

# 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.