Securitas AB

Organizational Transformation to “Help Make Your World a Safer Place”
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Executive Summary
Executive Summary

In 2018 Magnus Ahlqvist became president and CEO of Securitas AB. The security industry was characterized by “boots-on-the-ground,” low margins, price wars, intense competition and ongoing consolidation. At the same time, security risks were increasing in sophistication, and fast-paced technological advancements were threatening to disrupt Securitas’s core manned guarding business. Ahlqvist and his Group Management (GM) team knew they had a unique window to reset the company’s strategic direction in response to the external trends.

However, the new strategy would require tremendous organizational development efforts to improve people capabilities, infrastructure, innovation models, operating systems and management processes. The magnitude and complexity of the strategic and organizational challenges called for a strong partner that was grounded in practice and academia – IMD business school. A nine-month engagement ensued, culminating in the formulation of Securitas’s five-year strategy and an underpinning organizational transformation. The GM set the ambition to evolve Securitas from a security services provider to an intelligent protective solutions partner for clients.

They also articulated a new corporate purpose, “We help make your world a safer place,” which enabled Securitas to build a unified global identity – externally and internally.

Over the next five years, strategy and organizational development initiatives were rolled out with intentionality (despite Covid). Additional engagements with IMD during this period included a mid-way review of strategic and organizational progress in 2021 and the launch of Securitas’s first Group-level Executive Development Program for senior leaders in 2022 (Figure 1). By 2023, Securitas’s GM declared impact on multiple fronts (Figure 2).

As a testament to the ongoing value of the Securitas-IMD partnership, the second cohort of the Executive Development Program and a Leadership Bootcamp in 2024 will bring together about 80 top leaders to maintain the momentum into the future.

Watch the video ➔

Figure 1: Engagements with IMD

- **2018**
  - Formulating strategy; building organizational readiness
- **2021**
  - Reviewing strategic and organizational progress & challenges
- **2022**
  - First-ever Group-level Executive Development Program

Figure 2: Impact highlights

- **Purpose**
- **Strategic Impact**
- **Organizational Impact**
- **Operational transformation**
- **Repositioned brand**
- **People development and new mindset**

Existing business
- Became the second largest industry player worldwide in 2022 by acquiring Stanley Security for $3.2 billion, its largest-ever acquisition
- Sales of technology and solutions contributed 32% of total revenue, up from 20% in 2018

New business
- Launched Securitas Digital business unit to bring innovative data & AI-driven “intelligent” services to the market
- 130,000 client sites digitalized, up from < 1,000 sites in 2018

Enhanced client engagement
- Rolled out a global Client Excellence Platform
- Created new “Global Clients” function

People development and new mindset
- Established People function at Group level
- Launched new Leadership Framework
- Revamped performance management system

Operational transformation
- Invested over SEK 2 billion from 2018 to 2022 to modernize IS/IT infrastructure and undertake business transformation in North America (completed), Europe (underway), Ibero-America (underway).

Repositioned brand
- Jumped to become the world’s 8th most valuable Swedish brand
- Increased brand value to SEK 31.7 billion (up 72% y-o-y)

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Introduction
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When Magnus Ahlqvist became president and CEO of Securitas AB in March 2018, the company was at the intersection of two major trends. First, the growing severity of threats was posing operational disruptions and business continuity challenges to Securitas’s B2B clients. Second, extensive technological advances in electronic security, remote monitoring, and data and predictive analytics were increasing the quality and cost-effectiveness of security solutions.

Securitas had an unprecedented opportunity to expand into technology- and data-driven security services to better mitigate risks. However, this would require a fundamental transformation of the nearly nine-decade-old company that had historically been characterized by manned guarding, with highly decentralized operations and limited collaboration across business lines, countries and geographies.

Within this context, Ahlqvist needed an unbiased perspective. He sought a partner to help him and the GM team set the company’s future direction while identifying the essential organizational transformation to underpin the strategy. IMD’s unique positioning as an independent academic institution, with roots in business and a flexible pedagogical approach, enabled it to become a trusted partner, provocateur and advisor for this complex and multifaceted engagement.

About Securitas

Securitas is the second largest provider of security services globally. In 2022, it had revenues of SEK 133 billion (US$13 billion) and operations in 45 markets, organized in four geographic divisions: North America, Europe, Ibero-America and AMEA (including Africa, Middle East, Asia and Australia). Securitas’s offerings include guarding services (on-site, mobile and remote guarding), scalable end-to-end electronic security systems (including video surveillance, intrusion detection, security monitoring, access control, fire detection and systems integration), and security solutions (combinations of security services). This portfolio strategically positions the company to achieve growth and profitability going forward.

About IMD

Since it was founded 75 years ago, IMD has been a pioneering force in developing leaders and organizations that contribute to a more prosperous, sustainable and inclusive world. Led by an expert and diverse faculty, with campuses in Lausanne and Singapore, IMD strives to be the trusted learning partner of choice. Its executive education and degree programs are consistently ranked among the world’s best by the Financial Times, Bloomberg, Forbes and others. IMD’s leading position in the field is grounded in its unique approach to creating real learning, real impact. Through its research, programs and advisory work, IMD enables business leaders to find new and better solutions – challenging what is and inspiring what could be.
The Challenge
In 2018, Securitas’s GM recognized that the security business faced disruption due to sophisticated threats and advanced technologies. These forces could eventually upend the industry’s traditional business model, which relied on manned guarding services. At the same time, the competition was intense. Industry consolidation was underway, with acquisitions as a means for large players to grow both market share and new competencies.

Within this context, Securitas faced a dual challenge – strategic and organizational.

1. The strategic challenge – setting a new direction for the company

The GM’s goal was to set the company’s five-year strategy (2018-2023), supported by an aligned agenda and clear targets, to:

- **Lead in the existing businesses**
  While Securitas strove to transform guarding in line with technological advancements, it was also steadily building its higher-margin electronic security services and security solutions to better address client needs. Yet, it faced substantial challenges in bringing these propositions to clients who viewed it as a physical guarding company rather than a technology-based company. Securitas needed to evolve its core guarding services, strengthen specialization in electronic security and systematically combine its various protective services to accelerate the solutions business.

- **Create new businesses**
  Securitas aspired to stay ahead of the curve in a more predictive data-driven manner and lead the industry through innovation and intelligent security services.

The Challenge

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2. The organizational challenge – initiating transformation to support the new strategy

The GM realized that strategy formulation was just the first step on its transformation journey. They had to focus on multiple organizational dimensions to support the new strategy.

“We did not want to stay at 30,000 feet but get to every level of the organization, right up to the frontline.”

Magnus Ahlqvist
CEO

Enhance client engagement
Securitas’s strategic transformation into a high value-adding trusted partner would only materialize if the sales team could have different conversations about bespoke value propositions with clients. On paper, it appeared feasible. In practice, business units had different priorities across client segments, service lines and objectives (volume vs. value).

Develop people and evolve mindset
Any transformation is hard, let alone for a company with over 350,000 employees. Securitas’s sheer size was one of the biggest challenges in bringing everyone along and ensuring fundamental changes to support the transformation.

Modernize operations
Thus far, the company’s decentralized structure had fostered entrepreneurship and independence. However, the fast-changing technology landscape signified a critical imperative to modernize existing systems and build common processes so that all parts of the global organization spoke the same language, worked collaboratively to gain efficiency and represented themselves as “ONE Securitas” to the external world.

Reposition the brand
Securitas’s business transformation had direct implications for the brand, which had not been refreshed in a decade. Previously, industry-wide brand messaging had been product-centric, alluding to risk and danger. The new brand challenge was to highlight positivity and potential, thereby reflecting a more humane, progressive and innovative approach to security.
At the Group level, we needed to review the strategy. We also needed to understand our ‘hidden’ challenges so that we knew what we had to fix in order to connect more closely with clients, improve how we work across the organization and move up the value chain. We had to get out of our comfort zone.

Securitas’s GM decided to invite external provocation to ensure that they set truly aspirational goals to launch the company on its next growth trajectory. As IMD had previously worked with the former CEO on different mandates, Ahlqvist decided to build upon that tacit knowledge and the relationship between IMD Professor Tom Malnight and Securitas’s senior leaders. Trust between the two partners was vital given the magnitude and complexity of the challenges (Figure 3).

Figure 3: Overview of the challenges facing Securitas

Desired impact
- Existing business
- New business

Strategic challenges

Organizational challenges
- Develop people and new mindset
- Enhance client engagement
- Modernize operations
- Reposition brand

External drivers
Internal drivers

Strategy formulation 2018-2023

Magnus Ahlqvist
CEO
The Commitment
The Commitment

Securitas partnered with the advisory services unit at IMD, which works extensively with senior leaders to help them address critical issues. A core tenet is to engage and inspire the client organization to develop its own answers. Why is this approach powerful? Deriving bottom-up answers gives employees the opportunity to influence decisions, regardless of seniority, while creating robust organization-wide buy-in, thus setting the company on the path to implementation success.

Strategy is not about applying stock frameworks or trying to copy what others have done. It is about an organization and its leaders making a series of choices, decisions and actions over time. Shaping, aligning and owning these decisions is what drives success, especially in times of accelerating uncertainty.

Engagement methodology

IMD’s rigorous, well-honed methodology is based on inquiry and broad participation. It comprises four key phases (Figure 4):

- **Diagnostic**: Data is collected by “listening” to the organization across business units, functions and geographies, followed by an in-depth qualitative analysis. Multiple researchers participate to prevent bias and ensure rigor. The resultant diagnostic report outlines the critical issues, symptoms and root causes pertaining to the company’s challenges.

- **Divergence**: Once the key topics have been identified, workstreams of five or six explore further, with C-suite sponsorship. Over three or four months, the teams apply an outside-in lens to stimulate divergent perspectives.

- **Convergence**: The outside-in insights are then applied to the company’s unique context in several iterations, over three or four months, to shape innovative solutions across different topic areas.

- **Acceleration**: Although the first three phases appear to be time-intensive, counterintuitively, the internal mobilization during this period enables an acceleration in execution going forward.

Throughout the divergence-convergence process, IMD faculty members provide teams with thought leadership and best-in-class examples to constantly challenge them to ask better questions and deepen their understanding of the topic. This approach enhances individual ownership of the learning while increasing impact in translating the strategic decisions into results.

Tom Malnight
Professor of Strategy and Management

"Strategy is not about applying stock frameworks or trying to copy what others have done. It is about an organization and its leaders making a series of choices, decisions and actions over time. Shaping, aligning and owning these decisions is what drives success, especially in times of accelerating uncertainty.

Figure 4: IMD’s methodology
ImD’s commitment
Recognizing the strategic importance and confidential nature of Securitas’s mandate, ImD committed to:

- **Dedicated faculty** – Tom Malnight – as program director for the entire journey.
- **Dedicated team** – researchers, learning manager, program coordinator – to provide consistent support.
- **Topic-specific expert faculty** to provide input (on disruption, customer centricity, data and AI, etc.) at relevant junctures.
- **Flexibility** to match the evolving needs and expectations of the GM.
- **Compelling final output** – an aligned GM agenda and actionable roadmap.

Securitas’s commitment
To truly set Securitas on a new strategic pathway as a trusted partner to clients, the GM committed to:

- **Devote time** regularly to sustain engagement throughout the process.
- **Free up time** for senior leaders on the workstream teams to go deep into the topics.
- **Keep an open mind** in reviewing/accepting the teams’ recommendations.
- **Translate recommendations** into strategic decisions, priorities and actions.
- **Allocate substantial investments** to drive organization-wide change (back end and front end).
- **Conduct systematic reviews** of progress to maintain momentum and alignment.
- **Deliver results** as per investor commitments while transforming the organization to remain an industry leader.

Given our stretched resources and a highly decentralized structure, we committed to prioritizing collaboration in the organizational ways of working. We also committed to assessing the leadership and making requisite changes across levels to support the new strategy, while retaining the company’s entrepreneurial spirit.

Annelie Wirdefeldt
Head of Strategy Execution & Governance
The L&D Initiative
The L&D Initiative

Over five years, Securitas and IMD collaborated on three substantive engagements, each building on the strengths and learnings of the one before.

2018: A nine-month strategy engagement – GM + workstreams

The strategy formulation engagement required significant GM involvement to “get into the trenches” with IMD faculty and their organization (Figure 5).

The foundational building block was “listening” to the organization. The GM gave IMD access to its entire employee base to carry out 9 workshops and 50+ one-on-one interviews with people across businesses, geographies, functions and levels. IMD conducted in-depth analysis on this ground-up data to create an unbiased as-is picture of Securitas, identifying organizational strengths, areas for improvement and employee ambition for the company’s future.

Figure 5: Securitas’s strategy engagement (2018)
IMD’s qualitative analysis process and the diagnostic report were critical inputs to the first GM workshop (Figure 6).

**Figure 6:** Realizing the power of “listening” to the organization

IMD’s researchers thematically analyzed thousands of pages of transcripts and notes generated from the “listening” sessions to home in on the opportunities that Securitas could pursue as well as key barriers the company had to overcome in its strategic transformation journey.

Ivy Buche
Senior Advisor
Following the first workshop, the GM created six workstreams to delve into each of the company’s strategic and organizational challenges:

1. Purpose, empowering people, pride and passion
2. Evolve client centricity
3. Transform Guarding
4. Achieve Electronic Security leadership
5. Develop Intelligent Security services
6. Drive platform efficiency

GM members co-sponsored each workstream and IMD faculty worked intensively with the teams each week to push the boundaries of their thinking. As an example of divergence and convergence, the purpose workstream, led by Ahlqvist, took a bottom-up approach to capture the essence of the organization. About 500 employees were engaged in over 45 global workshops. IMD also shared examples of purpose-led companies, and peer-to-peer conversations between Ahlqvist and CEOs of these companies helped to build an in-depth understanding of the role of purpose in an organization. Ultimately, all the workstream insights were combined into strong recommendations for the GM to consider during their subsequent workshops.

The recommendations from the six workstreams resulted in 29 long-term marathons and 90 actionable short-term sprints that would mobilize the entire organization (Figure 7).

<table>
<thead>
<tr>
<th>2019</th>
<th>2020</th>
<th>2021 and beyond</th>
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<tbody>
<tr>
<td><strong>1. Have one Client Centricity Framework</strong></td>
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<tr>
<td>Employ Sales Excellence, Operational Excellence and Development Excellence</td>
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<tr>
<td>Finalize and deploy the Client Excellence Program</td>
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<td><strong>2. Tailor customer journey to the three customer profiles and segments</strong></td>
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<tr>
<td>Common definitions of segment globally</td>
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<tr>
<td>Define three customer profiles</td>
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<td><strong>3. One global CRM for Sales, Operations and Development</strong></td>
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<td>Combine CRM development between divisions/segments</td>
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<tr>
<td>One price model for cross-border and global customers, maintained in the CRM</td>
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<td><strong>4. Risk assessment</strong></td>
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<tr>
<td>Develop and deploy one risk assessment tool</td>
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<tr>
<td><strong>5. Sales - one CRM, one sales process, one definition, profitability of a customer</strong></td>
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<td>Client engagement at all levels BM (15-20), AM (top 20), Div/CO (top 20), GM (10)</td>
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<td><strong>6. Operations - consistent service delivery focusing on client interaction, enabling 70% of Branch Manager time spent with clients/officers</strong></td>
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<td>Implement one common operational process into CRM</td>
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<tr>
<td>One client dashboard covering all interactions and action plans</td>
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<td>Identify time spent on different tasks</td>
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<td><strong>7. Development - solution-based services being the norm</strong></td>
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<td>Measure client profitability improvement (US)</td>
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<td>Segment customer gatherings</td>
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<td><strong>8. The right people at the right place with the right skills</strong></td>
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<tr>
<td>Talent mgmt. process at all levels with clear roles and clear expectations</td>
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<tr>
<td>Implement performance scorecard</td>
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<tr>
<td><strong>Finalize and deploy the Client Excellence Program</strong></td>
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<td></td>
<td>Include Project Light and Robots under Client Centricity</td>
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<td></td>
<td>Investigate further key segments</td>
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Figure 7: Customer centricity workstream recommendations - 8 marathons and 21 sprints
After several iterations, and with board approval, Securitas articulated the company’s strategy to become a leader in Intelligent Security services and its core purpose, to “We Help Make Your World a Safer Place.” The announcement was made to investors during the Capital Markets Day in September 2018 (Figure 8).

As the world continues to become more volatile and more polarized, the need for safety and security becomes even more important. Our new purpose will unite the organization, create motivation and serve as guidelines for important decisions. Irrespective of where they are in the organization, our people feel that they are a part of something bigger and are making a positive contribution.

Helena Andreas  
CHRO & CMO

Figure 8: Investor presentation
2021: Midway review and workshop – GM

Having navigated the Covid pandemic while keeping strategy implementation on track, the GM decided it was time to reflect on milestones achieved and what remained to be done. Again, IMD was a natural partner to lend a critical lens. A mini-diagnostic exercise involved collecting qualitative data from interviews with the GM and other senior executives. IMD's assessment of the progress/gaps in strategy execution, followed by a challenge workshop, enabled the GM to recalibrate their collective agenda. The workshop took the form of dialogs and plenary sessions (Figure 9).

The result was a refocusing and acceleration of the key drivers of Securitas’s strategic and organizational transformation (Figure 10). The GM agreed that speed was of the essence since the company was halfway through the strategy cycle. Securitas ramped up its efforts on multiple dimensions – operations, infrastructure, people, brand, client engagement – to scale the organizational transformation in tandem with accelerating strategy execution.

In 2018, we embarked on a truly exciting journey as ONE company, where we geared ourselves together for high value growth with next-generation security solutions. To make our commitment explicit, we defined bold financial targets that aligned with our strategic direction.
2022: First-ever Executive Development Program – senior leaders

People development was key to enable strategy execution. The GM decided to launch an Executive Development Program for Securitas’s top talents. A 16-strong cohort from across the Group participated in a first-of-its-kind leadership and strategy program for the company. IMD was responsible for bringing the strategy development narrative to life. The program was co-created and co-delivered by IMD faculty, Ahlqvist and CFO Andreas Lindback (Figure 11). Ahlqvist shared his leadership experience in reorienting the company, explained the rationale for the massive organizational change and articulated his “asks.”

Candid CEO-participant discussions facilitated by IMD faculty ensured a unified understanding of the organization-wide priorities along with renewed enthusiasm to attain the goals. Back at their respective units, the cohort shared their learnings with their teams and clarified the unique role that their unit could play to transform Securitas.

The three engagements over the years drove deep and wide impact through specific decisions, initiatives and evolved ways of working across the organization.

<table>
<thead>
<tr>
<th>Day 1</th>
<th>Day 2</th>
<th>Day 3</th>
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<tbody>
<tr>
<td><strong>Morning</strong></td>
<td><strong>Day 2</strong></td>
<td><strong>Day 3</strong></td>
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<tr>
<td><strong>Morning</strong></td>
<td><strong>Day 2</strong></td>
<td><strong>Day 3</strong></td>
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<tr>
<td><strong>Strategy creation journey and current status</strong></td>
<td><strong>Deep-dive into core area(s) for success (profitability and/or clients)</strong></td>
<td><strong>Personal 3-year plans</strong></td>
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<td><strong>Morning</strong></td>
<td><strong>Morning</strong></td>
<td><strong>Morning</strong></td>
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<tr>
<td><strong>Welcome and Introductions</strong></td>
<td><strong>Reflections on day 1</strong></td>
<td><strong>Reflections on day 2</strong></td>
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<tr>
<td><strong>How was Strategy 2023 formulated?</strong></td>
<td><strong>Customer centricity and outside-in thinking</strong></td>
<td><strong>FROM-TO Ambition at country/region level &amp; client level</strong></td>
</tr>
<tr>
<td><strong>CEO and Prof Tom Malnight re-create the journey</strong></td>
<td><strong>Prof Seán Meehan</strong></td>
<td><strong>Group work: Cross-functional/geographical groups</strong></td>
</tr>
<tr>
<td><strong>Group discussion 1: Insights on strategic choices</strong></td>
<td><strong>Solution selling: Which clients do we target and how to optimize our value proposition</strong></td>
<td><strong>Three-year Strategy Acceleration Plan</strong></td>
</tr>
<tr>
<td><strong>Where are we on Strategy 2023 implementation? Areas of progress and challenges</strong></td>
<td><strong>Prof Carlos Cordon</strong></td>
<td>• Focus on collaboration; bridges and multipliers to be built</td>
</tr>
<tr>
<td><strong>Group discussion 2: How far have we come? Where are we going?</strong></td>
<td><strong>Lunch</strong></td>
<td>• Key changes needed to unlock opportunity</td>
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<tr>
<td><strong>Lunch</strong></td>
<td><strong>Afternoon</strong></td>
<td><strong>Afternoon</strong></td>
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<tr>
<td><strong>What does the strategy mean for me?</strong></td>
<td><strong>What opportunities and challenges does the strategy provide for me and my leadership agenda?</strong></td>
<td><strong>Groups share their output</strong></td>
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<tr>
<td><strong>Afternoon</strong></td>
<td><strong>Summary conversation with CEO: Sharing perspectives</strong></td>
<td>• FROM-TO Ambition</td>
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<td><strong>Afternoon</strong></td>
<td><strong>Afternoon</strong></td>
<td>• Three-year Strategy Acceleration Plan</td>
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<tr>
<td><strong>Evening</strong></td>
<td><strong>CFO Andreas Lindback and IMD faculty</strong></td>
<td><strong>CEO provides feedback/challenge</strong></td>
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<td><strong>Evening</strong></td>
<td><strong>Scaling innovation</strong></td>
<td><strong>Concluding discussion</strong></td>
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<td><strong>Evening</strong></td>
<td><strong>Prof Howard Yu</strong></td>
<td><strong>Figure 11: Executive Development Program – workshop agenda</strong></td>
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<td><strong>Evening</strong></td>
<td><strong>Innovation at Securitas</strong></td>
<td><strong>End of workshop</strong></td>
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<td><strong>Evening</strong></td>
<td><strong>CIO Martin Althén</strong></td>
<td><strong>End of workshop</strong></td>
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*Figure 11: Executive Development Program – workshop agenda*
Impact
Securitas embarked on its strategic transformation from a position of strength along multiple dimensions (Figure 12).

**Existing business**
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**Repositioned brand**
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**Purpose**
- Established People function at Group level
- Launched new Leadership Framework
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**People development and new mindset**
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- Revamped performance management system

**Enhanced client engagement**
- Rolled out a global Client Excellence Platform
- Created new “Global Clients” function

**Organizational impact**
- Enhanced client engagement
- People development and new mindset
- Repositioned brand
- Operational transformation

**Figure 12: Impact dimensions**
Purpose

To kick off the strategy implementation in 2019, the GM launched the purpose at a leadership conference for the top 200 senior executives, who then cascaded it in their own domains to bring purpose alive in people’s day-to-day activities (Figure 13). Purpose awards, introduced in 2020, served to elevate the frontline, with winners (plus partner) receiving an all-expenses-paid trip to Stockholm to receive the award from the CEO. The ceremony was broadcast companywide along with external profiling on social media thus enhancing pride in Securitas.

Purpose Award expanded to Values

2023
Overall winner: Croatia
Values Awards for:
- Integrity - Portugal
- Helpfulness - Chile
- Vigilance - South Africa

62%
country participation

“
It was not me pushing out the purpose. People were reaching out asking what, where and how they could use the purpose. So, we had a very tangible pull effect from the organization.

Carin Andersson
VP, Group Communications

Watch the Purpose Award winner video
Strategic impact

Existing business: Consolidated position as leader in protective services

In line with the strategy, the GM renewed its focus on the core business areas to provide a holistic security offering that boosted Securitas’s competitive edge.

Guarding

Given the rapidly evolving role of security officers, the company defined Guarding 2.0 to modernize, digitalize and specialize its services:

1. **Securitas launched a Global Guarding platform** across all regions, which achieved 100% adoption. The common platform optimized the composition of branches from a client, employee and location perspective, while enabling the sharing and scaling of best practices.

2. The Global Guarding delivery toolset was implemented: **Digital reporting tools** were rolled out and security officers were upskilled, thus creating the opportunity to streamline reporting and collect and analyze data to further strengthen security services.

Electronic Security and Security Solutions

Securitas focused on inorganic growth to expand the business and double the margins:

1. In December 2021, it announced the **$3.2 billion acquisition of Stanley Security** – its largest deal ever. The electronic security expertise of Securitas and Stanley was combined in a new business division – **Securitas Technology**.

2. Several **smaller acquisitions of 20 companies** across geographies allowed Securitas to steadily build its capabilities and unlock higher value for clients.

3. **Sales of technology and solutions increased** from 20% of total revenue in 2018 to 32% in 2023; **EBITA contribution increased from 38% to 53%** over the same period.
New business: Successfully built a growth pillar

**Intelligent Security services**

Following the strategy engagement with IMD, and in response to increasingly complex client needs for predictive security, the GM focused on building a global R&D capability to spur innovation in developing digital services for clients and piloting data analytics and AI-driven innovative risk prediction services – with success. For example, the MySecuritas app was launched as a new client interface that: 1) digitalized client interactions; 2) delivered new digital services (risk intelligence or ID protection); and 3) served as a solutions aggregator. Eventually, the app reached an inflection point at which it could start to scale up commercially (Figure 14).

All these foundational efforts led to the launch of a new **Securitas Digital** business unit in mid-2022 to digitize core security services and accelerate the launch of new digital offerings – a key step toward achieving a long-term EBITA margin of 10%.

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**Figure 14: MySecuritas scale-up (2019-2023)**

We started **Securitas Digital** from scratch. While focusing on industry specifics and keeping specialization and local ownership still at the core, we are capitalizing on the scalability of being digital and maturing into a profit and loss entity.

> “Martin Althén  
President Securitas Digital”
Organizational impact

Enhanced client engagement
A cornerstone of the strategy work with IMD was to improve client centricity. Multiple organizational transformation efforts culminated in an overall client retention rate of 90% in 2023 – significant in an industry traditionally characterized by high price sensitivity and stiff competition.

Launch of Client Excellence Platform (CEP)
A first-of-its-kind-of global customer relationship management platform was launched in 2020 to drive efficiency and leverage data (Figure 15). The CEP allowed Securitas to automate, standardize and streamline key processes across the client life cycle, thus freeing up time for branch managers/sales teams to improve client engagement. CEP deployment increased from 12 markets at launch to all 45 markets by 2022.

“...Our local organizations have significant autonomy over how they operate. Historically, that has included the technology they use. So, implementing something across the Group was a challenge for us. The Client Excellence Platform has really improved the way we take care of our clients, our market capabilities and our digital offerings...”

Hillevi Agranius
CIO

Figure 15: Client Excellence Platform roadmap

01 02 03 04 05

Starting point
Different CRMs in the countries/regions.
No defined common commercial process across the divisions.

Continuous adoption
Continuous monitoring which allows actions to be taken to mitigate all risks encountered along the way.

Current status
At mature adoption stage, which seeks to improve and ensure data quality as CEP sends client information to other systems.

CEP implementation
The new global CRM in production since 2020.

Continuous follow-up
Any process/system outside of CEP was eliminated in countries, ensuring that all commercial activity was recorded on the platform.
Global Clients
To execute the strategic imperative to focus on global clients that required consistent, high-quality services across countries and geographies as well as tailored local delivery, a new global functional unit was created in 2019. Global Clients and Vertical Markets was spearheaded by a GM member with a supporting organization and a dedicated team (Figure 16).

- **95%** Global Client retention rate in 2022
- **13.5%** CAGR Superior growth since 2019
- **+$1 bn** of contracts won in 2022
- **~2%** margin improvement since 2019

The organization change to focus on Global Clients underscores Securitas’s commitment to building a stronger, more client-focused global value proposition that will further distinguish the company as the preferred and trusted protective services partner for multinational clients.

One-stop shop for over 150 Global Clients to identify, implement and manage all their security needs. Bespoke combinations of on-site, mobile and remote guarding, electronic security, fire and safety, and corporate risk management.

Figure 16: Global Clients organization structure

Brian Riis Nielsen
President, Global Clients
Operational margin increased to 7.5% in 2022 compared with 6.8% in 2021. Although not all of the increase can be attributed to Freedom, the transformation program played a significant role in driving operational efficiency.

**Freedom in North America**
*(2019-2021)*

Operating margin increased to 7.5% in 2022 compared with 6.8% in 2021. Although not all of the increase can be attributed to Freedom, the transformation program played a significant role in driving operational efficiency.

**Atlantico in Ibero-America**
*(implementation 2022)*

Transitioned from a decentralized model to common platforms, systems and processes in finance, workforce management and HR.

**North Star in Europe**
*(design phase 2021; implementation 2022)*

- Identified common processes in key functions: HR, finance, operations.
- Rolled out a common recruitment platform in 10 countries, providing visibility on job vacancies, active recruitment data, delays, successful advertising channels, efficiency per recruiter, etc. Five KPIs being tracked indicate a reduction in both time to hire and hiring rate in 2023.
Develop people and evolve mindset

As part of its new strategy, Securitas established a **People function at the Group level** in 2019. It worked closely with the People function in the divisions and countries on an aligned agenda and leveraging best practices to achieve consistency and cost-effectiveness. Additionally, the divisional People teams were strengthened by hiring/promoting HR specialists (in recruitment, talent management, employee engagement, D&I, people analytics, etc.) to better support the strategic transformation. Key initiatives by the Group People function included:

1. **Relaunch of the Securitas Toolbox**, a leadership tool that had been used for decades. Thousands of employees worldwide received Toolbox training to equip them with the knowledge to drive the strategy. An **ambassador network of 150 employees** ensured local rollout. About **90% of all managers were trained by 2023**.

2. **Development of a new Leadership Framework** as part of the performance management system to ensure consistent assessment groupwide (Figure 17). Based on this framework:
   - About **25% of the first-ever Group-level Executive Development Program** in 2022 were **promoted** the following year.
   - Subsequently, **division level development programs for senior leaders** (e.g., area vice presidents and district managers) were initiated.
   - The **talent review and succession planning processes were modified** and launched for the GM and their direct reports. For example, in Ibero-America 100% of senior leaders were assessed using customized 360° feedback (co-developed with IMD) followed by individual development plans and succession planning.
   - The **first-ever global employee engagement survey was rolled out to about 250,000 people** in 2023. Action plans are being worked out based on the survey results.

![Indicative talent card based on the new Leadership Framework](image-url)

**Figure 17: Performance management components**
Sharing of best practices started across countries/regions and at different levels (previously such sharing occurred mainly at the country president level). **Formal and informal communities developed progressively.**

The Talent Network formal community of divisional talent development specialists met monthly to discuss topics to be launched at the global level. Securitas placed particular emphasis on diversity and inclusion (D&I) through recruitment and promotion procedures as well as mandatory global unconscious bias training, manager workshops, and employee resource groups (that organize events, sponsor influential speakers and host activities).

**Best-practice sharing example**

Securitas's European division participated in an International D&I Award – a first step for the traditionally male-dominated company. About 230 D&I best practices were submitted by 19 countries and a European Diversity Charter was created. The company set targets to improve the diversity in leadership groups and all departments to achieve 30% minority representation; conducted inclusivity index and eNPS surveys; provided D&I training to all employees and implemented a new mentor program for under-represented minorities.

As a testimony to Securitas's strategic transformation and people development efforts, **sales per employee increased by more than 37% over the five-year strategy period.**

**By launching the business transformation programs, it was quite clear that the company was actually investing in systems because it wanted to make things easier for people – both in the field and in the back offices.**

*Grainne Kelly*  
European People Leader
Repositioned brand

The strategic goal was to transform the company into a trusted, premium, intelligent security solutions partner. But market research revealed that Securitas was seen as a stable company comprising “good guys” and the industry was perceived to be neither progressive nor innovative. Hence, the brand repositioning work commenced in 2019, resulting in:

2. The first major logo update since 1972.
3. Creation of a new brand strategy (Figure 18).
4. Organization-wide engagement in the brand work at three levels: Steering Committee (including GM members); the Reference Group (people from the top 10 countries, representing more than 80% of revenue); and cross-functional experts (HR, Sustainability, Marketing, etc.).
5. A ranking as the world’s 8th most valuable Swedish brand in February 2023 – for the first time. Securitas’s brand value of SEK 31.7 billion was a 72% increase on 2022.

Figure 18: Securitas brand strategy
We work with many of the world’s most recognizable companies, and our new identity will open even more doors for our business and accelerate our strategy execution.

Magnus Ahlqvist
CEO
Reflections

The powerful organization-wide impact of the five-year engagement can be attributed to the GM “participants,” who remained open to IMD’s provocations to be really ambitious in setting their purpose as the North Star and diligently following up on their strategic and organizational commitments.

It may not be possible to attribute the entire scale and scope of the strategic and organizational impacts to the IMD-Securitas engagement, yet there is no question that every single thrust was conceptualized at the GM workshops at IMD in 2018 and concretized as a roadmap that was a reference document throughout the transformation. Moreover, the GM’s public commitment to the capital markets created the imperative to execute as promised, and the sprint/marathon recommendations were rigorously implemented globally over the next five years. By virtue of the power vested in the GM as top management team, they made collective decisions, took ownership, committed significant investments and mobilized the entire organization to achieve its goals.

“We believe that the future of security is built around the combination of global presence, connected technology and intelligent use of data. We are now moving from a strong position in individual security services to becoming a security solutions partner with world-leading technology and expertise. This position strengthens our client relationships and solidifies our leadership within the security industry.”

Magnus Ahlqvist
CEO

“We have been delivering on the classic challenge to perform and transform at the same time. The GM was clear that the strategic reorientation of a global company of our size and complexity must go hand-in-hand with holistic organizational change. Our critical success factors hinge on evolving the organization structure, modernizing the back-end infrastructure, launching global platforms to break down silos and establishing collaborative ways of working to better serve customers, all while keeping our 350,000 people at the core of our efforts.”

Helena Andreas
CHRO & CMO
The Teams
The Teams

The Securitas Team

Helena Andreas
CHRO & CMO

Annelie Wirdefeldt
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