



# Budgeting for Your Security Program



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To run an efficient security program, you need a basic understanding of budgeting. **With 7 in 10 organizations spending more on physical security systems in 2025<sup>1</sup> and an overall expected increase in physical security budget (by 46%!)<sup>2</sup>**, every security leader must be familiar with the budgeting process.

It's no longer acceptable in organizations to dictate spend, without the promise of a return on investment. Building and presenting a budget is a fundamental part of leading a successful security program.

A well-rounded budget ensures the allocation of resources to protect assets, acquire (and keep) personnel, and maintain the safety of facilities effectively. It enables your team to attain the investments needed in technology, equipment, and training to help mitigate potential security threats. It's also essential to help in long-term strategic planning and prioritization of investments in technology innovations that may change the way your security teams operate.

**Suffice it to say: Budgets are pretty dang important.**

Physical security budgeting is especially important to the overall business, because physical security breaches have broad implications across the business, including brand reputation damage, loss of intellectual property, high turnover, and much more.

**BONUS:** We talk a lot about this in our eBook "5 Hidden Costs of a Physical Security Breach", available at [hivewatch.com](https://hivewatch.com).

In this eBook, we're outlining the budgeting process for you, with considerations to make, strategies for involving other departments in your budgeting exercises, the kinds of questions that the C-suite might ask, how to prioritize investments, and much, much more.

**PRO TIP:** Before you start adding numbers, start with answering the following: "What are the goals of the physical security program and the organization?" It's much easier to request funds when it aligns with the strategy of the business.

<sup>1</sup>

<https://www.securitymagazine.com/articles/100760-7-in-10-organizations-will-spend-more-on-physical-security-systems>

<sup>2</sup> <https://www.worldsecurityreport.com/key-findings/physical-security-budgets/>

# Understanding the Scope of the Budget

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When building a budget from scratch or reviewing one that's already been created, it's critical to understand what the scope of that budget is for your department and how it fits into the overall spending for the organization.

## Step 1: Assess your current budget

- What are the goals of your department? Whether you're committed to automating processes or providing more training for your team, setting goals for your department is essential to your team's success.
- How do these department goals align with the goals of the organization? Taking these into account can help you better prioritize current and future investments – and can make a difference when you're presenting the budget to company leadership.
- Take inventory of your existing resources. How are they being used? Talking to your team to figure out the usefulness of the technology and software you have in place is essential when it comes to budgeting for the future.
- Are the current investments in software or technology effective for the purpose they've been acquired for? Basically, if something isn't doing what you need it to do, it's time to figure out whether it's worth the time and energy (and even resources) to support it.
- Are there any savings that could be made by eliminating things that aren't needed or being used consistently? In this case, it's a good idea to sit down with your team and those really "in the weeds" with the technology in place to determine how they're using it (if they're using it at all) or whether it warrants another review.

## Step 2: Determine where the money is coming from

There are a number of ways that a security department is allocated money. What kind of budgeting does your company use? Learning the difference between a zero-based budget or an incremental change budget will help you better understand what's expected of you as a leader so that you're presenting the right kind of budget to leadership each year.

Here are some of the possible budgets that organizations might have:

- **Operating budget:** This details the expected costs associated with operating day-to-day, including salaries, supplies, utilities, etc.

- **Capital budget:** This includes planned expenditures for long-term investments in assets and infrastructure – which might include new surveillance cameras or access control readers that are likely not investments that need to be made each year.
- **Project budget:** Focuses on the financial requirements for specific projects or initiatives within the department. This might be part of the capital budget mentioned above for the money that’s needed to support capital investments in new surveillance equipment (things like networking, installation, testing, etc.).
- **Fixed budget:** This kind of budget remains static from year-to-year and might require teams to reduce in one area to make up the difference in increased expenses because of things like rate increases, cost-of-living increases in salaries, and more. While this might be unlikely, we’ve seen many security departments grapple with the implications of this kind of budgeting over the last several years.
- **Zero-based budget:** This kind of budgeting requires the department to justify all expenses from scratch for each new period of time, ensuring every activity and cost is necessary and cost-effective.

### Step 3: Estimate costs

For many security leaders, building a budget requires cost estimates to be gathered sometimes months in advance – especially when larger, long-term investments are on the table. But it’s critical to not only price out these capital investments, but also think about costs associated with:

- **Personnel:** This includes salaries and benefits, cost-of-living and merit-based increases, training and development costs, and planning for turnover.
- **Equipment:** This might include the cost of purchasing security equipment and hardware – whether it’s a complete overhaul or simply the cost of replacing cameras and/or access control readers that no longer work but are a necessity. Having these costs justified in the budget in advance can help you in the long run.
- **Operations:** Oftentimes overlooked, operational costs are associated with what’s needed to run your department day-to-day. This includes the cost of software and other services, such as monitoring, maintenance fees, utilities and cloud storage, and SaaS platforms.

#### Investing in Cross-functional Technology

So many times, physical security departments are tasked with “doing more, with less.” When budgets are remaining stagnant or seeing only incremental growth, it’s time to figure out where savings can lead to more efficiency and streamlined resources.

Ask yourself the following questions when considering physical security solutions:

- Does this technology solve one problem that I have? Or can it be used to solve multiple challenges?
- Can it be used by other departments to do their jobs better?
- Can this be used to gain more efficiency in my department?

- **Guarding and third-party resources:** In many cases, security leaders have to take into account the contracted expenses for third-party support. Whether you're using contracted guarding resources or require ongoing maintenance support through a trusted integrator, these expenses need to be included in the budget so you can better understand the overall picture of your operations.
- **Contingency funds:** Things can look vastly different from year to year (and even month to month in some cases), so having a fund that allows for flexibility in spending for the unexpected can help keep your security department from overextending the budget.

- Can this platform replace any of the other solutions I have in place now?
- Is this another point solution that will become hard to manage?
- Will my team use this platform every day?

**The best technology investments include solutions that can solve multiple pain points for your organization.**

**PRO TIP:** Are you thinking of ripping and replacing your hardware? HiveWatch can help save budget by integrating mismatched systems while you gradually replace old technology.

## Creating a Budget

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Now that you've done all of the research and gathered what you need, it's time to create your budget (or amend it for the year).

This might involve the following:

### Developing a proposal

- a. Compile all costs into a detailed budget document. Some organizations might have the same format across departments that you'll be required to use, so ensure you ask around before putting any work into creating your own.
- b. Include justifications for each investment. Answer the question "What is the impact on the company and how does it align the security program with business objectives?" Being able to show the impact of the spend is critical and you have to be able to not just say "I want/need this" but "with the investment of X, we will get Y."

### Reviewing the proposal

- c. Understand how budgets within your organization are approved. Is there a review period associated? Do you present the budget to a board or leadership team in real time? Knowing how to prepare will allow you the space and opportunity to put your best foot forward.
- d. What data needs to be collected and prepared? Have answers prepared for the following:
  - i. When will this investment “come off the books”? (That is, when will we save enough money or resources to break even on this investment?)
  - ii. What is the intended return-on-investment for this expense? How will it benefit the team (and more importantly, the organization)?
  - iii. How much is it? How much per year? Can the investment be broken down into monthly increments?
- e. Prioritize your requests. It’s likely you won’t get everything you want when it comes to your budget, so it becomes crucial to be able to prioritize the needs of your department accordingly.

## Preparing to present

- f. The best thing you can do to prepare for a presentation to your leadership team or the C-suite is consider their point of view and how they make decisions related to the business (more in the next section).
- g. Speak the C-suite language: How do you break through to them and convince decision-makers that an investment is needed? Using the same language your leaders use can go a long way in pushing your agenda forward. (BONUS: We have a whole webinar “Speaking the C-Suite Language” about this that you can watch at [hivewatch.com](https://hivewatch.com).)

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## Presenting to Leadership

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Here’s where it gets interesting: It’s time to take everything you’ve built in your budget and present it to leadership, which might include members of the C-suite. Careful planning and

preparation can set you up for success and might help push approval in your favor. C-suite leaders are looking for physical security leaders to do the following:

- Know and understand the needs of their department and, ultimately, the organization.
- Provide detailed documentation that outlines costs, justifications, and comparisons with previous budgets.
- Demonstrate the ROI of each investment and the impact it will have on the overall business goals.
- Understand the data and be able to articulate how the data directly impacts the safety of the organization.
- Tell a story about the impact investments have on the organization from a high level. For example, technology that automates functions and saves resources in the long term.
- Engage stakeholders early in the process and create more buy-in. This might mean talking to other departments and determining how data might be used to help enable their teams to be more effective.
- Be clear and concise in their delivery to convey the importance of the budget items, rationale for the requests included, and the benefits to the organization.

Common questions that leadership might ask during your presentation include:

- Do we need this now? Or can we push it to next year?
- Where does this fall in the priority of where you want to spend (if you have 10 things, is this most/least important)?
- Is there a cheaper way to do this? Being able to say in the short term, maybe, but long term this will save us \$XX money can be a powerful bargaining tool.
- How does this align with department goals? With company goals? With your individual goals?
- How does this align with the Key Performance Indicators (KPIs) and expectations put in place for your department? Does it help in meeting these?
- Is this money that can come from a normally approved budget line or is it a new investment?
- Can this investment be shared by departments? Meaning, can facilities use video surveillance cameras to help determine building usage? Or can HR use access control data to determine whether employees are meeting hybrid work requirements?

As decisions are made and leaders begin to understand how your physical security program is essential to the organization, being able to fully prepare for the questions these individuals will

ask is critical. Whether or not your full budget is approved will rest on your ability to prioritize, communicate effectively, and pivot as needed.

## Final Steps

Be prepared, be confident, and go get 'em tiger.

# How HiveWatch Can Help You Save Money, and Justify Your Spend

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The **HiveWatch® GSOC Operating System** and **HiveWatch® Command Center** exist to help security teams do more, with less. Whether you're building a budget from scratch or figuring out how best to spend the money you've been allocated, the HiveWatch platform brings multiple functions that a security operations center needs into a single, easy-to-use solution, leveraging your existing investments (and making them better). The bottom line is that HiveWatch has been proven to help with the following:

- Reduce and/or eliminate costly rip-and-replace projects
- Gaining data and analytics insights to help with KPIs and ROI
- Delivering easy-to-use software that helps new hires get up to speed faster
- Reduces potential turnover by upleveling operator roles and eliminating monotonous tasks
- Expands the visibility and communication with guarding resources in the field, making it easier to respond effectively