

## Oak Park HS (MI) SBE Best Practice

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# Loss Prevention and Retail Control

It is commonly understood that one risk of retail selling is product and cash shrinkage as a result of employee and/or customer thefts. According to the University of Florida's Center for Studies in Criminology and Law (2006), losses in 2005 averaged 1.5% or \$37.4 billion, attributed to four major sources: employee theft (47%), shoplifting (33%), administrative error (15%) and vendor fraud (5%).

We take each of these areas seriously at the Oak Park Knight Spot, School-Based Enterprise. Our goal is to reduce shrinkage by establishing policies and practices geared toward prevention.

### Education

- ★ Sales Associates learn about the consequences of customer and employee theft.
- ★ Sales Associates learn techniques to reduce customer and employee theft.
  - Highlight fast and friendly customer service.
- ★ Sales Associates are rewarded for excellent ROI.

### Inventory Control

- ★ Use P.O.S. system to track inventory.
- ★ Manually and electronically spot check inventory to monitor troubled items.
- ★ Utilize appropriate inventory receiving procedures (damaged or missing items).

### Store Layout

- ★ Store layout that is cautious, yet comfortable and convenient to customers.
- ★ Protect goods that are easily concealed by limiting customer access.
- ★ Allow for easy, convenient flow.
- ★ Place cash registers in strategic locations.
- ★ Control customer traffic
  - Limit the number of customers at one time
  - Have a separate entrance and exit

- Check receipts upon departure

### **Technology Use**

- ★ Digital video cameras
  - Mainly for prevention – inform Customers and Associates.
  - Show Sales Associates how it works. Review with Associates.
- ★ P.O.S. technology
  - Check inventory to find areas of shrinkage.
  - Take action on items of concern (large or small).

### **Policies and Practices**

- ★ Establish policies and practices for employee purchases.
- ★ Establish policies and practices for handling cash.
- ★ Establish policies and practices for customer returns.
- ★ Establish policies and practices for daily cash and inventory balancing.