

PROTECTION = PROGRESS

The jewellery industry must always look at new and more advanced ways of protecting employees and merchandise.

By John Lamont

George Bernard Shaw once said: "Progress is impossible without change, and those who can not change their minds can not change anything." This certainly rings true in all aspects of the jewellery business, including loss prevention (LP).

I was recently sitting with my daughter, who is a supervisor for a large grocery chain. She was telling me of her frustration with the company's acceptance of, and lack of response to, minor employee theft. I explained that, at times, a company's focus can be directed only to sales, without considering that internal theft will directly affect a company's bottom line.

I related to her a true story of a retail jewellery store that had hired a new manager who produced some very good sales numbers. The store was kept in excellent condition - except for the back room and the paperwork. A subsequent investigation by the jewellery company's LP department revealed a shrinkage of \$250,000 over a one year period and a store culture where staff, seeing obvious thefts by the manager, started helping themselves to merchandise.

Retail industry experts say 10 per cent of employees will never steal from their employers, 10 per cent will steal inventory/time/supplies at any opportunity, and 80 per cent are influenced by policies, procedures and supervision. These numbers are apocryphal and have no hard data source that can be found. Most experts use them to illustrate the fact that the vast majority of employees can be tempted to steal when a company does not have workable policies or adequate supervision and disciplinary action for the violation of policies. The doors of opportunity are left wide open. All deviant behaviour requires is motivation to steal, access and opportunity. If there is no disciplinary action for this type of behaviour, policies and procedures fly out the window.

It has always been my position that every day a jewellery business is open, an opportunity thief will enter that business (and this may include employees). It is important for loss prevention to be a top consideration when it comes to internal and external theft.

Just as policy, procedures and supervision can help deter internal theft, some simple and fairly inexpensive measures can assist in deterring external theft - something as simple as the type of sealant that is used on glass showcases.

Most glass sealants consist of silicone that can be easily cut with a knife. Several years ago, a retail jeweller in Markham, Ontario had a large group of women and two men come into their store. The women distracted the staff at the rear of the store and the men cut the silicone on the glass, lifted the top glass piece and removed all of the store's diamond solitaires. The store later replaced the silicone with a special, clear sealant that can't be penetrated with a knife. This fix costs only a few hundred dollars, yet it can protect hundreds of thousands of dollars of diamonds.

The same holds true when it comes to armed robberies. Many experts feel armed robberies are almost impossible to prevent, yet there are measures that can be taken to help protect staff and product. Staff must be trained on how to act during a robbery (e.g. don't resist the robbers; follow their instructions;

don't make any sudden moves). Jewelers Mutual Insurance Company and JVC have good training material on these subjects.

The type of glass used in a diamond showcase can also be a deterrent to robberies. A couple walked into a jewellery store in Ottawa and attempted to smash a diamond case with a small hammer. However, the store had installed a security film to the already tempered glass and the thieves could not break it.

In addition, a good store camera system can up your security. There is better security equipment coming on the market all the time and costs are coming down. Your insurance company, the police and JVC can all direct you to the particular equipment you're looking for. The jewellery industry must always look at new ways of protecting employees and product. This is progress.

I've heard it said many times: "I don't need to invest in new equipment or put new policies in place. Those types of things don't happen in my community and it has never happened to me." To those people, I can only say, "Good luck." CJ