



WORKJAM WHITEPAPER

Improving Loss Prevention Strategies: Deterring Retail Theft with WorkJam and tSCG

the Stores Consulting Group





Retail is an increasingly turbulent industry. The competition is fierce, the cost of goods keeps going up, and the margins keep getting lower. Plus, there is the overarching issue of shrink, where retailers lose a significant portion of their inventory before it can get to the consumer.

The numbers around shrink, theft, and organized retail crime are alarming:

- Inventory shrink costs the US retail industry \$50.6 billion annually ⁱ
- The average cost of each shoplifting incident is \$270 ⁱⁱ
- Organized retail crime costs the retail industry roughly \$700,000 per \$1 billion in sales ⁱⁱⁱ

How can retail organizations manage their shrink with the resources and tools they have available while providing an engaging experience for employees and customers alike?

Surveying the Current Retail Loss Prevention Landscape

Loss prevention professionals have a lot on their plates, and like many retail operations employees, they need updated tools to do their jobs effectively.

In many workplaces, loss prevention employees, including store detectives and field LP managers, have access to data analytics software, facial recognition software, electronic

article surveillance, and RFID technology, to name a few. Access to these tools increases performance tremendously, but loss prevention professionals still face a problem that is not unique to just their role: the swivel chair factor.

Like all retail operations roles, loss prevention employees are dealing with disparate tools in many different places. They are forced to go from one tool to another, one device to another, never being able to see everything they need right when they need it and all in one place.

From training to task management, scheduling to communication, there are numerous tools a loss prevention professional must rely on to get through the day. If everything was in one place, how much easier – and more effective – could their day be? According to the National Retail Federation, 35.7% of shrink is external, from shoplifting to ORC^{iv}. With the right tools in the right place, loss prevention professionals could bring that number down by increasing efficiency and performance.

Enter WorkJam and tSCG

The WorkJam Digital Workplace is designed to unleash the potential of the entire enterprise workforce – from the CEO to the frontline retail employee, from the store detective to the field LP manager. Bringing together communication, training, task management, scheduling, and more, WorkJam empowers all retail employees to meet their goals.

Together with *the* Stores Consulting Group, WorkJam provides retail organizations with a way to improve their operations and profitability now and set them up for success in the future. The Stores Consulting Group brings market leadership and expertise in retail operations, backed by deep insight into the inner workings of a retail store. Their solutions are built out of truly understanding the challenges retail organizations are facing today, and result in substantial levels of ROI. tSCG is a recognized leader in the LP and ORC space.

The partnership of WorkJam and tSCG offers retail organizations both the tools and the expertise they need to get all levels of their operations – especially loss prevention – to peak performance.

Here's how your retail organization can ensure the loss prevention best practices are in effect at every store.

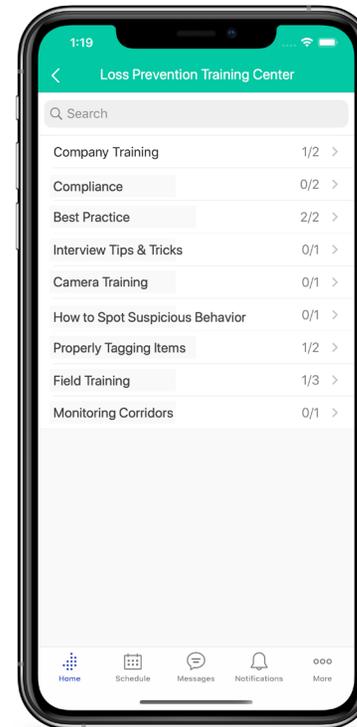
Train Employees, So They Are Well Prepared to Handle Any Shrink Issue

In most retail organizations, training comes in the form of a dusty three-ring binder with outdated black-and-white photos and hand-written instructions. In some cases, training may occur via a video recording that needs to be watched in the breakroom on a TV that gets rolled in for such occasions.

This kind of outdated training doesn't provide employees with the information they need in an easy-to-understand way. After the initial training is done during onboarding, many retail employees don't get a further chance for educational development. There is no way for loss prevention employees to quickly review their training on the shop floor if they need it - and there are few avenues for interactive learning.

With WorkJam, loss prevention employees can get the high level of training they deserve. Corporate and field LP managers can post-training materials - which include bite-sized content such as videos - that are targeted at specific audiences. It's easy to track completion and award employees with badges. Organizations can build custom assessments tied to the training material and share them with employees based on parameters such as role, location, and other qualifiers. This kind of interactive learning makes it easy to remember the pertinent points of the training. Plus, employees can quickly look up past training material on their phones whenever they need it.

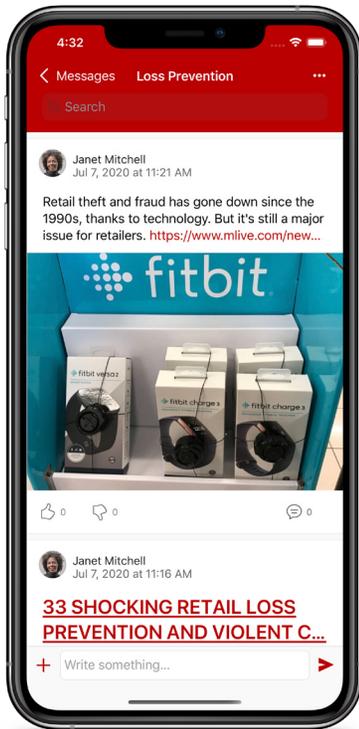
Loss prevention employees can take training on compliance and best practices, interviewing and interrogating a suspect, using technology such as analytics and cameras, knowing the legalities of the situation, and how to approach internal theft. This way, they always have the answers when they need them.



Training isn't limited to loss prevention employees. Frontline employees and store managers can receive training on what to do if they spot suspicious behavior, how to correctly tag items to deter theft, how to tag clothes with RFID properly, and how to stock high-theft items, for example. According to the National Retail Federation, over 68% of retailers reported an increase in ORC year over year^v. With the right training, both store employees and loss prevention professionals can "Harden the target" and push the criminals to less protected outlets.

Communicate Live with the Right People

When everybody is moving in the same direction, organizations are well-positioned to meet their goals. However, communicating on the shop floor can be challenging, especially in high-stress situations such as when store detectives are surveilling a suspicious customer. While many employees use SMS texting and consumer apps like WhatsApp and Facebook



to communicate with their colleagues, they open themselves up to security and privacy risks. A secure communication tool like WorkJam enables loss prevention professionals and retail employees alike to connect and share relevant information in real-time. Communication channels provide employees with related project correspondence. Loss prevention employees can have specific channels to discuss ORC and internal theft, for example, while frontline workers can have channels to discuss RFID placement on clothing items. This way, employees are not

overwhelmed with too much content while getting the information they need to excel at their jobs.

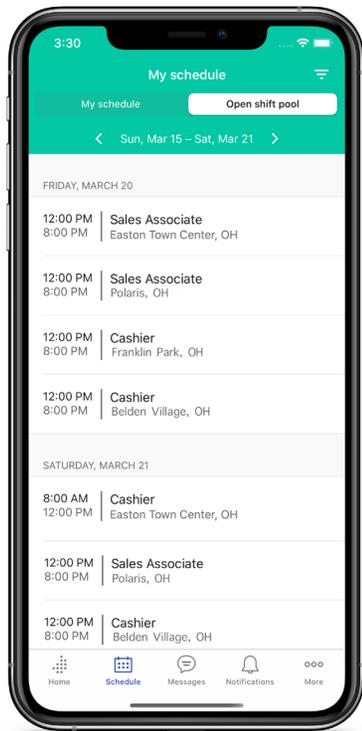
Field LP managers can message their store detectives about new trends in shoplifting or send facial recognition images of high-profile suspects in the area. Targeting enables employees to segment the messaging channel by role, location, or skill level to provide a more personalized experience.

If a store detective spots a customer that has shoplifted at their store before, they can quickly share the facial recognition photo in the communication channel with other store detectives in their region, giving them a heads up. 60% of shoplifters were seen entering at least two separate locations of the same retail chain ^{vi}. Frontline employees can alert store detectives if they note any suspicious behavior and ask questions on their next steps. If they implement a new stocking procedure to deter theft, such as using an ‘if found’ security label on high-theft items, they can snap a photo and share it with other stores to remind and motivate them to follow through.

Schedule the Right People in the Right Places

Scheduling is an ongoing challenge in the retail space. Often, store managers end up spending an excessive amount of time, manually scheduling, and swapping shifts each week. There is no way to automatically confirm whether the employees on any given shift have the right training or certification. As a result, new employees may be on the floor with those who don’t have any loss prevention or theft deterrent training, which could mean that shrinkage increases during that shift.

With WorkJam’s Open Shift Marketplace, retail organizations can give their employees the ability to control their schedules - while meeting corporate guidelines. For example, store managers can set parameters so that only



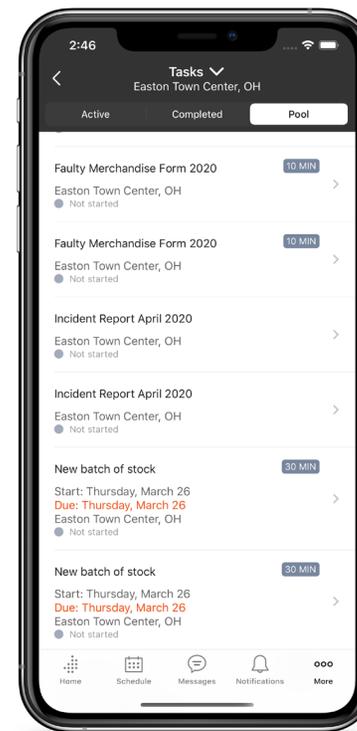
employees who have loss prevention training can be on the floor during high-theft shifts. High-risk stores may only choose to allow managers and employees who have received certifications and badges in ORC best practices. This way, the store is prepared to handle any shrinkage scenario that occurs.

The scheduling features also help loss prevention professionals to uncover insights related to internal theft. Retail stores can attribute up to 33% of its shrink to employee theft ^{vii}. Being able to quickly see which store employees are on shift when most thefts occur

can provide clarity into internal investigations. WorkJam can provide loss prevention professionals with the ability to see which employees are changing their shifts most often, consistently working at high-risk stores, and vying to get onto a high-risk shift. They can also use schedule overview to locate employees in order to surveil them covertly or interview them.

With this unparalleled shift management technology, loss prevention professionals can improve performance for internal investigations, while corporate can ensure the best-trained employees are on duty in high-risk locations.

Manage Tasks to Improve Compliance



Currently, task management in retail organizations follows a manual approach. Shift managers write down a list of things employees need to complete on a sticky note and assume the end of the shift does it. However, this provides no corporate consistency across stores. Besides, there is no way to track compliance or trigger additional tasks or reminders as a result of specific actions or inaction.

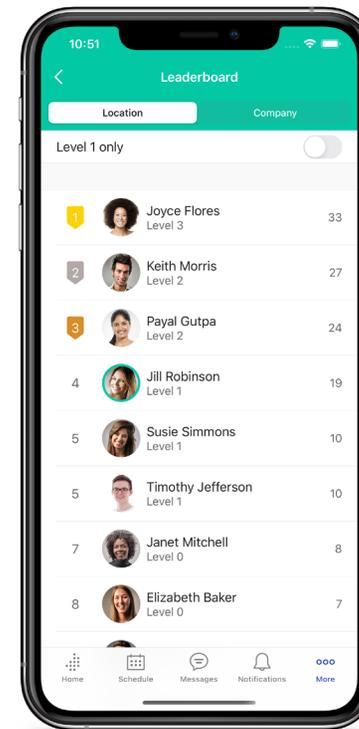
With WorkJam and tSCG, corporate LP executives can set specific task lists including loss prevention best practices, what to do when suspicious activity is noted, all the steps to complete during an interview

and investigation, and the duties within a store audit. Having specific tasks related to loss prevention, regulated for each store - with additional tasks for high-risk stores - enables retail organizations to deter both theft and organized retail crime. More than 97% of retail organizations reported experiencing ORC in the last year, according to the National Retail Federation ^{viii}. Having a well-documented process in place can help to reduce those numbers drastically. A sequence of tasks can automatically be triggered and deployed to the appropriate people and positions, making it easy to ensure the right framework is in place.

Theft-deterrent task lists can be created for retail frontline that focus on processes employees have received training for, such as how to stock a high-risk item and how to properly tag clothing with RFID. Store detectives looking into internal theft can have specific task lists to implement when their suspect works next, such as pointing cameras in particular areas or monitoring individual stations.

Managers can trigger corrective tasks if there are any violations and track completion at an employee level. This way, corporate can get a clear picture of the level of compliance at each store and see whether it correlates to shrink activity.

Motivate Employees with Leaderboards and Gamification



Over 41% of retailers reported seeing an increase in overall inventory shrink ^{ix}. It's a prevalent issue that touches every area of retail. With the right training, communication, and scheduling tools, organizations can set their employees up for success. However, providing all the tools available won't be useful if the employees themselves are not motivated to succeed. This is where leaderboards and gamification come in.

Using WorkJam, retail organizations can use scorecards and leaderboards to showcase which stores excel in loss prevention. Creating

friendly competition amongst the stores within a region compels employees to perform more effectively, which helps to reduce shrinkage. Employees can also internalize this focus on loss prevention, which may deter them from committing fraud and thefts.



Gamification rewards individual employees and stores. Loss prevention executives can set up attributes for their store detectives and field LP managers such as most well developed ORC cases, most improved store shrink results, or even case of the year, and winning such rewards can help loss prevention professionals build upward mobility in their organization and encourage frontline LP employees to climb their own career ladder.

Quickly Get Security and Loss Prevention Details with Surveys

When overseeing a region, loss prevention field LP managers may manage anywhere between 20 to 100 stores. They are in a unique position to spot local trends and patterns, and individually alert stores for what may be coming their way. Having the ability to get store-specific information from their store detectives quickly provides invaluable real-time insight.

For example, a field LP manager may need to know how many stores in her region have a camera on their drive-through pharmacies. Knowing this may help her alert those particular stores about a string of thefts that occurred in a different area. Being able to quickly send out a survey to get this information within minutes enables the field LP manager to act fast and implement the necessary steps to deter theft from the stores under her jurisdiction.

Surveys can also be used when gathering feedback from frontline retail employees. They can provide corporate with valuable insight on training, and whether they feel prepared to help reduce shrink in their locations.

Share Analytical Insights, Trends, and Patterns



When it comes to loss prevention, data analysis is key to anticipating and preventing theft. However, sharing that

data is a challenge many organizations face. Without a quick and easy way to share trends and insights, loss prevention professionals cannot be proactive in their work.

However, WorkJam's communication solution gives store detectives and field LP managers a direct line to each other, so they can seamlessly share the data they need to perform effectively. If a field LP manager runs a report on high-risk shifts and notices an uptick at a specific time that is emerging, he can quickly notify his store detectives via a communication channel. The store detectives can, in turn, ensure there is heightened security during that new high-risk shopping time.

In addition to sharing analytical insights, WorkJam unveils new information loss prevention professionals can use to deter internal theft. For example, finding a correlation between shift swaps and thefts may shed light on employees who are involved in suspicious behavior. Similarly, tracking task compliance may show that stores that don't complete their security tasks are more prone to external theft.

When loss prevention professionals have the data they need at their fingertips, they can make swift decisions to protect their business.

Get Loss Prevention Out of the Back Office and Onto the Shop Floor

In the current retail landscape, loss prevention techniques, training, and solutions never make it out of the back-office PC. They are relegated to a specific device, only to be accessed at certain times. It's nearly impossible for loss prevention professionals to refresh their training, access drip-based content on the go, or get frontline insights through surveys.

By putting the right level of loss prevention knowledge into the hands of all your employees - including frontline associates and retail managers - you can reduce external and internal shrink at the same time. When loss prevention is top of mind in all areas of the business, you improve performance and outcomes.

Not only will loss prevention professionals have the tools they need for critical business success, but other employees will also be learning loss prevention strategies. They will know how vital they are to the business. By delivering the same core message to loss prevention professionals and retail employees, you'll improve both internal and external shrink.



Reduce Shrink at Your Retail Organization with WorkJam and tSCG

44% of shoppers said that if an employee had been paying attention to them, it would deter them from committing a theft *. Imagine how quickly shrink would improve if your organization's loss prevention professionals and retail employees had the tools, they needed to prevent shoplifting.

The right training, communication, scheduling, task management, and other tools give retailers an upper hand. Their employees - from corporate down to first-day associates - have the information they need at the right time. This way, store detectives can give their colleagues a heads up about suspicious customers, field LP managers can ensure all their

detectives have the proper certifications, and retail employees know how best to display high-theft items.

With everything they need in one place - and industry-leading experts WorkJam and tSCG on their side - loss prevention professionals can improve performance, reduce internal and external causes of shrink, and deter theft before it happens.

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For more information on WorkJam and how we can help you unleash the potential of your workforce, contact us today.

[Request a Demo](#)



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