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Section I. Executive Summary

- 1.1 The main purpose of this study was to interview a sample of former employees¹ from two major retailers who had been dismissed for dishonesty offences. The research was framed around a number of key hypotheses:
- Staff steal because they believe that they will be able to exploit weaknesses in company procedures.
 - Staff steal because there are many opportunities that present themselves.
 - Staff steal because they believe the chances of getting caught are low.
 - Staff steal because there is an illicit market in stolen goods that generates theft and makes it worthwhile.
 - Some staff who steal have a distinct underlying motivation such as debt or a grudge.
- 1.2 Interviewees in this study had been dismissed for a range of offences, including (although not exclusively):
- Misuse of discount cards.
 - Theft of goods.
 - Taking cash from the till.
 - Adding points to store loyalty cards.
- 1.3 Almost one third of interviewees had colluded with colleagues or friends and family to commit staff dishonesty. In some examples, particularly those relating to misuse of discount cards, there had been a lack of understanding of the repercussions of sharing cards with other colleagues.
- 1.4 Debt and financial problems were key motivations to committing staff dishonesty. Other reasons included:
- Opportunity.
 - Lack of commitment to the employer (including negative views of management).
 - Low pay.
 - Influence of friends and family.
 - Wanting to beat the system.
 - Ignorance.
- 1.5 In order to avoid detection interviewees used different techniques to disguise their actions including: imitating the scanning of unpaid items and topping up mobile phone cards during busy periods immediately after serving customers.
- 1.6 Almost two thirds of interviewees were aware of dishonesty amongst other staff. Evidence from this research suggests that stealing products from the warehouse was far more widespread than on the shop floor.
- 1.7 The widely held perception was that small high value items were most attractive to dishonest staff. Taking expensive items from the warehouse was considered to be an easier offence than lifting on the shop floor, largely because there was less security.

¹ Thirty five former employees were interviewed from two major retailers in the UK.

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- 1.8 The chances of getting caught were perceived to be low. Security measures were poor and easy to evade. There were CCTV blind spots, guards were mostly out of sight, staff searches were random and sometimes rare. 1.9
- 1.9 Interviewees had been caught in a number of ways including: on CCTV, informed on by other colleagues or had been searched and found to have goods on them. The police were involved in 14 cases (40 per cent of all interviewees); seven individuals (20 per cent of all interviewees) were prosecuted.
- 1.10 Attitudes towards security were mixed. Security guards were criticised for not performing core duties. It was argued that their lack of adherence to policies and procedures generated opportunities for dishonest staff. Although CCTV was generally viewed as a problem to be managed, the lack of coverage in the warehouse and the number of blind spots were identified as key weaknesses.
- 1.11 Although the study included a relatively small sample of dishonest staff, there are certainly some useful insights here to deter staff from stealing from employers and to increase the likelihood of detection:
- The need for more security staff patrols to increase staff presence on the shop floor and in the warehouse.
 - CCTV coverage on the shop floor and in the warehouse will act as a deterrent to dishonest staff. Although it needs to cover blind spots and employees have to believe that it is being watched.
 - Tagging high value products before they reach the shop floor.
 - By increasing the level of supervision of staff in the warehouse and improving the levels of security this may minimise loss.
 - An improvement in working conditions and better remuneration packages may act as a possible deterrent to dishonest staff.
 - Far more stringent policies in relation to staff searches will deter some from committing offences because it increases the risk of detection. Regular till checks will prevent others from stealing cash from the tills.
 - Staff training will ensure that all employees are aware of the limitations of their company benefits and what happens to apprehended dishonest staff.
 - The need for good quality management to prevent poor working relationships between staff. This may counteract the feelings of negativity towards management and reduce the number of grievances.
- 1.12 There are clearly a number of actions for organisations affected by staff dishonesty, these are presented in the main body of the report under the following key headings: recruitment and vetting, signage and awareness raising, valuing and supporting staff and improving security measures.
- 1.13 By focusing on the perspectives of former employees, this report provides a body of evidence which can be used by retailers to assess their own vulnerabilities. Clearly, the ex employees represent just one view, but it is a view that is all too often ignored.

Section 2. Introduction

- 2.1 From a business perspective the subject of staff dishonesty has been shrouded in secrecy. Traditionally there has been a reluctance on the part of business to admit that they have dishonest staff, to do so is tantamount to being seen to washing one's dirty laundry in public and therefore employers have a tendency to deal with staff dishonesty internally through dismissals and other disciplinary action.
- 2.2 Yet, the costs are considerable. The British Retail Consortium (BRC) Retail Crime Survey estimated that the cost of thefts by staff was £498 million in 2004, an increase on £282 million in 2003.² The costs are borne by customers paying higher prices but others suffer too; approximately 30 per cent of all small businesses failures can be attributed to employee theft.³
- 2.3 Dishonesty by staff takes a number of forms. One of the most widely accepted definitions is that offered by Hollinger and Clark⁴ who view it as:

the unauthorised taking, control, or transfer of money and/ or property of the formal work organisation perpetrated by an employee during the course of occupational activity which is related to his or her employment.

- 2.4 Employees may steal via absenteeism or tardiness (production deviance), or they may illegally acquire or damage property or assets (property deviance).⁵ The latter, of particular interest to this study, may take a variety of forms including the wearing or carrying of merchandise out of the store, bogus refunds, taking cash from the till, grazing, and colluding with other colleagues/customers by taking part in refund fraud, false markdowns, giving discounts for friends and family (sweethearting), theft of loyalty card points from customers and other illegitimate use of discount entitlements.⁶ Retailing is certainly an environment that is conducive to theft. There is access to a wide variety of goods as well as cash, and there is a fair degree of autonomy for those who work at the sharp end creating opportunities.

Staff dishonesty in perspective

- 2.5 A range of studies have struggled with the aim of generating a reliable estimate of the extent of staff dishonesty. Frequently retailers do not have systems in place that enable them to detect the level of loss, let alone determine who was responsible for it. And, as noted above, there has been a reluctance to admit to the problem.
- 2.6 Staff thieves are generally aware that the chances of detection are low and the risk of prosecution not great. This has long been recognised within the crime prevention literature as being a major incentive to crime. As in all types of theft most people steal because they want the money either to meet everyday needs or to fund a more lavish lifestyle.⁷ Within the broader study of staff fraud, there

2 <http://www.crimereduction.gov.uk/business44.htm>

3 Kuratko, D.F., Hornsby, J.S., Naffziger, D.W. and Hodgetts, R.M. (2000), cited in Gill, M. (2006) (ed). *The Handbook of Security*. London: Palgrave: Chapter 9 Employee Theft and Staff Dishonesty, p207, Richard C Hollinger and Jason L Davis.

4 Hollinger and Clark, 1983a&b cited in Gill, M. (2006) (ed) *ibid*, page 204-205

5 *Ibid*, p 205, Taylor, L. and Walton, P. (1971) 'Industrial sabotage: Motives and meanings.' In S. Cohen (ed.), *Images of Deviance*. London: Penguin.

6 See http://www.retailresearch.org/crime_and_fraud/employee_theft.php

7 *Ibid*.

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has been widespread comment about staff having a ‘non shareable problem’ to which fraud is viewed as the outcome, such as financial problems because of some sort of addiction or otherwise unable to cope with debt.⁸ Within the criminological and business studies literature there has been quite an extensive discussion on the influence of culture, and in some cases this is conducive to theft, indeed not only is stealing tolerated it is actually encouraged and generally viewed as normal.⁹

- 2.7 Some staff steal because they feel they are not paid enough for what they do. This can sometimes lead to staff taking cash or goods to compensate for what they perceive are low wages.
- 2.8 Others steal because they have a grudge against the organisation or management and steal as a form of retribution. Members of staff who feel dissatisfied are more likely to explain their deviant behaviour as a means to get back at an employer who is considered to be treating them unfairly or badly.¹⁰ Some feel marginalised or are not interested in their work and so don’t have a bond of loyalty to the organisation which can act as a restraint,¹¹ and others steal for no other reason than they were faced with an easy opportunity and decided to take it. Staff with certain responsibilities may indeed be exposed to greater opportunities. See also Beck, A (2006) Forthcoming, University of Leicester.¹²
- 2.9 Routine Activities Theory stipulates that in order for a crime to take place there needs to be several elements including a law or rule to be broken, suitable targets, the absence of capable guardians, and motivated offenders with the skills and resources to commit offences.¹³ Within stores the capable guardian takes the form of a wide range of different types of security measures, including CCTV and security officers, but also the vigilance and ability of staff in following procedures to enforce whatever rules exist. But little is known about how staff perceive the effectiveness of the measures in place nor the techniques they use to manage them. Motivated offenders refers to the reasons that make them offend, but again little is known about the triggers in modern retailing that lead staff to commit dishonest acts. The issue of skill sets is also important, this has been a much under researched issue generally, and so little is known about what skills and resources are necessary to enable a retail employee to be successful. A parallel issue here is the extent to which skills of staff thieves overlap or are similar to those of shoplifters. The aim of this study is in part to address this knowledge gap.
- 2.10 Most internal theft (and shoplifting) is focussed on items that are highly desirable or ‘hot’. One article argued that merchandise handled continuously can soon be interpreted as just “things” without great value to the company.¹⁴ Three factors: social desirability, concealability and proximity all greatly affect the subjective value of merchandise.¹⁵

8 See Gill, M. (2005) Learning from Fraudsters. Protiviti. www.perpetuitygroup.com/prci/publications.html

9 For example, in Ditton’s (1977) classic study of bread roundsman where employees were encouraged to fiddle the customer because it meant that they would accept lower wages. See also, Mars (1984).

10 Ibid.

11 See Mangione, T.W., & Quinn, R.P. (1975) ‘Job satisfaction, counter-productive behaviour, and drug use at work.’ *Journal of Applied Psychology*, 11: p114-116 and Hollinger and Clark (1982a).

12 Beck, A (2006) Forthcoming, University of Leicester.

13 For a discussion see Gill, M (2006) Reducing the Capacity to Offend: restricting the Resources for Offending. In, Tilley, N. (ed) *The Handbook of Crime Prevention and Community Safety*. Willan: Collumpton.

14 Mangione & Quinn, op cite.

15 Ibid.

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- 2.11 Goods that are CRAVED are seen to be most susceptible to theft, that is they are: **C**oncealable, **R**emovable, **A**vailable, **V**aluable, **E**njoyable and **D**isposable.¹⁶ More recent research has focussed on the 'disposable' and another acronym AT CUT PRICES generated to reflect the characteristics:¹⁷ **A**ffordable, **T**ransportable, **C**oncealable, **U**ntraceable, **T**radeable, **P**rofitable, **R**eputable, **I**mperishable, **C**onsumable, **E**valuable, **S**hiftable.
- 2.12 Ronald Clarke's concept of situational crime prevention refers to those measures that can manipulate the environment in order to reduce criminal opportunities.¹⁸ By implementing some or all of these measures this can:
- 1) increase the perceived effort of criminal behaviour;
 - 2) increase the perceived risks associated with crime;
 - 3) reduce the anticipated rewards of crime;
 - 4) reduce any provocations; and
 - 5) remove the availability of excuses.
- 2.13 In 2006, Perpetuity Research and Consultancy International (PRCI) were awarded a contract to deliver a consultation exercise with a sample of former retail employees who had been dishonest. The purpose of this study was to build a greater understanding of offenders' experiences of committing workplace offences and to investigate why employees steal. This report provides insights into a perspective that is so often ignored.
- 2.14 Perpetuity was asked to interview a sample of former employees from two major retailers who had been dismissed for being dishonest. The research was framed using a number of key hypothesis as follows:
- Staff steal because they believe that they will be able to exploit weaknesses in company procedures.
 - Staff steal because there are many opportunities that present themselves.
 - Staff steal because they believe the chances of getting caught are low.
 - Staff steal because there is an illicit market in stolen goods that generates theft and makes it worthwhile.
 - Some staff who steal have a distinct underlying motivation such as debt or a grudge.
- 2.15 This report gives an account of findings from interviews with 35 people from across the UK who had been dismissed from two major retailers (who wish to remain anonymous) for committing dishonest offences.
- 2.16 Section three presents the main findings of the consultation with the sample.
- 2.17 Section four provides concluding comments and recommendations; section five provides a list of actions for organisations affected by staff dishonesty.
- 2.18 Appendix one contains further details on the methodology used to access the sample.
- 2.19 Accompanying this report is a DVD which illustrates some of the key points made by interviewees.

16 See, Clarke, R. (1999). *Hot Products: Understanding, Anticipating and Reducing the Demand for Stolen Goods*. Police Research Series, Paper 112. London: Home Office.

17 For a fuller discussion see, Gill, M. et al (2005) *The Illicit Market in Stolen Fast-Moving Consumer Goods - A Global Impact Study*. Perpetuity Research and Consultancy International. <http://www.perpetuitygroup.com/prci/publications.html>

18 For more information see Clarke, R. V. (1997). *Situational Crime Prevention, 2nd Edition*. Guilderland, NY: Harrow & Heston. Also see Clarke, R.V. *Handbook of Crime Prevention, Seven misconceptions of situational crime prevention*.

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Section 3. Findings

The sample

- 3.1 A total of 35 interviews were conducted with dishonest staff who had been dismissed from two large retailers.¹⁹ Interviews were undertaken with 15 males and 20 females aged from 17 to 59 with an average age of 30. The majority of interviewees described themselves as White British (80 per cent, n=28) and seven (20 per cent) were from other black and minority ethnic (BME) groups.²⁰ Twenty four interviewees described their marital status as single, the remaining 11 were married.
- 3.2 At the time of the interviews 16 interviewees were in full time employment and six worked part time. Two described their employment status as employed but did not specify their working hours; two interviewees were students. The remaining interviewees were unemployed at the time of the interview.
- 3.3 Prior to their dismissal interviewees held a number of different positions. These have been categorised into 11 roles illustrated in Table 3.1. Cashier/ Checkout operators (n= 16) comprised the largest proportion of those dismissed followed by Sales Assistants (n=eight).

Table 3.1 Job titles of interviewees prior to their dismissal

Job title	Number of interviewees
Cashier/ Checkout Operator	16
Sales Assistant	8
Warehouse worker	2
Produce	2
Night Security Manager	1
Butcher	1
General Assistant	1
Photo Department	1
Nightshift worker	1
Supervisor	1
Shelf Stacker	1
Total	35

- 3.4 Prior to their dismissal four interviewees had worked for the retailer for less than one year, 18 had worked for the retailer from one to five years and three had worked from six to 10 years. Prior to their dismissal six interviewees had previously been disciplined at the store for minor offences such as poor timekeeping, absenteeism, and smoking during work hours.

¹⁹ Twenty two interviewees had been dismissed from retailer one, 13 from retailer two.

²⁰ Other BME groups comprised: Black British, Asian British, Sri Lankan, Asian Pakistani, Black Caribbean and African.

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3.5 Prior to their dismissal the majority of interviewees had a very positive or positive attitude towards their employer. Staff appeared to be very encouraging about their working relationships with other colleagues. Where attitudes were negative some of the common reasons related to:

- Poor communication between managers. Interviewees spoke about conflicting task allocation from different managers, team leaders and supervisors and often felt sandwiched between the requests of one manager and another. This led to uncertainty and confusion amongst frontline staff over what was expected of them.
- Lack of training/ poor training for staff on new systems.
- Too many chiefs but no designated member of staff to take a leadership role.
- Poor pay to afford to live and pay for day to day needs. One interviewee who worked part time hours was left with very little money once her travel costs were taken into account. Others felt that wages were poor considering the profits made by such large retailers.
- Negative attitudes and professionalism of managers, team leaders and supervisors.

3.6 In the words of one interviewee:

The team leaders on the tills were awful; we were bullied and shouted at in front of customers. No one was happy on the tills; the problem was with the team leaders and supervisors.

Reasons for dismissal

3.7 This section begins with an extreme case of one young man who had been dismissed for staff theft. This person's account of his experience of committing theft in the workplace is significant enough here to single out his case as an example of the potency of staff dishonesty in the workplace. He even said himself that *"there was a lot of people doing the same thing, but no-one on my level, during one weekend I I mobile phones were taken, I was not working that weekend."*

Simon (not his real name) had worked for the retailer as a warehouse operative for eight months before he was dismissed for staff dishonesty. Although initially his offences related to theft by consumption, two months down the line this progressed to the theft of high value products including cigarettes, mobile phones, digital cameras and other expensive electrical items.²¹ When asked what motivated him to commit the thefts his response was as follows: *"pay was the deciding factor ...I could not live on the cash they were paying me."*

He went on to say that he was working *"60 hours a week, working for less than £500, 75 hours a week, I made £600 [the] second month I worked there, how can you live on this money? I was earning £500 a day when I started stealing."*

The case was a classic example of collusion, the warehouse manager at the time was related to Simon. Simon was a persistent thief, in his words: *"more or less every shift I was taking stuff, any shift I didn't steal was a missed opportunity."*

²¹ Other stolen goods included: boxes of mints, condoms, boxes of toys for kids, digital Freeview boxes, Playstation games, computer games, memory cards, razor blades, CDs, DVDs.

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When asked to put a figure on the number of times he had stolen from the warehouse, his response was as follows: *“four days out of every week I stole, four times each week multiplied by 20 weeks, about 80 to 100 times, varied from £10 to £3,500 for digital cameras.”*

“I used to unload the majority of the goods, so they were easy to take, when I first started they got me to help with the stock check, that was the reason I was employed, in the first place they were £25,000 down and when I left they were £250,000 down.”

The thefts took place in the mornings, Sunday was Simon’s most active shift as this quote demonstrates *“Sunday morning, basically my shop, there was no one in, I was in charge of the warehouse, I had full rule of the place.”* He went on to say that: **“[I was] left in charge of the warehouse and had keys to the gates.”**

Working in the warehouse with minimal supervision on a morning shift provided Simon with endless opportunities to steal products (including Procter and Gamble goods) as he explains in the following passages:

“I took a lot of make up [cosmetics] at the time, I had a brief spell, two weeks, stealing make up [cosmetics], I was getting that much money for it, 12 eyeliners per box, I was taking 20 boxes at a time, five times in one shift, a fella who ran a market stall was buying them, girlfriend, mum etc. Any make up [cosmetics] of Max Factor I took, I just used to take as many of each box as I could carry. My girlfriend estimated at the time that I had given her £13,000 worth plus the fact that I sold to the market trader. He was paying me a third of what it was worth, if it’s robbed second hand you get a quarter, if it’s brand new you can ask for one third. Some people will sell brand new goods for half price.”

“Razor blades, [I took] one full box of them, gave a few to my mates, 60 packets in a box, Duracell just when I needed them, took a few packets for myself, took electric toothbrushes just for myself, anything I liked for myself I would take one for myself and then get them for my mum etc. OralB toothbrush taken as spares for me and my mum, Oil of Olay anti wrinkle cream/ regenerate stuff worth £10 a pot, little tubs and big tubs - £2000 worth.”

Procter and Gamble products were priceless for Simon because they were *“easy and good to steal for a shoplifter, expensive and small, that is the most important factor and people want them.”*

In addition Simon had regular buyers of stolen goods in store where he worked, *“some of the store managers and other colleagues were buying the goods off me and placed orders from me.”*

Simon’s attitudes towards security measures were very negative, particularly in the warehouse; he described the process of stealing as *“easy to do it anyway because there were only two cameras in the warehouse, they couldn’t see half of the warehouse. Security was crap.”*

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His poor view of security measures was due to weaknesses in the warehouse, once products reached the shop floor, Simon had a very different opinion “*you have that much time in the warehouse it is easy to steal, once on the shop floor, increases the security of products by 100 per cent.*”

Although staff searches were routine where Simon worked he stated that “*I was aware of when the searches were going to take place because of tip offs.*”

Six months down the line Simon was caught on CCTV, he was certain his relative and other colleagues had informed on him and a camera had been positioned on the blind spot where he used to position the goods.

“Someone informed on me, stocks were being checked, people started to realise quite how much had gone, they put CCTV in the warehouse into my blind spot.”

He was caught with 600 cigarettes and two boxes of Rizla cigarette papers. He was formally charged with theft from employer and handling stolen goods.

Simon refused to comment on suggestions to improve security measures however he summarised his attitudes towards security as follows:

“Because I could take anything I wanted, it was too easy, maybe if they had some better security I would not have taken as much as I did, I got really carried away with it because of how easy it was. I used [name of retailer] as a means of making money by stealing.”

3.8 The remainder of this section talks more generally about the findings from the study. Interviewees were asked to describe in their own words the incident that led to their dismissal. Table 3.2 displays the range of events that resulted in gross misconduct which subsequently resulted in the dismissal of individual staff.

Table 3.2 Incidents that led to the dismissal of dishonest staff

Incident that led to dismissal	Number of interviewees*
Theft of goods	7
Misuse of staff discount cards	6
Taking cash from the till	4
Adding loyalty points	2
Top up cards	2
Theft by consumption	2
Gross misconduct of cash	2
Theft of customer credit cards	1
Theft of gift cards	1

* It is important to note that nine interviewees denied the incident and two did not realise that they were committing an offence.

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3.9 In addition to the above, eight interviewees had been involved in dishonest offences that involved some form of collusion with other colleagues. These incidents can be described as follows:

- Receiving payment for one item but allowing the collaborator(s) to purchase more unpaid goods at the checkout (3).
- Buying a mobile phone using counterfeit money (1).
- False markdown (1).
- Misuse of discount cards (2).
- Theft by consumption (1).

3.10 In some situations there was more than one colleague involved in purchasing unpaid goods at the checkout, for example:

There were three of us doing it, we planned it because I didn't have a lot of money, I paid £9.21 for some goods, and the other stuff went through un-scanned.

3.11 In the case of the misuse of discount cards, this was described by one interviewee as “the two of us supporting each other when [we had] forgotten our own cards.”

3.12 Three interviewees had colluded with people outside of work to commit the following:

- Theft of credit cards from customers.
- Receiving payment for one item but allowing the collaborator(s) to purchase more unpaid goods at the checkout.
- Adding credit to mobile phone top up cards.

3.13 One interviewee was topping up two mobile phone cards on a regular basis which was estimated to have a value of up to £2000 in total, facilitated by collaborating with her partner, in her words:

It was my idea, when I told my boyfriend he wanted me to do his as well. He never came into the store; I took both cards on the shop floor and topped them up.

3.14 The theft of goods and cash and the misuse of staff discount cards were the most frequent reasons for staff dismissals. Although the majority of interviewees had only ever committed one type of offence on one occasion, there were several repeat offenders, for example one interviewee committed credit card theft from customers on at least 10 occasions, another interviewee admitted to topping up phone cards up to 100 times; taking cash from the till and the use of staff discount cards were also recurrent amongst a cohort of interviewees.

3.15 Another stole from the till on three separate occasions:

I took from different tills on separate occasions. I took the money over three different shifts - £400 the first time, £500 to £600 the second time and £500 the third time.

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- 3.16 Various techniques were used by interviewees to conceal their misdemeanours, in situations where colleagues colluded to purchase unpaid good, items were convincingly made to look as though they were being scanned by cashiers as described in the following quote:

If someone was watching it looked like we were scanning all the goods through but we were not scanning the bar code – frozen produce was harder to find the bar code on anyway.

- 3.17 Mobile phone cards were topped up at busy times of the day immediately after a customer had been served. The following comment suggests that the same approach was used each time:

I was always consistent, really quick, and straight after I served a customer when it was really busy I would do it – no one was looking – no one was around.

- 3.18 Although only two interviewees had committed this type of offence, the significant finding here is the pace with which the dishonest act is committed. In the words of one interviewee:

I used to work behind the kiosk, I would quickly do it when a colleague went off to collect some more stock, I used to do it really quickly and then get rid of the receipt – I would do £50 on one till and £50 on the other – get rid of the receipts, only receipt you get you give to the customer, [retailers] don't keep one for their records.

- 3.19 Distraction techniques used when stealing cash from the till were described as follows:

I sort of bent down and put it in my pocket as though I had dropped it on the floor, I did it just after I served a customer, I acted like I closed the till but I didn't close it, I lifted the till lid as I bent down.

- 3.20 Customer credit cards were taken when the opportunity arose. For example, if customers left them behind on the counter, rather than report it and hand the card in to customer services which was standard practice, the card was stolen and hidden as described in the following quote:

When I was on the till I always had pieces of paper with stuff written on it e.g. shifts etc – I used to put the credit cards in my pocket with the pieces of paper. I only worked 10 hours a week so I wasn't earning much money.

- 3.21 Ease of opportunity impacted on several interviewees' decision to commit the offence in the workplace and in a number of cases they only ever committed one offence and they claimed they were caught the first time.

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- 3.22 In some cases no attempt was made to conceal the action, for example one interviewee discussed how she passed a staff discount card (which entitles the customer up to 10 per cent off) to a family member:

I did the shopping as normal and passed my card to my mum so she could get [a] discount.

- 3.23 Judging from some responses, it is clear that some employees were not clear about the company policies and procedures; sharing discount cards was not always regarded as an offence that would result in staff dismissal.

I got called in by the supervisor on the tills [who said] 'we are investigating the misuse of a club card', nothing clicked with me, even when they called me in I did not think about the points on my mother's card. I was suspended but it was the staff representative who explained what was wrong, I just did not realise.

- 3.24 Two interviewees that were involved in charitable fund raising events and had not conformed to protocols regarding money on the shop floor were adamant that they had not been aware of their wrongdoings.

Motivations for committing staff dishonesty

- 3.25 One of the key areas this research was interested in investigating was motivations for committing staff dishonesty. This was explored with interviewees and a number of recurring themes emerged. Debt and financial problems were common reasons amongst those who stole cash from the till or colluded with other colleagues to obtain unpaid goods as illustrated in the following excerpts:

I was skint that's why I needed it.

We both used the cards; he [boyfriend] didn't work then. We were short of money and struggling to pay the rent, gym membership etc.

- 3.26 Opportunity was the underlying motive for committing staff dishonesty amongst some interviewees. A widely held perception was that stealing from the tills was difficult and this certainly deterred many staff from stealing money from here.

- 3.27 In one case being bored was blamed for committing dishonest offences such as adding loyalty points to inactivated cards as highlighted in the following quote:

Boredom - there was nothing else to do, no customers. There were 20 to 25 tills, 18 of us on the tills, it was really boring, and there were no customers. They phoned me in for that day to cover a shift but it wasn't busy.

- 3.28 A number of interviewees were dishonest in order to try and beat the system or to see what they could get away with as illustrated in the following comments:

I did it to take the mickey to see what we could get away with.

Basically I got a bit cocky and thought I could get away with it.

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3.29 Other reasons were as follows:

- Hunger (in cases of theft by consumption).
- Stress.
- Under the influence of alcohol at the time.

3.30 As well as motivations to commit dishonest offences, interviewees were asked if there were any circumstances within the store that influenced their decision to commit the offence. In addition to those already discussed, a number of statements were made, the first centred around the way they were treated by managers; poor management resulted in low levels of motivation in the workplace:

Lack of motivation. Some of the managers were puffy nosed; looking down at us, only spoke to you if they wanted something.

*If the manager had p***** me off I would think do you know what? I can't be bothered, and I would swipe it [top up card].*

3.31 In these cases interviewees had become increasingly negative towards the company and this had therefore influenced their decision to offend:

General feeling, we ripped them off because we were fed up with them.

3.32 For one interviewee who was repeatedly topping up phone cards, low pay was a precursor to the offences. For this individual it was almost as if the purpose of going to work was to top up phone cards:

If you didn't get the chance to swipe your card it would make me angry and I would not want to go to work. I would rather have stayed in bed; I was earning about £3.85 an hour at the time.

3.33 There is a body of research evidence which identifies a link between acquisitive crimes such as shoplifting and drug and alcohol addictions, the former is done to generate income to fund a habit. For this reason, we explored whether the drugs and crime link was apparent in the workplace. There was no evidence from this study to suggest that staff were stealing to fund addictions.

3.34 Only a small number of interviewees were influenced by friends or colleagues to commit staff dishonesty, however there is certainly some evidence to suggest that the misuse of discount cards is encouraged by staff as this quote clearly demonstrates:

My colleague would give me his food and I would use the card to get the discount. Other times I would pass it back to my colleague.²² Till operators would suggest that we shared cards if one person had forgotten it.

22 Staff sometimes shared discount cards if they forgot their own discount card. A number of staff were sharing discount cards when purchasing lunch or shopping.

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- 3.35 Apart from the case study illustrated at the beginning of this section, there was little evidence to suggest that other interviewees were involved in the theft of Procter and Gamble products, but, as will be shown, they were aware that these goods went missing.

Awareness of other staff theft/staff dishonesty

- 3.36 Interviewees were asked to comment on their awareness of other staff theft in the store where they had worked. Twenty two (63 per cent) interviewees claimed to be aware of other staff members who stole and a number of examples were given, many of which related to thefts in the warehouse as described in the following extracts:

One person when I left who worked on night shift got caught with £2,000 worth of scratch cards – he used to work in the warehouse – he had access to everything, IPODs, up to date technology, he used to take stuff. They have CCTV in the warehouse; I don't know how he got caught or how he got away with it or how long he was doing it for.

In the warehouse, there's only one camera, people used to go round the back of the cages so they can't see ya. You could easily steal if you wanted to do it.

A lot of it was going on; people working in [the] warehouse were going out [the] back door. A lot of things would go out the back door on the wagons and [then] put empty boxes on the shelves and take them out of their boxes, so not until they did a stock take did they realise they were empty boxes. Two colleagues got done for it, electrical [items] TV, radio, and CD players. The warehouse was temporary, like a marquee cos of refurbishment so that's how it was done.

- 3.37 Some interviewees were aware that thefts were occurring when containers were delivering goods to the warehouse.

On nightshifts, there weren't many people working in the warehouse. The Home and Leisure Department [TVs, Dysons, electrical goods etc] left their stock upstairs – staff would put the goods on pallets and take it to the backyard and load it into a white van used by [the retailer] to deliver bread. The staff member would drive the van off and people would think they were delivering bread to other stores but really they would be stealing the products and would drop it off to someone else. They were discovered because people would see the staff offloading the goods at the side of the road.

- 3.38 One interviewee was aware that certain Procter and Gamble products went 'missing'. Mach 3 razor blades and Duracell batteries for example:

Duracell – yes stolen cos many a time when I was cleaning up I found empty packets with the batteries taken out – batteries were ripped out, customers mostly take them ... I would say that any health and beauty product is stolen.

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3.39 And similarly in the words of another interviewee:

Pocketing expensive toiletries, batteries, razor blades, condoms – it was a regular occurrence.

3.40 Another example referred to staff removing products from the shelves, hiding them and taking them away at the end of the shift. One interviewee remarked that, “*they hide things because of a lack of security.*”

3.41 On the other hand some interviewees referred to beauty creams being removed from packets leaving just the empty boxes on the shelves on the shop floor. One interviewee claimed that the store security manager was stealing cosmetics and hiding it in a folder, presumably used to store paperwork.

3.42 Beyond the warehouse and products on the shop floor, interviewees were also aware of employees stealing cash from the tills and colluding with family and friends or colleagues in giving incorrect change or unauthorised cash back. The following quote supports this sentiment:

Couple of check out girls take money from the till. They get their friends to come in and give them like £20 extra in their change. Lot of people can go and sit on the same till, what they should do after they're on that till, it [the money] should be counted, but they don't do that, could have five or six people using the same checkout.

3.43 Other forms of staff dishonesty that interviewees were aware of included:

- Eating and drinking products without paying for them.
- Deliberately marking down a product in price and then selling it on.
- Deliberately damaging products and buying them at a discount.
- Collecting loyalty points from abandoned customer receipts.

Opinions regarding what makes a product good to steal and why

3.44 A consistent message from interviewees was that small items and high value products were most attractive to staff thieves and shoplifters. According to a number of interviewees, small low value products such as chewing gum and sweets are also attractive and easy items to steal.

3.45 Interviewees were presented with a list of Procter and Gamble products²³ and were asked to consider how easy they would be to steal. Twenty four (69 per cent) interviewees were of the opinion that they were easy to steal, only one interviewee disagreed and the remaining eight respondents (23 per cent) were unsure. Size was seen as an issue: “*being as small as they are, they can fit them in their bags and their pockets away from the cameras.*” Another interviewee noted “*I had a colleague who worked in the canteen who got sacked for stealing those kinds of things, they were quite easy to steal, put them in your pocket and they're quite expensive.*”

²³ Procter and Gamble products included: MACH3, Venus, Duracell, Braun OralB toothbrush refills, Oil of Olay and Max Factor cosmetics.

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- 3.46 According to one interviewee some Procter and Gamble products were easy to access in the warehouse:

The blades you can't get to because they are behind the till but they are easy to access in the warehouse.

- 3.47 And similarly:

Easy to steal from the warehouse, drivers for example who may leave stuff in the vans.

- 3.48 Although several interviewees initially commented that Procter and Gamble products would be easy to steal on the shop floor, the acceptance were goods that were tagged:

Yes, but they are all tagged, can't get them unless you take the product to the till, don't have any chance of taking the tags off really.

Yes. I guess because they are little but I would be worried because they have security tags on them.

- 3.49 On the other hand, one interviewee remarked that it was possible to “just take the stickers [tags] off; these products are targets for shoplifters as well as staff.”

- 3.50 One interviewee that had previously worked in security made the following comment:

Yes I used to work for security and we used to catch them with stuff like that up their sleeve.

- 3.51 Untagged Procter and Gamble products that were on the shop floor waiting to be tagged were identified as easy targets for potential thieves.

Oil of Olay yeah stolen – it's a health and beauty product. The price and size would make someone want to steal it – easy to put it in your pocket [and they] are expensive items.

- 3.52 Removing beauty creams from their boxes and leaving empty boxes behind was regarded as a distinctive method of stealing cosmetics. Cosmetics in particular were seen to be discrete high value products which were easy to steal.

All they do is take products out of the box and stuff the box on another shelf completely away from where it should be, put it [the product] in their pockets, go the toilet and put it in their handbag. Only way to stop it is to search everyone every time they leave the store.

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- 3.53 The general consensus was that Procter and Gamble products were good to steal because they were expensive items that could be sold on:

It is always the brand names that you steal because you can sell them on.

Because you can sell them easily, there are always women who want to buy cheap make up [cosmetics].

Because people use them all the while, products are in high demand.

Getting caught

- 3.54 In most cases staff had been stealing for a few months before they were caught. A small minority had been stealing for longer periods of time.
- 3.55 Some interviewees were regretful or disappointed in their behaviour. Some blamed their actions on being young and foolish; others had been desperately in need of cash.
- 3.56 For those dismissed for theft by consumption, they trivialised their offences in the following way:

Everyone does it, everyone writes food off and takes stuff home and we happened to be the ones that got caught.

- 3.57 Interviewees were asked to retrace their thoughts to the times when they were committing dishonest offences and to consider how likely they thought it was at the time that they would get caught. It was not possible for all respondents to answer the question because they either upheld their innocence or had not realised that what they were doing was wrong.
- 3.58 Fifteen (43 per cent) interviewees recited feelings of it being 'very unlikely' or 'unlikely' that they would get caught, five (14 per cent) considered it 'very likely' or 'likely' and two (six per cent) had been uncertain. Interviewees were also asked how concerned they had been about getting caught. Eleven interviewees (31 per cent) had been 'very unconcerned' or 'unconcerned', six (17 per cent) were 'very concerned' or 'concerned' and two (six per cent) were 'unsure'. It is important to note that although some interviewees were not concerned about getting caught they were fully aware of the consequences of their actions.
- 3.59 However, the widely held perception amongst those consulted was that the chances of getting caught were low. This was clearly an influential factor in their decision to commit the offence.
- 3.60 One interviewee acknowledged that the more times he committed a dishonest offence and got away with it the more his confidence grew:

*I was s***** it at first, and the first day I just realised it was easy. The first couple of days nothing happened, I thought I could get away with it from then on.*

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- 3.61 When asked to explain how they had got caught, several interviewees had been caught either on CCTV alone or CCTV combined with other supporting evidence as demonstrated in the following excerpt:

The manager took me into the office and they told me what I had done and showed me a video of what I had done putting the discount cards through the till.

They put a camera above my head secretly, I think I had a day off or something – I think it was installed then.

They put me on a till where there was a camera and I didn't know that, they caught me on camera.

- 3.62 A number of interviewees were of the opinion that another colleague had informed management of their misdemeanours:

We think the lady who was checking the tills grassed us up initially, the interviewers [security] had checked the till rolls and video footage. She had made complaints about me in the past saying I left my till unattended when there were queues of people in store, it wasn't true.

- 3.63 One interviewee was caught because the credit cards she had stolen from customers were traced back to her till. Another had been caught with packets of stolen cigarettes when searched leaving the premises.
- 3.64 Some interviewees particularly those who did not realise that what they were doing was wrong felt that they had not been treated fairly by the company. The following quote is an example of one interviewee's view:

What [name of retailer] should have done with a manager is to have come to me and asked me if I had taken the money. I could have explained what I had done and they could have asked me not to do it.

- 3.65 In 14 cases (40 per cent) the police were involved.²⁴ Seven (20 per cent) interviewees were prosecuted. One person was awaiting a court date for credit card fraud, one thief went to Crown Court however due but a lack of evidence meant that the case was later dropped. Three people were fined; one person was charged with theft from employer and handling stolen goods and received a community rehabilitation order and 12 month conditional discharge, others received a caution.
- 3.66 The impact of the investigation process and punishments were fairly severe for some interviewees. The risk of going to prison, feeling ashamed, disappointing family members, ill health, preventing (or delaying) access to a chosen career (e.g. police) and the impact of Civil Recovery on financial circumstances were all cited as consequences of their offences.

²⁴ Six interviewees had been in trouble with the police before they committed dishonesty in the workplace. In most cases this related to fighting and motor offences. Only two interviewees had previous convictions, one for driving whilst disqualified, another for fraud.

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Evading in store security measures

- 3.67 In order to understand whether staff had to avoid certain processes and procedures within the workplace when committing dishonesty, interviewees were asked to describe how they carried out the offence and what measures they took to reduce the likelihood of detection.
- 3.68 Some interviewees had been aware of where cameras were positioned in the store they worked; this had determined when, where and how they committed their offence(s):

I knew there were cameras on the customer service desk; I slid them [cigarettes] into my pocket rather than lifting them up into the air and putting them into my pocket.

We knew which tills the cameras were on. I was on a till that the cameras were not on. When I took the money, I waited for the managers to go by.

- 3.69 According to interviewees, adherence to till protocols was somewhat ad hoc; in that procedures were not implemented to their full effect. A strong message from interviewees was that in circumstances where staff were operating a till out of sight of cameras and adherence to policies and procedures were lapse, providing an ideal opportunity to steal. One interviewee discussed this in more detail:

I think they are too reliant on CCTV cameras, there should be one above every till so you've got a bird's eye view of what's happening [at present they are] only above every second till so that's what the girls look for, if there is no camera above them they know you can't see what's happening.

- 3.70 Where staff had colluded to obtain unpaid goods at the checkout, they had been cautious to ensure that the night security guard was taking a break.

Attitudes towards the effectiveness of security measures

- 3.71 Interviewees were asked a number of questions pertaining to the overall effectiveness of in-store security measures including CCTV, security guards, policies and procedures, and general security management.
- 3.72 There were fairly mixed opinions regarding the effectiveness of security teams in the stores interviewees were dismissed from. Thirteen (37 per cent) interviewees felt that the teams were 'effective' or 'very effective', fifteen (43 per cent) 'ineffective' or 'very ineffective'. The remaining responses either did not answer the question or were neutral in their answers. Perceptions of the effectiveness of the overall package of security measures in store were very similar (14 (40 per cent) 'effective' or 'very effective', 15 (43 per cent) 'ineffective' or 'very ineffective').

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3.73 Attitudes towards security guards were rated negatively for the following reasons:

Sometimes there is no-one standing at the entrance and exits. If someone is stealing they can still get away because security guards are not standing at the door.

One security guard at night is not enough coverage. If dealing with something at one end, the other end of the store is open to opportunities.

Security people don't really do their jobs to be honest, had contract security in who stood on the door, but if it was staff they were told to let you go so it was easy for staff to steal. I went into the store and bought a bottle of alcohol and the tag didn't come off, I walked out and the alarms went off and they [security guards] said 'oh don't worry about it he's staff', it was easy for staff to steal – they just let you walk out.

3.74 Security guards were often described as lazy and were criticised for not carrying out their regular duties. By spending periods of time talking to customers and staff, security guards were reported to not be doing their job properly. There was also a commonly held perception that some security guards were not physically fit enough for the job.

3.75 There were alternative views. One interviewee spoke highly of security guards in the store they worked:

They were really good in my store, they patrolled the floor, and they were so vigilant to my knowledge.

3.76 While some spoke highly of the regular checks on staff, others remarked that policies and procedures were not adhered to as follows:

No bag checks. [Staff] handbook stresses that all staff will be checked on a regular basis. In two and a half to three years I was never checked once. Don't know of anyone who was ever checked.

Security checks were a joke – store team leaders [section managers] would come round and ask me to sign to say I had been checked when I hadn't – that time of night security was slack particularly in comparison to the day. It was easy to have mobile phones because the checks were not undertaken. When I clocked out I had my phone and car keys on me,²⁵ I could have walked out with anything and no-one would have known – there was not the security for that.

3.77 Poor security management was also alluded to by some interviewees, in the opinion of one respondent:

The times we were left without a night security manager; we would have to stand by the exits in case the alarm went off.

²⁵ Staff are not allowed to carry personal items such as cash, mobile phones, keys etc on the shop floor. Lockers are provided for this.

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They [the store] went for about two months without a security manager or any security staff because they moved the managers every couple of months, the security manager moved to another store and the number of thefts increased.

- 3.78 Attitudes towards the deterrent value of CCTV were more positive; CCTV was commended for its contribution to security in stores, particularly where cameras were positioned above the tills.
- 3.79 Frequent comments were made however regarding blind spots generating opportunities for potential thieves, both staff and customers. The overall performance of CCTV was also criticised by some interviewees who made comments about malfunctioning cameras and poor picture quality.
- 3.80 A number of comments were made regarding the overall effectiveness of and coverage of CCTV in the warehouse. A number of interviewees stated:

Staff came through to the warehouse but [you] couldn't see anyone, there were three or four aisles where it was easy to steal things.

It was a few years before more cameras were put into the warehouse. A lot of products weren't kept secure, Christmas time was the worst. You were not supposed to have overstock at Christmas but there was too much stuff to put away so it was left around and people could help themselves. Home and Leisure Department products were under lock and key [upstairs in the warehouse] but during both the day and at night it was left open so staff could easily go in and steal stock. Nothing was secure. Cameras in the warehouse, six were fake and two were real, at least 90 per cent of staff knew which were real and which were not. It was more difficult for staff to steal on the shop floor cos of cameras, [whereas in the] warehouse it is easier cos it has access to all departments' stocks. During the night there are less people in the warehouse.

- 3.81 One interviewee conveyed a scenario he had heard from another colleague:

A colleague told a story in court how he used to go into the warehouse at times, many times he had seen senior staff turn cameras away because they did not want the store to know about the cost of the waste.

- 3.82 One interviewee recounted a problem where secured goods, due to be returned to the manufacturer were easy to steal :

Lock up not being emptied, I spoke to them about that, they put old products in there including razor blades etc – that were supposed to get sent back to wholesalers, there were products that had been there for six or seven years.

On the cupboard was a red seal – once you had put something in there and broke the red seal you have to replace it and record it in the book, that was supposedly the procedure, that was never carried out so stuff could be taken when the seals weren't replaced. If trying to minimise losses need to look at this because the lock up process was not adhered to.

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3.83 This once again reinforces a consistent message that has been identified throughout this report, the lack of adherence to company policies and procedures.

Attitudes towards preventing staff dishonesty and improving security measures

3.84 Interviewees were asked for their views on what could be done to prevent staff dishonesty and improve in store security measures. These findings can be summed up into eight main areas of improvement, each are discussed in turn.

Security Guards/Teams

3.85 Some interviewees argued the need for more security staff patrols. Clearly there are cost implications here and more security of any kind without proper management of it is pointless. Yet given that it was a comment made by some interviewees the point is made here:

You would think they would have a security guard and cameras all over the yard so that they can see what is going on when the containers come in and out.

3.86 A variation on this theme, is that deploying staff (that is store staff and security guards) more effectively would help deter theft, specifically if they were to wander around:

If there was more staff walking around that would have stopped me from doing it so many times.

More security staff. One main security room with cameras that is being constantly monitored. Another security room in the warehouse to monitor the back door and what is going on in the warehouse e.g. walking around, checking things are locked and [checking] people are doing what they should be doing.

CCTV

3.87 The importance of good quality CCTV images was widely advocated:

If I had known there were cameras I wouldn't have done it.

Overload the store with cameras so that they know everything is being watched – it would have stopped me.

More cameras above the tills.

3.88 Accompanying the need for quality CCTV images was the importance of ensuring that the cameras were positioned in the proper locations where staff theft is likely to take place (including the warehouse). Equally important was the need to ensure that cameras were monitored 24/7.

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Securing high value products

- 3.89 A small number of interviewees were of the opinion that products need to be tagged by the manufacturer before they reach the warehouse in order to prevent theft:

Tagging at the source before they get to the warehouse, just as easy to tag the product as the box, manufacturer can do this.

- 3.90 Taking certain health and beauty products out of their boxes e.g. creams before they are despatched onto the shop floor was suggested by one interviewee.

Warehouse security

- 3.91 One of the significant findings from this study is the ease of which former staff claimed goods could be stolen from warehouses. Although very few interviewees worked in the warehouse, the general consensus was that the lack of CCTV coverage in the warehouse, the relative autonomy of workers and the availability of goods combined to make this an attractive place for theft:

In the warehouse, if they want to put something in their pocket they can do it easily without being seen.

- 3.92 In order to make warehouse theft more difficult, one person suggested that warehouse staff should be provided with a uniform without pockets.

Adherence to policies and procedures

- 3.93 In the opinion of one interviewee, lack of procedures and lack of adherence to those that did exist created opportunities:

Three or four large containers per night, food, electrical [items], who knows what goes missing on there, no stock checks are done so there's no way of running any checks. We used to be there until 7am, day staff come on at 6am, take the [delivery] notes and empty everything off, no checks done, sign the note, all a rush, no checks done to say received x amount of goods.

- 3.94 The importance of regular till checks to prevent theft of cash from the tills was a fundamental necessity if improvements were to be made to the existing methods of safeguarding cash. The following quote supports this point:

Make sure tills were emptied out more regularly and make sure only a small amount of cash is in the tills.

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- 3.95 On a similar note, the need to tighten up procedures with pin numbers when signing on and off tills was called for:

They were very relaxed with pin numbers, managers would come round and unlock the till so anyone could come round and use it all day – there was four of us, they could never tell who it was until they put a camera up. There wasn't one particular person on the till for an hour and we'd also get cashiers come and use it so any Tom, Dick and Harry could use it. They could have made it so everyone had to sign before using it.

- 3.96 The importance of enforcing regular staff searches was discussed. In the words of several interviewees if regular staff searches had taken place this may have had an impact on their decision to commit dishonest offences:

If you got searched, or had random searches, I wouldn't have done it.

Why don't they increase random staff checks? These should be done everyday.

Improved working conditions

- 3.97 Complaints were made that when the store was quiet there was very little for cashiers to do resulting in boredom. Two interviewees claimed they used time to amuse themselves adding loyalty points to inactivated cards, for which they were dismissed.
- 3.98 Better working conditions and better treatment by the company and management and supervisors was called for, and better wages was suggested as a possible deterrent to staff dishonesty. Some interviewees resented the wages they were paid, and suggested that the retailers “are the robbers in my eyes – pay staff pennies.”

Staff Training

- 3.99 As previously highlighted in the report some interviewees were very clear that they had not been informed about company policies and did not realise that what they had done was unlawful. With this in mind some interviewees stressed the importance of communicating policies and procedures to all staff; there may also be scope to revisit staff training to raise security awareness and clarify procedures and rules:

For a start tell the staff all of the policies, about what is right and wrong, no-one gets told anything.

They could have taken discount cards off us, they could have put posters up to make you aware of the processes and procedures. Cashiers should be aware that they should not be accepting cards that are passed to colleagues.

I think they should put it across a bit more about the fact that you cannot use your discount card for other people; it was not high value products, just food.

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3.100 To iron out some of the misunderstandings and often ignorance of what is classed as a dishonest offence in the workplace, employees would certainly benefit from a rolling programme of training on policies and procedures.

Management

3.101 The need for good management was something that certain interviewees felt that the stores were lacking. One interviewee thought that consideration needed to be given to the calibre of person that is recruited for this role:

Didn't really see the managers, there was a lack of communication between the managers, no real leader, one would tell you one thing and someone else would tell you something else, never knew who to respond to, there was no designated person – that [having a designated leader] would have made it more difficult for us.

3.102 Some interviewees felt that they had been marginalised by managers because they had wanted to get rid of them:

If you don't fit that square you're out of the door. Some people took a dislike to my mum when she use to work there and they did the same to me just because of that. They need to stop being so judgemental of people.

3.111 Running through the answers received was a caucus of concerns about the poor way the store was run and the inadequate attention to staff needs and concerns.

Section 4. Conclusions and Recommendations

- 4.1 As discussed in the introduction, this study was framed around five key hypotheses. Each of these is discussed in turn drawing conclusions from the key findings presented in the previous section.

Staff steal because they believe that they will be able to exploit weaknesses in company procedures

- 4.2 There is a body of evidence from this research which demonstrates some of the weaknesses in company policies and procedures, or at least lack of adherence to them. Some former staff in this study were able to commit offences due to a lack of adherence to till checks, staff searches, emptying lock ups etc
- 4.3 The lack of understanding of some of the guidelines around the use of discount cards, loyalty points etc. lead to confusion. Some interviewees were unhappy at the way they had been treated by their previous employer. Some felt that they were not given the opportunity to explain their actions and felt that they had been dealt with harshly arguing that a disciplinary rather than a dismissal would have been a fairer outcome. With this in mind it is important that staff are trained on policies and procedures and that these are adhered to. This in turn may prevent some of the incidents that resulted in the dismissal of a number of former employees interviewed in this study.

Staff steal because there are many opportunities that present themselves

- 4.4 The opportunities available to staff working in the retail sector are endless. A significant finding from this study is the ease with which interviewees believed products could be stolen from the warehouse. This conclusion is supported by the comments made by Simon who was a habitual thief in the warehouse.
- 4.5 It seems that Procter and Gamble products are most vulnerable when they are still in the warehouse, before they are tagged and released onto the shop floor. There appears to be far less supervision of staff in the warehouse and minimal security, and more direct access to goods by people who are fairly autonomous in their job roles.
- 4.6 Collusion between staff and colleagues and/or staff and customers facilitates theft. Almost one third of interviewees in this study had colluded to commit theft from the retailer, in Simon's case this undoubtedly had contributed to the level of his success in avoiding detection.

Section 4

Staff steal because they believe the chances of getting caught are low

- 4.7 The research has shown that many interviewees did not think they would get caught for their misdemeanours; ineffective security measures and badly organised security teams fed this widely held perception.
- 4.8 The lack of attention to policies and procedures on the tills encouraged some cashiers to believe that they could steal money from the till undetected. Where this had occurred interviewees always stated that CCTV evidence was produced to convict them.
- 4.9 Security guards were often criticised for poor performance in deterring theft in the workplace, they were regarded as having a low bond of loyalty to the company. One interviewee praised the effect of staff and security personnel patrolling the store and was seen as a good deterrent.
- 4.10 CCTV was the most highly regarded security measure; the majority of interviewees had been caught on CCTV and such compelling evidence that resulted in their dismissal. The general consensus was that the presence of CCTV was a deterrent to committing offences. However, blind spots, the lack of image quality and poor monitoring were all exploited.

Staff steal because there is an illicit market in stolen goods that generates theft and makes it worthwhile

- 4.11 Although there was only limited evidence from this research of the theft of Procter and Gamble products, where goods had been taken, these were regarded as small, high value products that were easy to sell to a ready market.
- 4.12 Interviewees stole for different reasons, most often to keep goods/ money for personal use, but finding an outlet for anything stolen appeared never to be a problem.

Some staff who steal have a distinct underlying motivation such as debt or a grudge

- 4.13 Debt and financial circumstances were most certainly influencing factors for many interviewees. In the majority of cases, they claimed this was their first offence and they acted on impulse.
- 4.14 Negative attitudes towards managers, team leaders and supervisors also triggered grievances that provoked acrimony and led to dishonesty. This also resulted in low levels of motivation in the workplace. There is clearly a need in some circumstances to improve working relationships between managers and frontline staff.

Section 5. Critical determinants of the level of staff dishonesty

- 5.1 In many ways there are overlaps here between how shoplifters steal²⁶ and how staff thieves steal. Both groups look for easy opportunities, both groups make use of weaknesses in security procedures and in security personnel and technology, they both are influenced by inattentive management and de-motivated staff. In many ways the responses that would tackle one group of thieves would go some way to countering the threat of another group.
- 5.2 Although this research is based on interviews with only a sample of dishonest staff from two major retailers, it has provided some useful insights into staff dishonesty. We have discovered how employees are able to exploit company processes and procedures and security measures designed to deter and prevent staff from illicitly obtaining goods and cash. Building on the work of Bamfield²⁷ these findings suggest that there are a number of factors that are critical determinants of the level of staff theft in the workplace. These are discussed below in turn.
- 5.3 *Motivation to steal:* If a crime is to be successful, there needs to be a motivated offender with the means or resources to exploit the opportunity and overcome security measures. Interviewees in this study were often motivated by debt and financial difficulties; others were unhappy with how they were treated by the company and management, some were unsatisfied with the remuneration package, arguing that their pay was not enough to live on and therefore they needed extra cash to support their lifestyle. Some of these reasons are often used by dishonest staff to justify their behaviour.
- 5.4 *Ease of opportunity:* The lack of adherence to company policies and procedures opened up windows of opportunities for staff to steal from their employer. Although there is certainly evidence in this study to suggest that the effectiveness of security measures differs by store, what is clear is that where security measures are perceived to be weak, the opportunity to commit offences can be tempting to employees, particularly if they are experiencing financial difficulties. Opportunity reduction is therefore a vital strategy in deterring staff dishonesty. A distinct finding from this study is that if retailers want to minimise the level of loss, they need to continue to enhance existing security measures and improve security in the warehouses.
- 5.5 *Perceived risks:* As well as the ease of opportunity, the majority of staff were unconcerned that they would get caught and perceived the risks of detection to be low. This reinforces the importance of communicating company policies and procedures to staff and adhering to staff searches which may in turn deter staff from committing dishonesty, so many interviewees in this study inferred that their crimes were committed because the risks of getting caught were so low. There is also a need to reinforce the message regarding the consequences of committing dishonesty in the workplace. Some of the interviewees in this study had since

26 See, Gill, M (2007) *Shoplifters on shop theft: lessons for retailers*. Perpetuity Research and Consultancy International at www.perpetuitygroup.com/prci

27 See Bamfield, J, A (1998) *Breach of Trust: Employee Collusion and Theft From Major Retailers* in *Crime At Work* volume 2: 138 -139.

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experienced knock backs with employment opportunities, had incurred financial repercussions through Civil Recovery, others felt very ashamed of having a police caution or in some cases a criminal record.

- 5.6 *Skills - based resources:* Staff thieves used a number of techniques to disguise their misdemeanours, these were crucial to ensure that they did not arouse suspicion. As has been shown throughout this report, there are some very important techniques dishonest staff learn to make their offence successful such as committing the offences during busy periods, committing offences quickly, colluding with colleagues, imitating the sale of purchases, evading CCTV by making use of blind spots and taking advantage of an overall lack of adherence to company policies and procedures. These skills mirror some of those used by shoplifters; retailers therefore need to ensure that they deploy their resources effectively to prevent further exploitation of cash and products on the shop floor and in the warehouse.
- 5.7 By focusing on the perspectives of former employees, this report has provided some new insights that suggest that current practices to tackle dishonesty in the workplace are wide off the mark.

Section 6. Actions for organisations affected by staff dishonesty

The point of this study was to understand the offenders' perspective. It was clearly not aimed at identifying all vulnerabilities nor developing a comprehensive list of all scams. All organisations need to risk assess relevant processes and identify security vulnerabilities and then develop appropriate counter measures. However it seems reasonable to highlight some of the key ideas about how best to respond from those interviewed in the study albeit that these are not intended to be all encompassing.

Recruitment and vetting

- 6.1 The quality of pre-employment screening is likely to impact on the level of staff theft experienced by an organisation. Ensuring that previous employer references are checked helps to eliminate the possibility of employing unreliable staff. Statistics reveal that people with poor credit ratings are more likely to steal. Credit checks can assist in building a profile of a potential employee.²⁸

Signage and awareness raising

- 6.2 Prominent signage in the warehouse and on the shop floor to inform staff firstly when the company is aware of theft by staff and is investigating individual cases, and secondly to raise awareness of the consequences of staff dishonesty may in turn deter theft by staff. These measures may be particularly effective during certain times of the year e.g. Christmas when staff may be tempted to steal. The message that staff theft is not acceptable and is a serious offence needs to be continually reinforced.
- 6.3 As part of staff inductions and regular staff training, organisations must ensure that a comprehensive training package is in place covering policies and procedures and the importance of adhering to them. Staff need to be clear on policies relating to discount cards, handling money on the shop floor etc. Training must also highlight the seriousness of staff theft, and the repercussions if caught.
- 6.4 It is essential that staff are informed that they can be prosecuted for theft and that the organisation is prepared to involve law enforcement agencies. Furthermore, company policy must be applied in all cases of employee theft and each case dealt with according to company policy, staff must see evidence that any illegal behaviour will be dealt with using appropriate measures and that there are no exceptions.
- 6.5 The importance of encouraging a culture of honesty amongst the entire workforce is important here, the repercussions of staff theft may be reinforced in team meetings to allude to the fact that the organisation treats the matter very seriously. Organisations may benefit from setting up confidential telephone reporting systems for employees who are aware of theft who may report their concerns in confidence.

²⁸ For more information see http://www.vetting.co.uk/pages/sectors/retail_home.php

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- 6.6 Where security measures are effective ensure that this is communicated to staff, one example may be to advertise the number of successful prosecutions of staff dishonesty in areas where staff congregate e.g. staff canteens, staff notice boards etc. In pursuing these measures it must be dealt with sensitively; what employees don't want to happen is to create an environment where staff feel they are not trusted, this can be counter productive.

Valuing and supporting staff

- 6.7 Employees should at a minimum have in place facilities to signpost employees with personal difficulties such as debt, drug and alcohol problems, domestic violence etc. More proactive organisations may have internal facilities e.g. counselling services where employees in need can go for information, help and advice for a range of problems including financial difficulties, addictions etc.
- 6.8 Staff would most certainly benefit from team building exercises to prevent poor working relationships between managers, team leaders, supervisors and front line staff. Employees may benefit from exploring mentoring projects or line management systems where staff progress is continually monitored and assessed and feedback on performance is regularly given to staff. This may help employees to feel more valued in the workplace and prevent negative feelings towards the employee which may in turn prevent staff dishonesty. Sessions may also provide employees with the opportunity to discuss any issues which may be affecting their performance. Mentors may act as the link to signpost staff to internal/external agencies as highlighted in 6.7.
- 6.9 Providing employees with fringe benefits may help to eliminate staff dishonesty amongst staff who feel that they are poorly paid.

Improving security measures

- 6.10 There needs to be an over-arching security strategy based on a good risk assessment. The security measures that are implemented need to be proportionate to the risks. All measures need to be fit for purpose. Ensure that there are proper guidelines governing the use of measures, and that all staff involved are trained and are monitored to ensure that proper procedures are adhered to.
- 6.11 Organisations need to be committed to undertaking continuous reviews of security. Stores may involve staff in security reviews to gather their feedback on current security measures and their effectiveness; this could be ascertained by circulating self complete confidential questionnaires to all staff where they may feel more at ease in disclosing information.
- 6.12 Organisations need to take a more proactive role in ensuring that staff adhere to company policies and procedures e.g. random bag searches, till checks etc. There needs to be clear lines of accountability for in store security and there may be a need to introduce disciplinary action in stores where these are not adhered to. These policies and procedures need to be enforced beyond the shop floor and the warehouse; they need to apply to drivers responsible for delivering stock.
- 6.13 Restricting access to certain areas particularly where high value goods are stored may have the potential to prevent staff theft; there may be benefit in exploring access control systems.

Appendix One: Methodology

It is important to clarify how each research participant was involved in the study.

Accessing people that had committed dishonesty offences in the workplace

Retailers were asked to issue a letter (written by Professor Martin Gill) to staff they had dismissed for dishonesty. The letter invited dishonest staff to participate in the study. In order to encourage a high response rate, the letter informed potential research participants about the main aims and objectives of the research and stressed the confidential nature of the study. Due to data protection issues, the researchers had no access to the personal details of any potential interviewees and therefore relied on them contacting the research team at Perpetuity to participate in the study. In total over 800 letters were sent out to former employees that had been dismissed from the two retailers. This was not an easy task as the research team were totally reliant on the co-operation of those invited to participate in the research.

Perpetuity received responses by letter or telephone from those willing to take part in the study. The research team contacted each respondent individually to firstly confirm their eligibility to participate in the study and secondly to organise a telephone interview at a time convenient to them. A number of follow up calls were made to those who agreed to take part in the research yet failed to be available for interview, in some cases interviews were rescheduled three times. In total interviews were undertaken with 35 dishonest staff over the telephone. All interviewees received a High Street voucher to encourage participation.

Following the interview, research participants were asked if they would be willing to have their interview videoed. Although everything was done to reassure participants of their confidentiality and anonymity, there was reluctance amongst interviewees to agree to this and therefore only four interviews were recorded on camera.

It is important to remember that the research participants had agreed to take part in the interviews voluntarily and most admitted that they had committed dishonesty in the workplace. It is possible that interviewees may have lied in response to some questions, therefore internal reliability was ensured by repeating certain questions phrased in a slightly differently manner in the questionnaire to check for consistency. The answers to all questions were checked for inaccuracies and none were found.

