# TIPS TO **PREVENT** EMPLOYEE DISHONESTY:

### 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.

#### Create security guidelines.

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

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#### 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.



## 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.



#### 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.



#### 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.

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#### Perform regularly scheduled and random inventory checks.

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

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#### 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.

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#### Check merchandise records.

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

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#### Be a social butterfly.

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

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