

TIPS

TO PREVENT EMPLOYEE DISHONESTY:

01

Establish a pre-employment screening program.

The program should include reference checks. You may also want to perform criminal and credit checks, depending on the position you're hiring for.

02

Create security guidelines.

The guidelines should outline the company's policy for employees who are caught stealing.

03

Utilize human resource programs.

Develop programs designed to build employee loyalty and align employee and company goals. For example, you could offer training and skill upgrade programs or a mentorship program.

04

Ensure that company merchandise and/or property isn't easy to steal.

This could include a number of tactics ranging from locking up merchandise to installing a surveillance system.

05

Establish controls.

Controls should be in place for things including petty cash disbursements, bank deposits, withdrawals, issuance of cheques, payrolls, reconciliation of bank statements, and payment of invoices.

06

Ensure no one employee has control over all parts of a financial transaction.

Owners should separate responsibilities and functions so more than one employee deals with any given financial transaction. Workflows should also be organized in a way that ensures one employee verifies the work of another.

07

Perform regularly scheduled and random inventory checks.

A program should be implemented to manage these checks and ensure they are done properly and consistently.

08

Monitor the premises with closed circuit television (CCTV) surveillance.

Before installing this type of system, be sure to keep in mind any applicable privacy law requirements with respect to surveillance.

09

Check merchandise records.

All incoming merchandise should be checked against purchase invoices and all outgoing merchandise against shipping documents.

10

Be a social butterfly.

When you click with your employees, you set the stage for a respectful relationship.