

General Loss Interviewing: Part Two

In our last column we discussed some of the issues that need to be addressed before actually engaging in a general loss investigation. Since many of the causes of losses in a location can be directly attributed to the management of the facility, operations and human resources must be prepared to replace existing management in the event they are the root cause of the shortage.

General loss interviews also typically uncover operational problems and secondary issues that may prove to be as problematic as the original shortage problem. It is not unusual to discover personnel problems or sexual harassment issues, in addition to deficient management at the facility.

Determining the Order of the Interviews

There are a number of different ways to organize the order of the interviews at the facility in question.

Random. The most basic order...and least effective...is simply interviewing at random with those employees who are currently working when the interviewer arrives. Sometimes this is the only way to begin if the store was not informed in advance that interviews would be taking place. If the investigators believe that management is unreliable at the facility, then it may be prudent to arrive unannounced so the associates do not have time to prepare for the conversation.

The random nature of the interviews does not allow an interviewer to build on the information developed moving to the next logical interview, because that person may be unavailable. Randomly interviewing those available also may result in dishonest associates spreading rumors about mistreatment of employees during the interviews to increase resistance of other employees to cooperate in the interviews.

Tenure. The longest tenured employees are likely to be the most loyal and committed of the associates at the facility. Since they are likely to be the most cooperative and have a historic perspective of the changes that may have contributed to the current shortage situation, some investigators prefer to interview them first. An investigator who can identify honest long-term employees at the onset of the investigation can use them to pinpoint when problems first arose at the facility.

These long-tenured employees also are generally looking for a sympathetic ear to correct the problems they face on a daily basis. While some of their information may be tainted because of their perception of the situation, they can often focus the interviewer on individuals who they suspect of contributing, either directly or indirectly, to the shrinkage problem at the location.

by David E. Zulawski, CFI, CFE
and Shane G. Sturman, CFI, CPP



Zulawski and Sturman are executives in the investigative and training firm of Wicklander-Zulawski & Associates (www.w-z.com). Zulawski is a senior partner and Sturman is president. Sturman is also a member of ASIS International's Retail Loss Prevention Council. They can be reached at 800-222-7789 or via email at dzulawski@w-z.com and ssturman@w-z.com.

© 2013 Wicklander-Zulawski & Associates, Inc.

It is often worthwhile to select the longest tenured member of the staff to begin the interview process even above the manager. In fact, we have found that if the manager is inept or dishonest, having information from other associates may actually increase the effectiveness of the interviewer during the manager interview.

Questionnaire. Another way to begin ordering the interviews is by administering a questionnaire and evaluating the employees' narrative responses to the questions. The questionnaire is administered in advance of the interviews and returned to loss prevention for evaluation.

General loss interviews also typically uncover operational problems and secondary issues that may prove to be as problematic as the original shortage problem. It is not unusual to discover personnel problems or sexual harassment issues, in addition to deficient management at the facility.

As unlikely as it may seem, some employees will implicate other associates and even themselves while filling out the survey. Investigators examining these surveys can often find indications of associates who are involved in theft or policy violations based on how they answer the questionnaire. Based on the review of the questionnaires, the investigators can then arrange the employees in the best order to get the most out of the interviews.

Data Sheet. For our investigations into general loss locations, we use an employee data sheet that we have completed prior to our arrival. The employee data sheet categorizes information about each employee and produces a hierarchy of the associates based on the likelihood that they would be involved in counterproductive behavior.

The data sheet captures information from a variety of sources and links these to high-risk categories that are strongly related to theft or counterproductive behavior. The more high-risk categories an individual is in, the greater the likelihood that they would steal

continued on page 14

continued from page 12

or violate policies or procedures. For example, if an individual is disgruntled, both our experience and research into employee theft indicates this is strongly correlated with dishonest behavior. Clearly, someone who is disgruntled can easily rationalize stealing or violating policies to even the score. The data sheet also correlates well with the integrity assessments, like the Employee Attitude Inventory.

When using the data sheet to organize the interviews at the high-shrink locations, an investigator should begin with either a long-tenured employee or a trusted member of management to get an overview of the location. Next, the investigator should begin his interviews with the employee who has the most high-risk categories associated with him.

Keep in mind these interviews and investigations are usually more successful when the first person interviewed is trustworthy to give an accurate overview of the group, then followed by those most likely involved in counterproductive behavior.

The data sheet is an excellent tool for identifying those individuals with attitudes similar to people who steal. The data sheet can also be used to help focus undercover investigators toward those employees most likely to be involved in counterproductive behavior at the facility.

Employee Attitude Inventory

There are a few useful integrity assessments available on the market to assist in general loss investigations. Most integrity assessments were originally designed for pre-employment applications, not investigations. The one we are most familiar with is the Employee Attitude Inventory (EAI) from Vangent, a General Dynamics Company. Doug Wicklander and Dave Zulawski worked on the predecessor of the EAI, called the Reid Survey III, where they developed the questionnaire portion of this investigative assessment.

There is a strong correlation between the attitude of individuals toward workplace integrity and their propensity to steal. The benefit derived from EAI is it provides validated research connecting the employee attitude with admitted theft and illicit drug usage at work. In effect the investigator is provided with extremely powerful pieces of job-relevant information relating to each associate.

With the EAI, the investigator first receives a measurement of the employees' attitudes and opinions of theft and how tolerant of theft they are. Not surprisingly, the more tolerant an individual is of theft, the more likely he or she is to be actually stealing from the organization. In a similar fashion, the investigator can also determine the employees' attitudes toward and tolerance of illicit drug usage, which also significantly correlates with employee theft.

The second part of the investigative inventory is a questionnaire that offers the associate an opportunity to make admissions about himself and other employees relating to illicit behavior or policy violations. Another important scale within the inventory measures how often the associate observes coworkers stealing or violating company policy. In reviewing our files at W-Z, we found that about 30 percent of employees have knowledge or suspicions of theft activities by other associates. Interestingly, about 90 percent of the associates reporting knowledge of another's dishonesty were under the age of 32.

These examinations, which can be completed online or using a paper-and-pencil format, can generally be completed in 30 to 45 minutes by the employees, and then are computer scored. The investigator receives two types of scores—a percentile score and risk score. The percentile score ranges from 0 to 100 and indicates how an employee scored in relation to other employees who have completed the EAI. The risk score is more useful in that it provides a relative risk of committing counterproductive behavior.

The employees are grouped into three risk levels—low, average, and high risk. To fall into the high-risk category, employees will likely have made admissions of engaging in theft, have tolerant attitudes toward theft, and/or they have observed acts of dishonesty at the organization. The inventory should not be acted on alone, but requires follow-up interviewing to establish the accuracy and scope of the associates' counterproductive acts.

The investigator now has several ways to rank employees for the interviews using the individual's attitudes and admissions. It is generally advisable to begin with a trustworthy employee followed by those individuals in the high-risk category who have made admissions of theft or counterproductive behavior. The investigator then works to those individuals who made no admissions, but their integrity attitude has placed them in the high-risk category. Then the employees who are in the average risk are interviewed, followed by those in the low-risk category.

If the EAI is used in conjunction with the data sheet, there may be additional information that would move employees further up or down the interview track. Keep in mind these interviews and investigations are usually more successful when the first person interviewed is trustworthy to give an accurate overview of the group, then followed by those most likely involved in counterproductive behavior.

In our next column we will focus on the actual mechanics and strategies employed in doing general loss interviews. ■



W-Z Tip of the Week Video

Visit the EyeOnLP.com page for weekly advice and suggestions on all things interviewing from Michael Reddington, CFI.