

Keeping the Fox out of the Henhouse

Part 2: The Loss Prevention Interview

by Douglas E.
Wicklander and
David E. Zulawski



Wicklander and Zulawski are partners in the investigative and training firm of Wicklander-Zulawski & Associates, Inc. (www.w-z.com). They are also the authors of *Practical Aspect of Interview and Interrogation* 2nd Edition, CRC Press, 2001. They can be reached at 800-222-7789 or dwicklander@w-z.com and dzulawski@w-z.com.

© 2003 Wicklander-Zulawski & Associates, Inc.

In the last edition of this column, we discussed using the pre-employment selection process to screen out high-risk candidates. We recognized that by hiring an individual who had a history of theft or undesirable behavior, we were likely hiring a person who would engage in that same behavior after employment. Past performance is an excellent indicator of an individual's future behavior. The more recent the behavior, the more predictive it becomes.

By selecting honest individuals, the organization also realizes a multitude of other benefits from less accidents to a more psychologically healthy employee. It is clear that a management team that effectively hires its people reduces shrinkage and increases the likelihood of success of the organization.

Keeping the fox out of the henhouse begins with the first line of defense—the pre-employment interview. This is then supplemented by other

criminal history searches, but not using the loss prevention interview. This same reduction in hit rates was seen when using a stores-mutual-type of database.

Clearly, the loss prevention interview was eliminating high-risk candidates prior to the more expensive background and drug screening being used. While there is a cost associated with the interviews, it is a cost that must be included anyway, since all candidates are interviewed to determine their suitability for employment.

The Focus of the Interview

The major difference between a loss prevention interview and a traditional pre-employment interview is its focus. While the traditional pre-employment interview focuses on the candidate's skills, personality, and availability, the loss prevention interview targets the integrity of the applicant.

The loss prevention interview also is unique in that the organization predetermines standards of behavior that, if exceeded, will preclude the individual from working for the company. This allows each company to set the level of acceptable behavior for the prospective employee.

The loss prevention interview explores a variety of topics related to integrity and deviant behavior. The organization determines which general topics are important in its assessment of the candidate's background. In assessing the standards of behavior that an organization is concerned about, time frames for the topics are used to eliminate incidents occurring far in the past.

For example, the theft of money and merchandise from an employer is generally explored during the last five years. Shoplifting, changing price tags, or other theft from a store is generally limited to the last three years. These time frames can be adjusted to the preference of the organization, but are logically focusing on the more recent events, which are more predictive of future behavior. Essentially this eliminates situations that occurred in individual's distant past. An applicant should probably not be excluded from employment for a shoplifting incident at age sixteen, when he is now in his late twenties. However, that incident as a teenager may become relevant when the interviewer views a consistent theft behavior by the applicant over time.

It is clear that a management team that effectively hires its people reduces shrinkage and increases the likelihood of success of the organization.

strategies, such as background investigations, drug testing, and paper-and-pencil honesty assessments, to identify high-risk individuals who may have slipped past the interview.

Effectiveness of the Program

The effectiveness of the loss prevention interview and pre-employment screening program was established by comparing hit rates against other screening tools.

For example, the National Institute of Justice placed drug usage at almost 9 percent nationally, while applicants passing the loss prevention interview tested positive for drugs less than one percent of the time. In addition, record checks of applicants' criminal histories showed a hit rate one-third that of other clients doing similar background

Interview Topics

The topics included in a loss prevention interview are generally broken down into three categories:

- Theft from employers,
- Participation in criminal activity, shoplifting, buying or selling stolen property, paying or receiving bribes, and
- Use of alcohol, illegal drugs, sale of drugs, and the use of alcohol or illegal drugs during work.

The general timeline assigned to theft from an employer is any relevant activity that occurred during the last five years. Criminal history is generally explored over the last ten years, while shoplifting is limited to the last three years. Any other topics relating to the criminal activity are normally relevant if they occurred during the last five years.

It is important to note that only a small percentage of people are actually criminally charged and convicted, limiting the utility of a criminal history records check. The admissions given by applicants are usually of undiscovered or uncharged incidents of criminal behavior known only to the applicants themselves. The self-reported derogatory admissions can be used to evaluate the individual's suitability for a position with the organization and potentially to eliminate them from consideration.

A shorter timeframe is generally used when questioning the applicant about his use of alcohol, drugs, or their sale. Normally a one-year span prior to the interview is considered when evaluating an applicant's use of drugs and alcohol. The shorter time span allows for an applicant who may have experimented while in school and changed his behavior upon graduation and entering the workforce.

Questioning the Applicant

The loss prevention interview uses many of the same strategies and structures used during a dishonest employee interview. One of the primary differences is that the interviewer does not have any evidence of wrongdoing and must rely on the application or

resume and the behavioral clues provided by the applicant. This provides excellent experience for the new interviewer who must now direct his interviewing based upon his behavioral observations of the subject.

The applicant who attempts to conceal derogatory information in his background undergoes the same behavioral and psychological manifestations of deception that he would if this was a dishonest associate interview. In both cases the subject, applicant, or dishonest associate is predisposed to lie to achieve his desired outcome, either obtaining employment or continuing his employment.

The loss prevention interview begins with a pre-employment introductory statement that allows the interviewer an opportunity to determine whether or not the applicant has sensitivity to any of the topics that will be included in the interview. This provides the interviewer with his first behavioral look at the applicant. Even though the applicant may be nervous, that nervousness provides a baseline of behavior from which the interviewer looks for variations. These observations assist the interviewer in determining where the applicant may be concealing information and also which topics to effectively use rationalization, minimization, and assumptive questions.

Similar to a dishonest associate interview, the interviewer uses rationalization to minimize the seriousness of any derogatory information in the applicant's background. This encourages the applicant to be more open in his discussion or at the very least consider making possible admissions.

The interviewer having identified possible deception to a particular topic begins by using rationalization and minimization to reduce the seriousness of any transgression in the applicant's mind. The interviewer may then use an assumptive question along with its follow-up to obtain an initial admission.

Once an initial admission has been obtained, the interviewer then tests the

applicant's commitment to that admission and attempts to develop it further. The following is an example of using rationalization and an assumptive question to obtain an admission from an applicant who has failed to list all his previous places of employment.

Interviewer: *One of the problems that applicants often face is which jobs to list on the application form. Many times, previous jobs that were not listed were omitted because they were only part time or the individual worked there for only a short period of time. This is certainly not an unusual occurrence that people don't list their complete job history.*

Bob, let me ask you what would you say would be the most number of jobs that you failed to list on your application form?

(The applicant pauses before answering and the interviewer uses a follow-up question to obtain an admission.)

I mean, we're not talking about leaving out say, ten jobs, right?

Applicant: *No way.*

Interviewer: *Great, I didn't think it would be anything like ten jobs. Would you say that there were more or less than five jobs that you forgot to list on your application form?*

Applicant: *There were only a couple of part-time jobs I forgot to list.*

Interviewer: *All right and what were those part-time jobs...*

This type of approach is repeated in each of the areas where the interviewer observed a variation to the behavioral norm during the pre-employment introductory statement. The interviewer may often be surprised at the types and seriousness of admissions made using during a loss prevention interview.

The interview can be easily learned and because of the manner in which it has been delivered, is not offensive to potential applicants. The end result is keeping the fox out of the henhouse. ■