

Outsourcing Shoplifting Apprehensions

A Growing Industry Trend

Outsourcing today means much more than replacing hourly-paid uniformed security guards. Look at any industry buyers' guide. Every sort of LP equipment or service is available. Everything, in total or in part, is currently being outsourced somewhere, somehow.

In the beginning it made sense to outsource lower-level, labor-intensive functions like security guards, hotlines, monitoring, armored car service, and locksmith functions. There is little resistance to outsourcing functions that require a technical background, such as software programming, or special expertise, such as background checks and honesty testing. Gradually other functions have become outsourced, including recruiting, training, awareness programs, and civil recovery.

Outsourcing is emerging as one of the decade's fastest-growing management tools. It just makes good economic sense to outsource.



(Standing left to right) Terry Faircloth, corporate loss prevention VP sales and marketing, and Chuck Schneider, CEO and president, review a client's weekly apprehension report with Glenn DaCruz, headquarters command center manager.

Why Outsource?

There are a number of reasons for the growth of outsourcing.

Increasing Competition. No industry is immune from increasing competition. Building market share and increasing revenue and profitability is the corporate imperative. Who wins from outsourcing? The retail customer, who enjoys greater convenience and lower costs.

Increasing Cost of Managing Hourly Employees. Payroll taxes, fringe benefits, and insurance have skyrocketed, including workers' comp, unemployment, and general liability. Given our litigious society, liability risks are mind-boggling; one major lawsuit can seriously damage a company. Plus, managing hourly employees takes valuable time from your LP field personnel.

Time Management. Some LP directors resist outsourcing for fear of decreasing their value to the company and losing

control of the shoplifting prevention program. However, the savvy executives in today's business environment are outsourcing. These managers understand the need to shift toward the new challenges facing their departments. Instead of impeding the switch to outsourcing, they embrace the idea. As the owner of the idea, these visionary directors are able to present the concept to top management and enhance their value to the company. Instead of spending hours managing the floor shoplifting program, they can focus on the many other challenges of the LP department. This increases their value to the company while eliminating the recurring need for intervention into issues that will be managed by the service provider.

Loss Prevention Operations

Our loss prevention service is provided by locally situated management and supported by our corporate infrastructure, which includes in-house professional expertise, recruiting and screening, drug testing, training, flexible scheduling, electronic incident reporting, performance measurements, and insurance and liability protection.

Our team becomes part of your team, working closely with district and regional management to develop the best results, all in keeping with your corporate direction. Our comprehensive policy manual serves as the backbone for the operational guidelines. Client-specific operational policy is easily incorporated to address those areas specific to client preferences.

Training

Before given an assignment, our loss prevention associates complete a comprehensive training program. All state-required licensing is met or exceeded.

On-the-job training is performed in the presence of an accomplished LP professional and includes site orientation, client-specific instructions, and hands-on supervision in surveillance and apprehension processes.

Loss prevention associates are also given opportunities for continuing education in management and leadership, as well as industry-related topics, such as shrink awareness.

Performance Measurement

It is critically important to put in place measurements to capture results that support the return-on-investment calculation used to sell the program to management. Detailed incident-related statistics on such key performance indicators as apprehensions, merchandise recoveries, ORC incidents, hours per incident, and dollars recovered are collected and reported weekly. We know that "you can't manage what you don't measure."

For more information about outsourcing your shoplifting apprehensions with U.S. Security Associates, contact Terry Faircloth at 866-989-4644 or TFaircloth@ussecurtyassociates.com. ■