

## RECOGNIZING EMPLOYEE DISHONESTY

Although it's rather unpleasant to talk about, the sad reality for many of us who work in the retail industry, is that far too many of our coworkers fall prey to the temptation of engaging in internal theft. In fact, as most of you are aware, internal theft accounts for approximately 50% of all losses incurred by retail companies. So, as is plain to see, it's incumbent upon each of us to ensure that we understand and recognize the signs of internal theft.

The vast majority of employees who work in retail are honest and hard-working, but there is a small percentage who do cross that line. This month's issue of the *Solutions' insider* is designed not only to provide the reader with tips that will help you to better recognize the signs of internal theft, but also how to deal with it after the fact.

Let's face it, we all want to work for a successful company, and preventing losses can be nearly as important as increasing sales. It is with this in mind

that everyone should be thinking about how to prevent theft in their stores. What are some of the signs of theft?

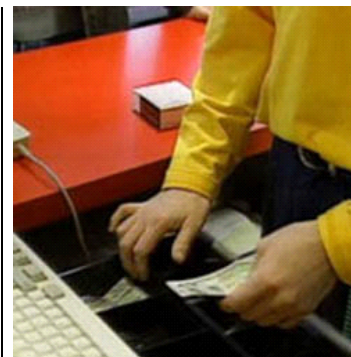
One of the most significant signs of internal theft is frequent cash discrepancies and point-of-sale exceptions. In other words, a cashier who has a lot of shortages, overages, voids, refunds, no sales, etc. These are often a sure sign that someone has been engaging in theft. Another excellent sign of internal theft are those employees who have a low average sale. Or, in simpler terms, they're unproductive. Ask yourself, how can two employees who have roughly the same number of transactions and work the same shift, but one has a much lower average sale?

What about those employees who receive a large number of personal phone calls or have a lot of friends and visitors in the store? This behavior often results in the "passing" of merchandise, providing unauthorized discounts or setting up merchandise to

be shoplifted. Another strong sign that often accompanies other behaviors are those employees who are continually violating company policy and making mistakes.

Often times, employees violate policy and make mistakes because they're angry and disgruntled. Have you ever heard a coworker say that they hate the company; that they should have gotten a better shift or that promotion? These are often used as rationale to begin engaging in dishonest behavior.

But you can help your store improve its performance by paying attention to these signs, but, most importantly, by speaking with your management team if you become suspicious. Also, insist that your coworkers follow policy, and that they're accurate too. Also, contact your loss prevention rep or call the toll-free anonymous hotline if you think someone has stolen.



### WOULD YOU RECOGNIZE A COWORKER WHO IS DISHONEST?

- Do any your coworkers experience a lot of cash variances, voids, refunds, no sales, etc?
- Low average sale is a prime indicator that something may be amiss.
- Frequent phone calls or visitors to the store could be resulting in loss.
- Employees who continually violate company policy or make numerous mistakes.
- Employees who are disgruntled and angry at the company.
- Discuss your concerns with management, LP or call the toll-free, confidential hotline...