
HOW TO CUT EMPLOYEE THEFT IN RETAIL

EMPLOYEE THEFT CAN KILL A RETAIL BUSINESS. IN THIS REPORT WE SHOW HOW TO DETECT AND REDUCE THIS.

Employees can steal from retail businesses in a variety of ways. Often, such theft goes undetected because of poor or unmonitored business processes.

The best way to cut employee theft or fraud is to commit to a consistent approach to theft management:

- Ask prospective employees if they object to a police check. Those with something to hide will let you know they have found a job elsewhere.
- Implement zero tolerance for abuse of systems. For example, ensure that every item sold is scanned.
- Implement zero tolerance for an end of shift discrepancy of, say, \$5.00 or more. Once employees know you will be fierce about this sales will be more accurate.
- Reduce manual eftpos transactions – connect your eftpos terminal to your point of sale.
- Change responsibilities – sometimes changing who handles money can uncover fraudulent behavior.
- Change your timing. Habits are what allow people to think they can get away with theft.
- Modify your counter policies:
 - No refunds.
 - No credits without management approval.
 - No employee bags at the counter.
 - No jackets or cardigans with pockets.
 - No calculators with memories – I have seen these used to record how much cash in the register is theirs.
 - Track every sale by employees – using a card with an employee barcode and making it harder for an employee to use the system as someone else.
- Track all cash movements from the sale through to your bank account. Many retailers do not do this and open themselves to blatant and regular theft. Employees do it because they know they can get away with it.

Cutting employee theft can be achieved with vigilance. A small time investment in developing and following processes will find you with more money in your bank account.

Tower Systems currently serves in excess of 2,500 independent retailers with its Point of Sale software. The company has offices around Australia and representation in New Zealand. It's software has been sold internationally in seven countries. You can find out more by calling a Tower Systems Account Manager: NSW/ACT: Nathan Morrison 0417 568 148; SA/VIC: Tim Batt 0403 189 379; QLD/NT: Luke La 0434 072 417; WA: Joe Bredice 0412 899 013.

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