

Consolidating Security Providers Across Countries: Benefits, Risks, Governance and KPIs

Should an international group consolidate security suppliers? Benefits, the risk of dependence on one provider, governance models and the KPIs that matter.

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Why international groups consolidate security suppliers

Many international groups inherit a patchwork of security contracts: one supplier per site, per acquisition or per local manager. Over time that creates uneven standards, duplicated management effort and very little visibility at group level.

Consolidation aims to fix this. Typical objectives include a single set of service standards, comparable reporting across countries, clearer accountability for incidents, stronger negotiating position and less administrative work for procurement and security teams.

Consolidation does not have to mean one global company doing everything. Common models range from a single global provider, to a regional lead with local partners, to a framework of national providers working under one set of terms and one reporting format. The right choice depends on your footprint, risk profile and appetite for dependence.

The benefits, honestly assessed

The strongest benefit is usually governance, not price. With fewer contracts, the head of security can set one incident escalation policy, one audit methodology and one KPI dashboard, and compare countries on the same basis.

Commercial benefits are real but should be evidenced, not assumed. Ask bidders to show where savings come from (management overhead, technology, scheduling) and check that hourly labour rates still respect local wages and collective agreements. A saving that depends on cutting guards' pay is a future quality and compliance problem.

Consolidation also simplifies due diligence. Licences, insurance, ethics commitments and human rights policies can be checked through one structured process rather than dozens of separate ones.

Finally, consolidation makes improvement easier to manage. When the same KPI definitions and audit checklist apply everywhere, good practice found in one country can be documented and rolled out to others, and recurring weaknesses become visible early instead of surfacing only after a serious incident.

The risks, including dependence on one provider

The main risk of consolidation is concentration. If one provider runs your security in every country, a financial difficulty, a reputational event or a sudden loss of licence in one jurisdiction can affect the whole estate. Your bargaining power at renewal also shrinks if switching becomes too costly.

The UK government's Sourcing Playbook addresses this kind of exposure through dedicated guidance on market health, financial viability risk assessment and resolution planning. Its logic applies equally to private groups: understand how healthy the supply market is, monitor the financial health of key suppliers and plan in advance what happens if one fails.

Other risks include loss of local knowledge when a global provider replaces long-standing national teams, and hidden subcontracting where the consolidated supplier relies on local firms you have never vetted.

- Keep country-level lots so that one country can be re-tendered without unwinding the whole contract.
- Require disclosure and prior approval of every subcontractor.
- Build step-in and exit clauses, with data and documentation handover obligations.
- Monitor provider financial health at least annually.
- Maintain a contingency option for failing sites or crisis situations.

A governance model that works across borders

Good governance separates three levels. At group level, a steering committee (head of security, procurement, provider executive sponsor) meets quarterly to review performance, risks and the improvement plan. At country level, a monthly service review covers KPIs, incidents, staffing and audit findings. At site level, daily or weekly routines handle shift reports and local issues.

Write these levels into the contract with named roles, meeting frequency, standard agendas and escalation paths. Management system standards help here: ISO 18788 provides a framework for establishing, monitoring, reviewing and improving the management of security operations, including respect for law and human rights. It is a useful reference for what a mature provider's governance should look like.

Two further governance points are often missed. First, decide who owns the relationship inside the group: procurement, security or a shared model, and make sure country managers know when they can act alone and when they must escalate. Second, keep an independent view of performance. Periodic audits carried out by a party other than the provider, even on a sample of sites, protect the group against reports that only show what the provider wants to show.

KPIs that make consolidation measurable

Agree a short list of KPIs with common definitions before the contract starts. UK public buyers must set at least three KPIs for public contracts estimated above 5 million pounds under section 52 of the Procurement Act 2023, which is a reasonable minimum for any large contract. Most groups will want more, organised around service delivery, people and compliance.

- Service delivery: patrol completion rate, alarm response time, incident closure time.
- Quality: audit score per site, client satisfaction score, repeat incidents.
- People: staff turnover, training hours per guard, post coverage (hours delivered against hours contracted).
- Compliance: valid licences, timely reporting, audit actions closed on time.

How IPN approaches this

IPN is designed as a middle path between a single global provider and a patchwork of unconnected local suppliers: independent national companies, one per country, working to common standards and one reporting format. Because each country remains a distinct partner, a group can re-tender or adjust one country without unwinding the rest. IPN is in its founding phase, and we welcome buyers' due diligence on each national member.

Sources

GOV.UK: The Sourcing and Consultancy Playbooks

<https://www.gov.uk/government/publications/the-sourcing-and-consultancy-playbooks>

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<https://www.legislation.gov.uk/ukpga/2023/54/section/52>

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