securing candidates with simply the right technical skills and are prepared to leave optimum interpersonal skills as a lower priority. Our survey also reveals that security functions are currently more likely to recruit internally, to recruit over a wider age range and to use contractors. They are also more prepared to recruit security professionals from other sectors.

FINANCIAL SERVICES AND BANKING

Late last year RBS was fined £56 million by regulators after millions of customers were unable to access their accounts. Modern banking and financial services requires reliable, secure and resilient systems. RBS, in spite of a £2 billion annual IT budget, is not alone in its vulnerability to legacy IT systems - it is a critical issue for the wider sector. Many banks operate with a patchwork of disparate systems which have been frequently bolted on over the last 30 years. Regulators are clearly taking an interest in the IT risks faced by the financial services industry and security is a key focus.

Industry responding to regulatory threat

The industry is responding in terms of regulatory conformance for Information Risk / Security, Technical Risk and Cyber Security. **Many banks have undergone change programmes as security moves to the 3 lines of defence model advocated by the regulators.** Functional leaders who had previously held roles that spanned a wider remit have been adjusting to new roles in either the 1st or 2nd line of defence. Inevitably security functions have needed to look for expertise externally and movement has been generated as security professionals have migrated between first and second lines of defence.

Another area of growth for the sector has been cyber security operations such as threat detection, investigation, incident response and intelligence. Whilst the more generic roles in security operations have steadily disappeared offshore, banks are putting more robust models in place and

expanding their functions to enable them to follow working hours around the world. Expertise is being sought at computer centres which are often located far away from the South East, making niche skill sets hard to source.

Banks are also pushing down the supply chain more robustly in terms of 3rd party assurance and several have expanded in this area. It continues to be a route in-house for consultants and a good way in for IT auditors to transfer into information security.

COMMERCE

Prior government experience sought after

There is a trend for senior security professionals from the civil service and security services to undertake leadership positions within commercial groups that are considered critical to national infrastructure. This is perhaps not surprising given the government's increasing interest after initiatives such as the Government's UK Cyber Security Strategy. Although it was published in 2011, it contained business related targets for 2015. Security professionals with government related backgrounds have the advantage of being security cleared and in possession of the organisational savvy and contacts to build effective relationships with the relevant security services.

Mobile applications and digital products have become huge growth areas within the commercial sector. Customer interfaces are becoming more sophisticated and regularly used (as opposed to traditional websites). This growth is resulting in greater demand for security

> Security professionals with government related backgrounds have the advantage of being security cleared and in the possession of the organisational savvy and contacts to build effective relationships with the relevant security services.

professionals with application security skills both in terms of risk assessment and also in terms of coders and programmers with security experience.

Another factor positively influencing demand in these sectors is regulatory and best practice change. Since their release, both ISO 27001:2013 and PCI DSS version 3 have influenced demand for GRC focused information security generalists.
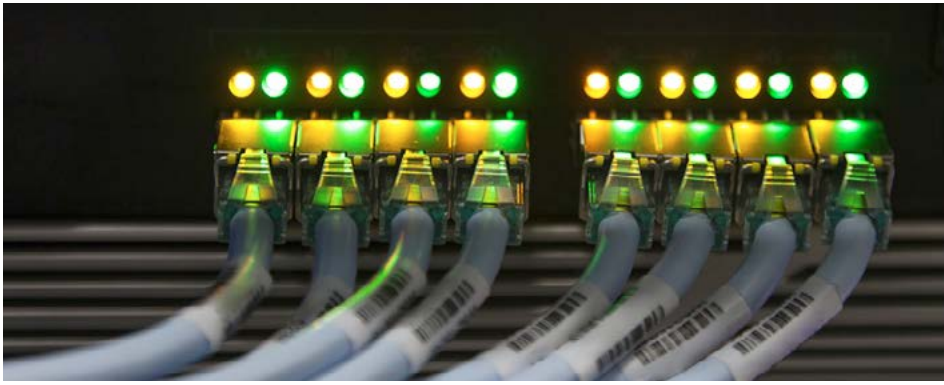
CONSULTANCIES AND SYSTEMS INTEGRATORS

In our previous market report we suggested that competition for security expertise within the Consultancy and SI sectors was going to strengthen. It has, and a number of consultancies are currently looking to substantially increase the headcounts of their security practices.

There is a limited pool of security consultants available and in demand candidates are routinely able to secure multiple offers.

Consultancies looking to expand

A number of the larger consultancies and SIs are looking to expand their service offering as a means of gaining a competitive edge and growing their revenues. For example, consultancies that have historically offered security advisory services are investing in managed security service functions. Similarly, systems integrators are investing in business consulting services. Consultancies are also looking to expand their customer base with clients in the financial services industry most sought after. As a consequence, security consultants with financial services experience gained either in-house, or as consultants, are in demand, particularly those with business development skills.

The skills in demand have remained consistent: a mixture of technical security, information assurance and 'business consulting'. Whereas demand was previously focused on mid-level consultants, this has more recently expanded to all levels up to Managing Consultants and, in the case of the 'Big 4', to Senior Manager, Director and Partner level.

Although CLAS consultants are still in demand, the level of demand has declined during the last 12 months. The current priority is for consultants with CCP certification experience. We anticipate this demand will continue throughout 2015.

CONTRACT

The response to our survey, which is in line with our experience of the recruitment market, suggests a pick up in the demand for contractors. The percentage of security functions reporting the use of contractors has risen from 39% to 48%, with the majority using contractors for project specific assignments.

In the second half of 2014, the increase in demand for contractors was notable within information security assurance and compliance. This was most likely in response to increased regulatory oversight and a reaction to best practice guidelines of ISO 27001:2013 and PCI DSS version 3. Security functions are utilising contractors to assess their readiness for these requirements and to assess the implications for their business; this is particularly true of PCI DSS version 3. **As a result there has been an increased utilisation of contractors with change and project skills, ranging from programme managers to business analysts.**

In 2014, there was also an increase in demand for contractors with experience in BYOD security. With more employers embracing flexible working and allowing home working, the associated security risks continue to rise. This trend will most likely continue in 2015.

> "With more employers embracing flexible working and allowing home working, the associated security risks continue to rise. This trend will most likely continue in 2015."

OUTLOOK

Economic growth to be reflected in the recruitment market

A strong economy is vital for a healthy recruitment market and current forecasts suggest that the UK economy will continue to grow steadily in 2015. **Whilst the number of security breaches reported by the Department of Business actually fell in 2014, the cost of individual breaches is rising dramatically and cybercrime continues to cost the UK economy heavily.** From denial of service attacks and malicious software, to hackers stealing and leaking information, to rogue employees involved in data theft, the threats to businesses are vast and the government's Cyber Security Information Sharing Partnership (CiSP) is much needed.

Government getting increasingly involved

Having pledged to spend £860 million over 5 years to build a National Cyber Security Programme (NCSP), the UK government made significant advances in 2014, including their launch of PAS 754 'Software trustworthiness – Governance and management – Specification'. Funded by the NCSP to assist organisations in selecting 'trustworthy' software, it involved a collaboration between the public sector, industry and academia. Also launched in 2014 was CERT-UK, created to manage national cyber security incidents.

Security recruitment budgets increasing

Companies are clearly responding to the threat and their security recruitment budgets are increasing. Given the shortage of candidates, whilst not overtly compromising on the quality of their recruits, companies are becoming realistic and putting their wish list for the perfect recruit to one side. Looking forward, and in order to overcome the current chronic shortage of candidates, security functions are becoming more innovative in solving their recruitment needs.

Substantial opportunities for security professionals in 2015

Our survey predicts that companies remain short staffed and overwhelmingly anticipate the need to recruit in 2015. We are also aware, for example, that demand from the consultancy sector is likely to rise. There are instances where major consultancies have invested heavily in senior executives who will now be looking to build out teams. Furthermore, there are also companies undergoing major security transformation programmes coming to the recruitment market with multiple security recruitment needs. **There is unlikely to be any let up in demand in 2015. For security professionals with a deep knowledge of their subject matter, strong interpersonal skills and a broader awareness of the challenges facing the industry, 2015 should provide substantial opportunities.**

> Looking forward, and in order to overcome the current chronic shortage of candidates, security functions are becoming more innovative in solving their recruitment needs.

SALARY GUIDE

We reported in our main Salary Guide and Compensation Survey six months ago that the average salary increase achieved by security professionals changing jobs was 17% (up from 14% in 2013) and a little above its long term average. This was against the 4% achieved by those staying with their existing employers. The 4% increase achieved by those staying put was also flattered by those who had benefited from promotions and buy backs on potential resignation. In fact, many security professionals, like others working in the economy, had reported minimal or even no increase in their salary. With the recent fall in inflation and an economy growing close to trend, we would expect this pattern to change. However, in response to our recent survey, in spite of 72% of security functions reporting they are finding it difficult to recruit, only 22% (albeit up from 12% last year) report security salary expectations are beyond their budget. In our opinion, based on our current experience of the recruitment market, salary is less likely to be a determining factor as most companies are currently prepared to offer realistic salaries. Whereas salary, corporate profile and work life balance were more likely to be determining factors, quality of work and the experience a prospective employer is offering are generally of most interest to security professionals.

Although companies and governments remain highly vigilant, real earnings are now rising. We would expect salary increases in security to accelerate, particularly after an extended period when salary increases, especially for those staying with an employer, have been low.

Salary Guidance

Barclay Simpson analyses the salary data that accumulates from the placements we make in the UK. This provides a guide to salaries for security professionals.

The salary ranges quoted are for good, rather than exceptional individuals and take no account of other benefits in addition to salary that usually accrue to internal auditors, such as bonuses, profit sharing arrangements and pension benefits.

Barclay Simpson will release a Compensation and Market Trends Report in July that will include detailed information on salaries.

| SELECTED PROFILES - PERMANENT	LONDON	REST OF UK
Senior Data Protection Analyst Team member in a small DP department for a large mobile telecommunications group. Proven experience in a similar role and ISEB qualified.	£48 - 53,000	£40 – 46,000
Security Analyst Generic information and IT security consulting and project delivery in a large retail financial services group.	£49 – 60,000	£42 – 50,000
Senior Business Continuity Consultant Working for a large consultancy firm, delivering and managing consulting engagements and in some cases managing junior staff. Some sales and business development responsibility.	£63 – 69,000	£56 – 62,000
Security and Compliance Manager Security Manager responsible for the business meeting compliance standards such as ISO27001 and PCI.	£65 – 75,000	£58 - 65,000
Identity & Access Management Consultant Solid skills in identity and access management design and architecture. Background of working in consultancy, with good client-facing skills and bid work experience.	£65 – 75,000	£60 – 67,000
PCI QSA Practicing QSA working with external clients and managing their entire PCI compliance programme.	£67 – 78,000	£57 – 67,000

SELECTED PROFILES - PERMANENT (CONTINUED)	LONDON	REST OF UK
SIEM Consultant Technical specialist with strong skills with a leading SIEM solution such as ArcSight or RSA enVision. Design, implementation and integration experience. Client facing consultative role.	£67 – 80,000	£57 – 70,000
Senior Security Consultant Working for an SI, undertaking security consultancy and delivering on security projects for a large-scale client. Senior person also involved in bid / proposal work and mentoring team members.	£67 – 84,000	£59 – 70,000
CLAS Consultant/CCP Senior level in a security practice of a large consultancy or SI. Skills in security architecture, security policy formulation and review, and risk assessment. Also undertakes business development activities.	£67 – 85,000	£62 – 70,000
CHECK Team Leader Working in a penetration testing practice within a consultancy. Responsibility for some client management and mentoring less experienced penetration testers.	£74 – 84,000	£67 – 73,000
Security Manager Security background in a small financial services company. Demonstrable management experience. No permanent reports. Will utilise consulting firms and contractors on an ad-hoc basis.	£78 – 86,000	£65 – 71,000
EMEA Manager of Data Protection Medium to large insurance group. No direct reports. EU Data Privacy legislation experience.	£79 – 89,000	£67 – 73,000
Network Security Team Leader Working in a FTSE 100 group leading a team of 6-8 network security specialists, reporting directly to the Head of Security. 10 years experience.	£84 – 89,000	£70 – 76,000
Head of Business Continuity Major financial services group, a large team to manage/supervise. Established career history within BCM.	£112 – 125,000	£96 – 105,000
Head of Security Managing a team of 8 security professionals in a financial services company, assisted by 2 more junior managers. Significant management experience and wide security experience.	£122 – 132,000	£94 – 100,000

SELECTED PROFILES - CONTRACT	LONDON	REST OF UK
Data Privacy Analyst Experience of DPA 98 and EU Privacy Directive 95/46/EC, required to provide specialist privacy knowledge and support.	£425 – 475 per day	£350 – 400 per day
Security Monitoring Analyst Analyst using various security solutions deployed within the IT environment, providing active monitoring, identification, notification and response to internal and external threats and recommendation for the mitigation of risks.	£450 – 475 per day	£400 – 450 per day
Security Consultant Providing security advice across the business, ranging from policy review and development, to information risk reviews. Holds CISSP or CISM.	£500 – 600 per day	£450 – 550 per day
Business Continuity Consultant Managing a team of 8 security professionals in a financial services company, assisted by 2 more junior.	£500 per day	£400 per day
Penetration Tester SME in application security, code reviews and vulnerabilities, attacks and countermeasures with a deep knowledge of hacking and penetration testing techniques, methodologies and tools across web application and infrastructure.	£500 – 600 per day	£450 – 550 per day
SIEM Consultant Technical Specialist with strong skills with leading SIEM solution such as ArcSight or RSA envision. Design, implementation and integration experience.	£550 per day	£500 per day

SELECTED PROFILES - CONTRACT (CONTINUED)	LONDON	REST OF UK
Technology Risk Consultant Good technical understanding with the ability to identify, assess, manage and report risk. Working with different projects within the organisation on varying technologies.	£550 – 600 per day	£500 – 550 per day
Application Security Consultant Consultant will need to identify appropriate security controls, as well as carry out code reviews of J2EE enterprise applications, penetration tests, tracking new requirements and recommending improvements.	£550 – 600 per day	£550 – 600 per day
PCI Consultant PCI consultant who can work with the client to ensure compliance to the PCI-DSS standards.	£550 – 650 per day	£550 – 600 per day

SALARY CHART - END USERS	BANKING	NON BANKING FS	COMMERCIAL FTSE 100 EQUIVALENT	COMMERCIAL FTSE 250 OR SMALLER
Info Security Analyst 2 yrs	£36 – 40,000	£33 – 37,000	£32 – 34,000	£30 – 33,000
Data Protection Analyst 2 yrs+	£36 – 42,000	£36 – 42,000	£36 – 42,000	£35 – 40,000
Business Continuity Analyst 2 yrs +	£37 – 46,000	£37 – 46,000	£36 – 42,000	£31 – 40,000
Info Security Analyst 3 yrs	£45 – 49,000	£39 – 46,000	£37 – 43,000	£31 – 35,000
Business Continuity Manager (4 yrs + no team)	£45 – 80,000	£50 – 85,000	£50 – 75,000	£45 – 68,000
Info Security Analyst 4 yrs +	£55 – 65,000	£50 – 56,000	£43 – 52,000	£38 – 44,000
Data Protection Manager (5 yrs + no team)	£65 – 90,000	£58 – 80,000	£55 – 85,000	£55 – 80,000
Info Security Manager (team under 5)	£80 – 105,000	£73 – 95,000	£70 – 90,000	£68 – 90,000
Info Security Manager (team 5+)	£90 – 125,000	£88 – 120,000	£85 – 110,000	£77 – 100,000
Head of Info Security (dept under 10)	£118 – 140,000	£115 – 135,000	£100 – 126,000	£90 – 126,000
Head of Info Security (dept 10+)	£160,000+	£140,000+	150,000+	N/A

SALARY CHART - CONSULTANCIES AND SIS	BIG 4	SYSTEMS INTEGRATOR	LARGE CONSULTANCY	BOUTIQUE CONSULTANCY
Penetration Tester (under 4 years exp)	£28 – 46,000	£30 – 48,000	£30 – 48,000	£32 – 50,000
Consultant	£36 – 50,000	£35 – 49,000	£38 – 50,000	£40 – 55,000
CHECK Team Member	£40 – 50,000	£40 – 55,000	£40 – 60,000	£40 – 60,000
Senior Consultant	£44 – 55,000	£45 – 65,000	£45 – 65,000	£47 – 65,000
Manager	£56 – 75,000	£62 – 78,000	£62 – 78,000	£62 – 80,000
CHECK Team Leader	£58 – 90,000	£60 – 85,000	£60 – 85,000	£65 – 90,000
Senior Manager	£72 – 105,000	£70 – 87,000	£70 – 87,000	£70 – 90,000
Director (Practice Lead)	£100 – 148,000	£90 – 110,000	£95 – 120,000	£95 – 120,000

07

EMPLOYER SURVEY **2015**
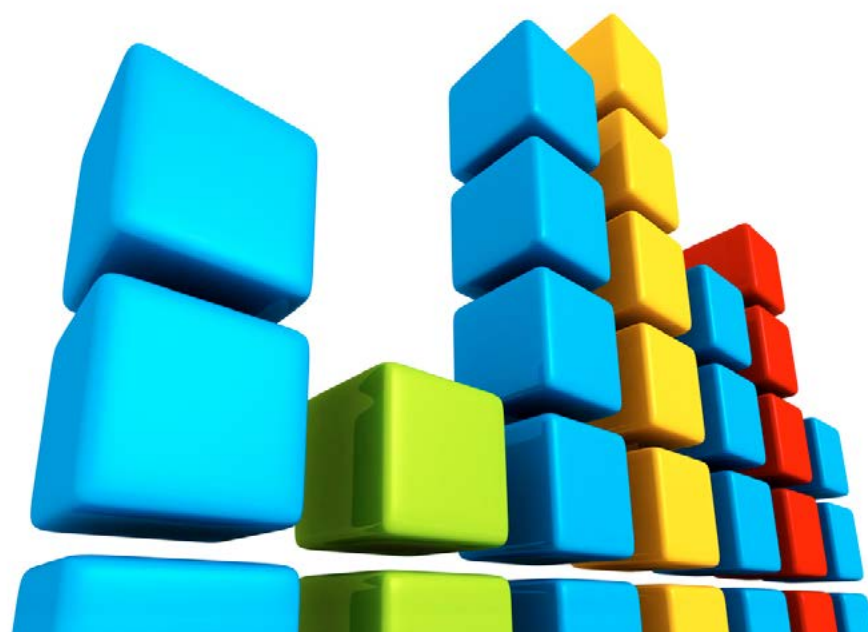
Security

As we did in 2014, this year we are including the results of our recently completed employer survey in this, our 2015 Market Report.

The results include some interesting conclusions and cover:

- **Current recruitment needs**

- **Skills, qualities and experience most in demand**

- **Willingness to recruit candidates from other sectors / jurisdictions**

- **Views on quality and expectations of currently available candidates**

- **Key recruitment drivers in 2015**

- **Recruitment intentions for 2015**

Our survey of employers covered not only security, but also compliance, risk, internal audit and legal. All respondents to our survey were individuals with responsibility for recruitment who were asked questions designed to elicit their perspective on the recruitment market.

As a result, in addition to providing specific findings for security, we are also able to make comparisons with the broader picture in corporate governance.

Contents

Key conclusions

Security departments are under-resourced and the demand for security professionals is rising. Given such demand, competition for the type of security professionals companies wish to recruit is intense. There would appear to be no let up in demand in sight. The main conclusions from our 2015 Security Recruitment Survey are listed below.

Fierce competition for the best candidates

Managers continue to report their departments are under resourced

- **76%** of managers do not believe their security department is "sufficiently resourced" for the demands that are made on it" (76% last year)

Recruitment budgets increasing

- **41%** of managers report an increase in their recruitment budget
- **Only 7%** report budgets have decreased

Managers finding it more difficult to recruit

- **53%** of managers report security professionals difficult to find (up from 35%)
- **72%** of managers say that they are finding it difficult to recruit (up from 59%)

Required technical skills the most difficult to find

- **56%** of managers report that finding security professionals with the required technical skills is the greater challenge over 44% reporting finding interpersonal skills
- This is a reversal from 2103 when 53% of managers reported that the required interpersonal skills were more difficult to find

3-7 years' experience the key

- **70%** of managers are likely to look to recruit security professionals with between 3-7 years experience
- Only **7%** are likely to look for security professionals with less than 2 years experience

Companies more likely to recruit internally

- **21%** of managers report that internal recruits are their most likely source of candidates (up from 15%)
- Recruitment consultancies remain the main source

Increasing use of contractors

- **48%** of departments report the use of contractors (up from 39%)
- Contract periods invariably over 3 months with 35% over 12 months
- **67%** of contractors are used for project specific purposes

Salary expectations high but generally affordable

- **22%** of managers report salary expectations excessive and beyond their budget (up from 12%)
- **78%** consider expectations within their budget

Diversity and inclusion targets more common than in other sectors

- **40%** of security departments report recruiting against diversity and inclusion targets
- It is more common than in other areas of corporate governance
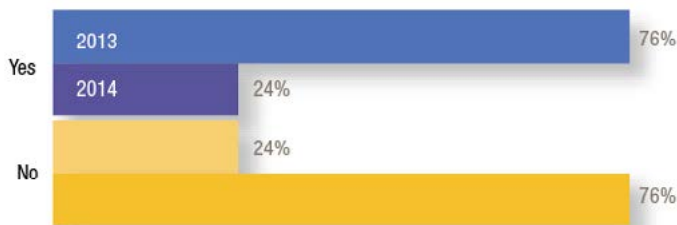
Significant demand set to continue in 2015

- Only **4%** of managers report they are unlikely to recruit in 2015
- **47%** report they will definitely need to recruit
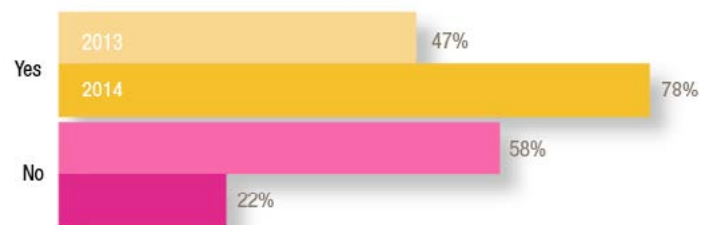
Employer
survey results

Demand

Over three quarters of departments under-resourced

Q - Do you feel your department is sufficiently resourced for the demands that are made on it?

Yes
2013   76%
2014   24%

No
        24%
        76%

Intense competition for best candidates

Q - Have you recruited, or attempted to recruit, externally in the last six months?

Yes
2013   47%
2014   78%

No
        58%
        22%

Demand set to increase in 2015

Q - What are your recruitment plans for 2015?

Likely to recruit
2013   47%
2014   74%

Will only recruit to replace leavers
        25%
        22%

Unlikely to recruit
        28%
        4%
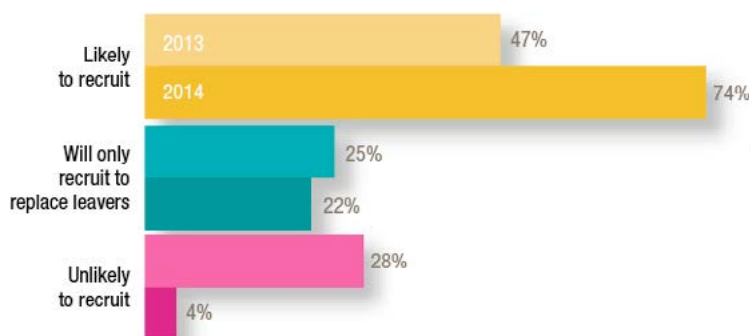
Recruitment budgets increase

Q - Has your recruitment budget increased in the last year?

Yes, it has increased   41%
No, it remains the same   52%
No, it has decreased   7%
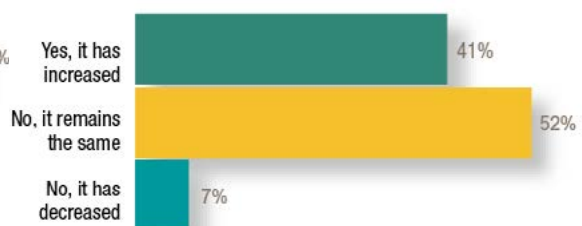
(Question not asked in 2013)

"
The cyber attack on Sony Pictures was possibly the most high profile ever
"

Candidate availability

Good security professionals hard to find

Q - How would you rate the availability of candidates?

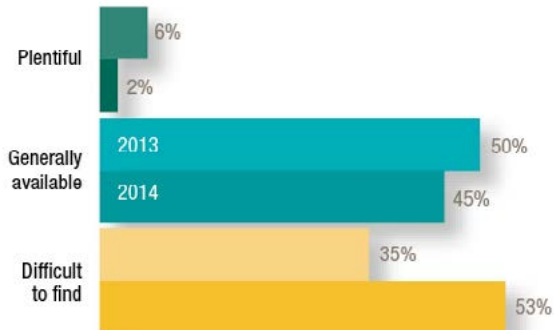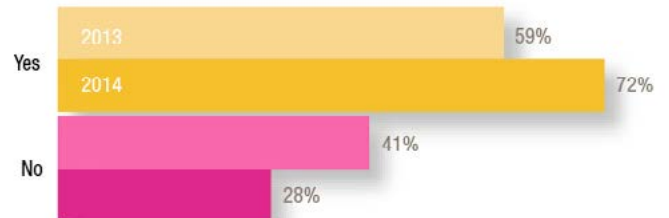|	
Plentiful	6%
	2%
Generally available	2013 — 50%
	2014 — 45%
Difficult to find	35%
	53%

Recruitment problems mounting

Q - Overall, have you found it difficult to recruit?

Yes	2013 — 59%
	2014 — 72%
No	41%
	28%

Key skills

Technical skills now more important than interpersonal skills

Q - What has been your greatest challenge when recruiting?

Finding candidates with the required technical skills	2013 — 47%
	2014 — 56%
Finding candidates with the required interpersonal skills	53%
	44%
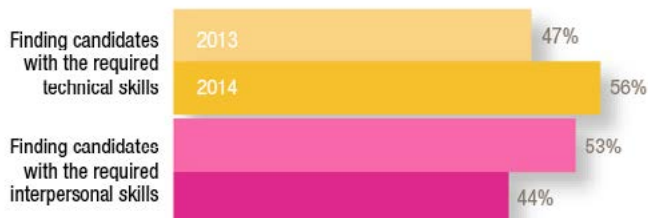
> " Security functions remain chronically understaffed "

Technical suitability is clear priority

Q - In order of significance, what are the key considerations when deciding to progress a candidate to offer stage?

Consideration	Weighted average 2013	Weighted average 2014
Technical suitability	5.3	5.2
Interpersonal skills	5.0	4.7
Cultural fit	4.1	4.4
Perceived desire to work for the Company / Department	3.0	3.0
Professional and educational qualifications	2.3	2.6
Input from HR	1.3	1.3

Significant growth in demand for 7- 10 yrs' experience

Q - When recruiting, what level of experience are you most likely to request?

Experience	2013	2014
> 10 years	5%	0%
7 - 10 years	2%	23%
5 - 7 years	36%	31%
3 - 5 years	55%	39%
< 2 years	2%	7%
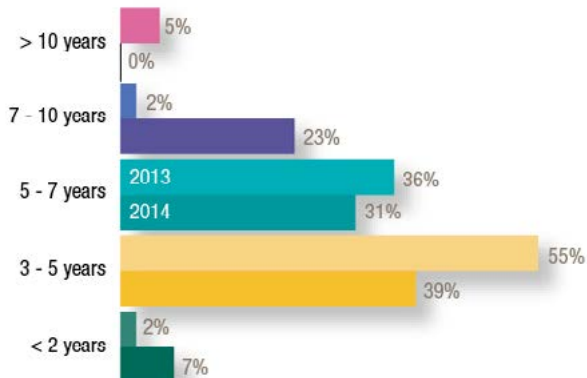
CISSP and CISM most sought after qualifications

Q - Which of these security qualifications are you most likely to value?

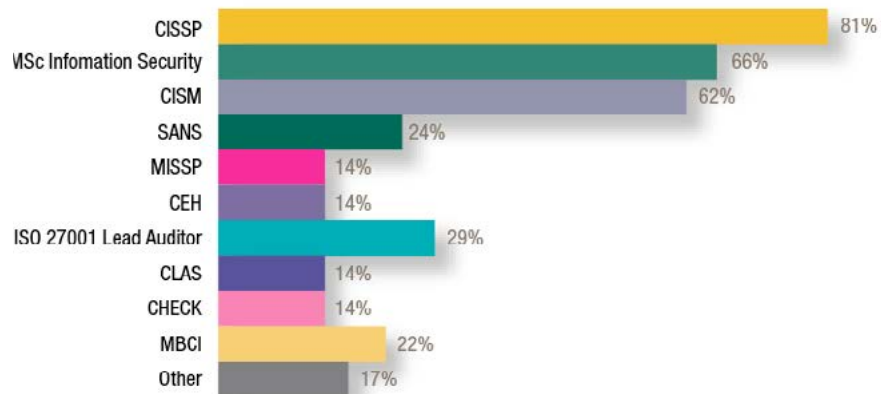| Qualification	%
CISSP	81%
MSc Infomation Security	66%
CISM	62%
SANS	24%
MISSP	14%
CEH	14%
ISO 27001 Lead Auditor	29%
CLAS	14%
CHECK	14%
MBCI	22%
Other	17%

Use of contractors

Increasing use of contractors

Q - At any given time, what is the approximate percentage of your department that is made up of contractors?

	2013	2014
> 40%	6%	0%
30 - 40%	6%	5%
20 - 30%	6%	5%
10 - 20%	8%	24%
< 10%	13%	14%
Do not use	61%	52%
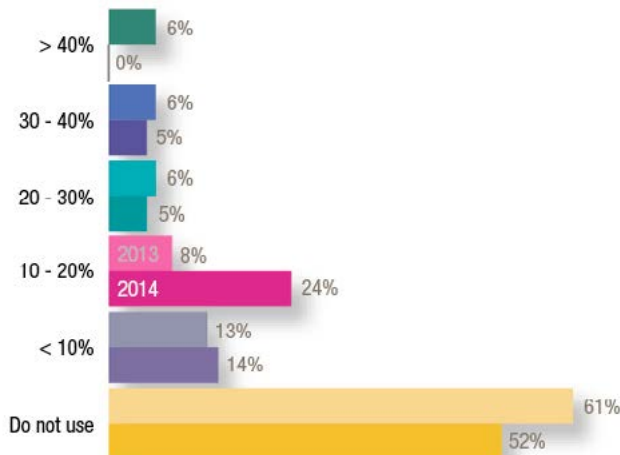
Specific projects driving demand

Q - What is your main reason for using contractors?

	2013	2014
Project specific	43%	67%
BAU-due to lack of permanent staff	36%	33%
Using a subject matter expert	21%	5%
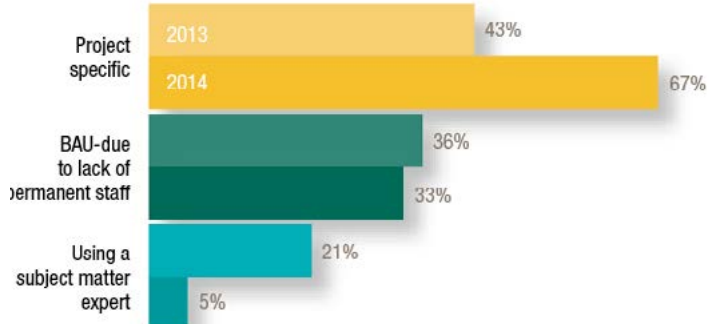
Increase in longer term contracts

Q - What is the average contract period?

	2013	2014
> 12 months	28%	35%
6 - 12 months	36%	29%
4 - 6 months	36%	36%
< 3 months	0%	0%
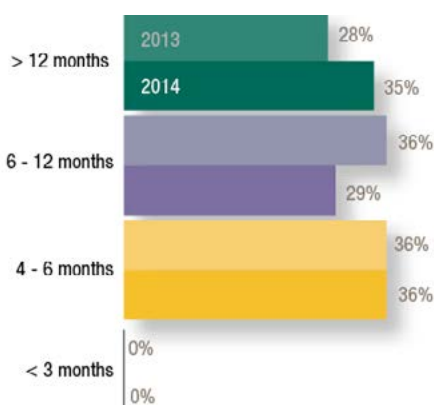
" Where will the required security professionals come from? "

Other findings

Agencies still key to recruitment

Q - What is your principal source of candidates?

Internal recruits	2013 15%
	2014 21%
Direct Advertising/ Referrals	10%
	2%
Via onsite recruitment team	20%
	23%
Via preferred supplier	48%
	50%
Via a range of agencies	7%
	4%

Candidates more important than where they come from

Q - In your experience, where are you most likely to recruit from?

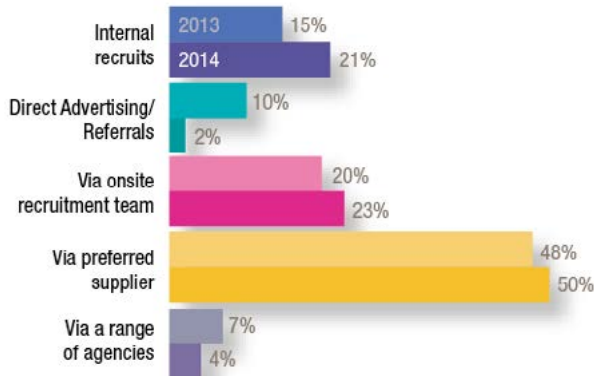|	
Internally	25%
Company in the same sector	37%
Company in a different sector	21%
Practice / Consultancy	17%
System Integrator / Outsourcer	0%
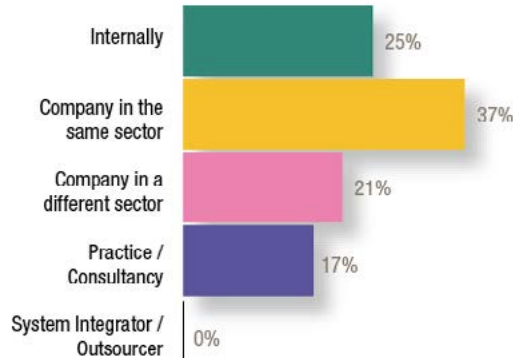
(Question not asked in 2013)

Salary expectations generally affordable

Q - What has been your perception of candidate salary expectations?

Excessive and beyond your budget	2013 12%
	2014 22%
More than you would anticipate, but affordable	59%
	67%
Reasonable and generally affordable	29%
	11%
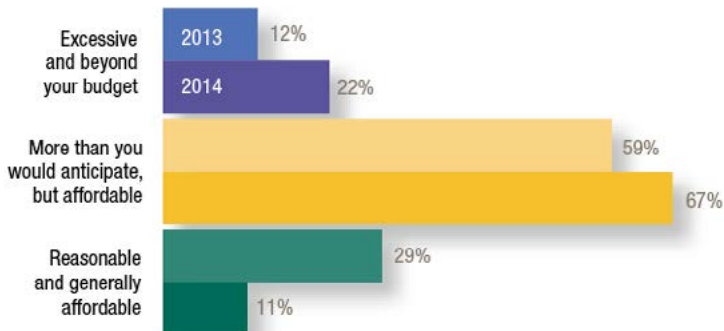
Diversity and inclusion targets more common

Q - Do you have any diversity and inclusion targets that may influence your recruitment decisions?

Yes	40%
No	60%

(Question not asked in 2013)

Cyber security threats most likely to drive demand

Q - In order of significance, which will be the most important recruitment drivers in 2015?

| Factor	Weighted average 2013	Weighted average 2014
Increased cyber security threat levels	3.7	4.5
Increased level of business	4.9	3.8
New regulation / standards	4.3	3.9
Fear of data leakage	2.9	3.1
Replacement recruits	2.8	3.4
Investment in IT	2.4	2.2

The following tables compare the results from security departments with those from internal audit, risk, compliance and legal.

Certain figures have been highlighted to make it quicker and easier to spot key differences.

Demand

High percentage report being under-resourced

Q - Do you feel your department is sufficiently resourced for the demands that are made on it?

	Yes	No
Compliance	45%	55%
Risk	47%	53%
Internal Audit	55%	45%
Security	24%	76%
Legal	46%	54%
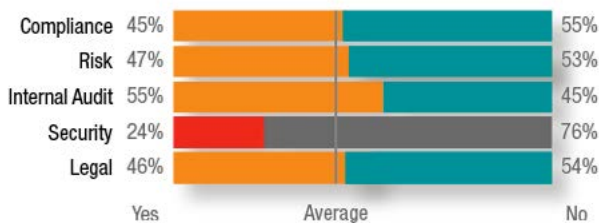
- □ High percentage of companies in all disciplines report being under-resourced
- □ Notably high percentage in Security

Universally high level of recruitment

Q - Have you recruited, or attempted to recruit, externally in the last 6 months?

	Yes	No
Compliance	86%	14%
Risk	69%	31%
Internal Audit	77%	23%
Security	78%	22%
Legal	66%	34%
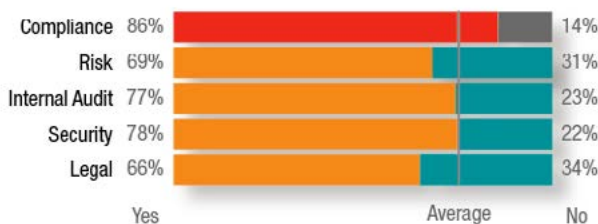
- □ Companies reporting high level of recruitment across all disciplines
- □ Highest levels reported in Compliance

General increase in recruitment budgets

Q - Has your recruitment budget increased in the last year?

Area	Yes it has increased	No, it remains the same	No, it has decreased
Compliance	56%	40%	4%
Risk	31%	48%	21%
Internal Audit	49%	42%	9%
Security	41%	52%	7%
Legal	34%	52%	14%

- □ Companies broadly report increased recruitment budgets
- □ Increased budgets most common in Compliance

Candidate availability

Candidates difficult to find

Q - How would you rate the availability of candidates?

Area	Plentiful	Generally available	Difficult to find
Compliance	3%	26%	71%
Risk	0%	44%	56%
Internal Audit	4%	29%	67%
Security	2%	45%	53%
Legal	8%	38%	54%

- Widespread agreement that candidates are difficult to find
- Candidates most difficult to find in Compliance and Internal Audit

Widespread problems recruiting

Q - Overall, have you found it difficult to recruit?

	Yes	No
Compliance	81%	19%
Risk	77%	23%
Internal Audit	73%	27%
Security	72%	28%
Legal	67%	33%
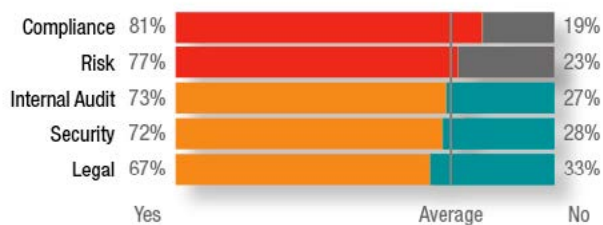
- Widespread problems recruiting across all disciplines
- Greatest challenge in Compliance and Risk

Key skills

Technical skills most important

Q - In order of significance, what are the key considerations when deciding to progress a candidate to offer stage?

Area	Technical suitability	Interpersonal skills	Cultural fit	Perceived desire	Qualifications	HR input
Compliance	4.8	4.6	4.3	3.7	2.7	1.4
Risk	5.2	4.6	3.5	3.5	2.8	1.1
Internal Audit	4.7	4.7	3.8	3.3	3.2	1.4
Security	5.2	4.7	4.4	3.0	2.6	1.3
Legal	4.0	3.3	3.3	2.3	2.1	x

- Technical skills most important factor across all disciplines
- Interpersonal skills still important, though no longer the key differentiator between candidates

Other findings

Salaries generally affordable

Q - What has been your perception of candidate salary expectations?

Area	Excessive / beyond budget	More than anticipated but affordable	Reasonable and affordable
Compliance	24%	50%	26%
Risk	22%	50%	28%
Internal Audit	24%	43%	33%
Security	22%	67%	11%
Legal	34%	52%	14%

- Broad agreement on salary expectations, which are generally affordable
- Legal salary expectations moderately higher than other areas

External resources important

Q - To what extent do you rely on external resources to achieve your departmental objectives?

Area	Very limited or not at all	Only to provide specialist skills when required	Routinely
Compliance	26%	57%	17%
Risk	39%	43%	18%
Internal Audit	23%	51%	26%
Security	x	x	x
Legal	x	x	x

- Comparable question not asked in Security or Legal surveys
- External resources remain important

Diversity targets uncommon

Q - Do you have any diversity or inclusion targets that may influence your recruitment decisions?

	Yes	No
Compliance	10%	90%
Risk	25%	75%
Internal Audit	10%	90%
Security	40%	60%
Legal	19%	81%
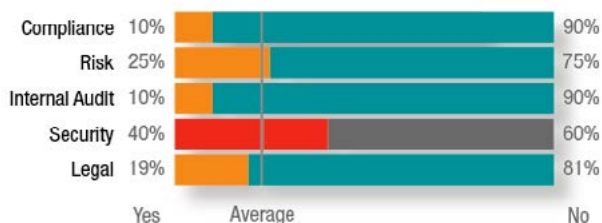
- Diversity and inclusion targets not yet commonplace
- They are becoming more significant in Security

Need to recruit across all areas

Q - What are your recruitment plans for 2015?

Area	Likely to recruit	Will only recruit to replace leavers	Unlikely to recruit
Compliance	55%	32%	13%
Risk	33%	62%	5%
Internal Audit	37%	51%	12%
Security	74%	22%	4%
Legal	36%	57%	7%

- Anticipated need to recruit across all areas in 2015
- Highest need reported in Security

Business growth key in 2015

In order of significance, which will be the most important recruitment drivers in 2015?

Area	New regulation	New products	Business growth / development	Business as usual	Replacement recruitment
Compliance	3.5	2.6	3.7	2.1	3.2
Risk	3.5	2.1	3.6	2.5	3.6
Internal Audit	2.9	2.2	3.7	2.5	3.8
Security	x	x	x	x	x
Legal	3.3	3.3	3.8	2.7	3.0

- Replacement recruitment and business growth / development anticipated to be most important recruitment drivers in 2015
- Please note that the Security survey had different options, so the results are not comparable

ABOUT BARCLAY SIMPSON

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Barclay Simpson is an international corporate governance recruitment consultancy specialising in internal audit, risk, compliance, security, business continuity, legal and treasury appointments. Established in 1989, Barclay Simpson works with clients in all sectors throughout the UK, Europe, Middle East, North America and Asia-Pacific from our offices in London, Edinburgh, New York, Dubai, Hong Kong and Singapore.

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