



# Data doesn't lie:

how using  
analytics can  
curb employee  
theft

*A look at why electronic oversight  
should be part of every loss  
prevention plan*

**Ebook**



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A successful  
loss prevention  
system can  
recover  
roughly  
**3%**  
of all sales.

For some operators, that equates to thousands of dollars added back to the bottom line. But properly monitoring fraud across multiple units can be challenging without the right processes in place.

**Read on to discover why every loss prevention plan should incorporate data analytics.**





# Outliers

When restaurant leaders use electronic oversight to spot theft, software does the legwork. Loss prevention technology can pull transaction information straight from the point of sale, and can easily reveal how many tickets were voided, deleted, refunded, or discounted over the course of any given time period.

Every store will have some number of these kinds of transactions that aren't fraudulent, but operators can use data to dig deeper to uncover what's really happening. For example, if one employee is consistently voiding orders, there may be an employee theft issue.

**Spotting data outliers, and connecting those transactions to an employee, register, and ticket can help loss prevention professionals build a sound case for theft.**

< Transaction 777443 >

### 316849 - Malibu Way

Meiisa Doe  
 Register 4  
 Wed Sep 28, 2016 11:17 PM  
 Transaction 777443

Qty	Number	Description	Price	Reason
3	LD-CRC	Sandwich	(\$5.07)	Refund
1	B-BFFT	Burger	(\$1.00)	Refund
1	E-APPL	Drink	(\$1.00)	Refund
1	C-CKSP	Dessert	(\$3.19)	Refund
1	B-SHCK	Appetizer	(\$1.79)	Refund
2	TNC-LC	Soup	(\$2.98)	Refund
1	LGBLST	Burrito	(\$1.79)	Refund
Subtotal			(\$16.82)	
Sales Tax			(\$1.16)	
Drive-Thru Total			(\$17.98)	

## Marked improvement

Surveillance systems can benefit a restaurant operation in multiple ways. Public-facing cameras can deter some illegal activity. But ultimately, surveillance will compliment whatever loss prevention system you have in place.

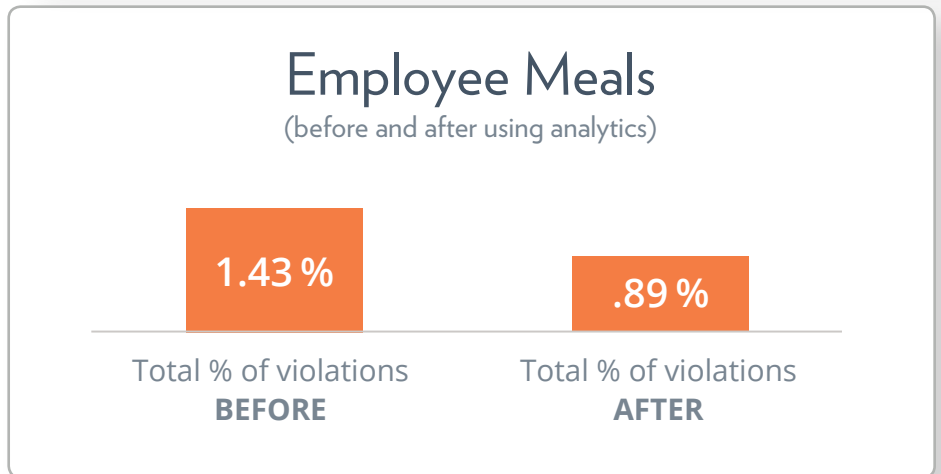
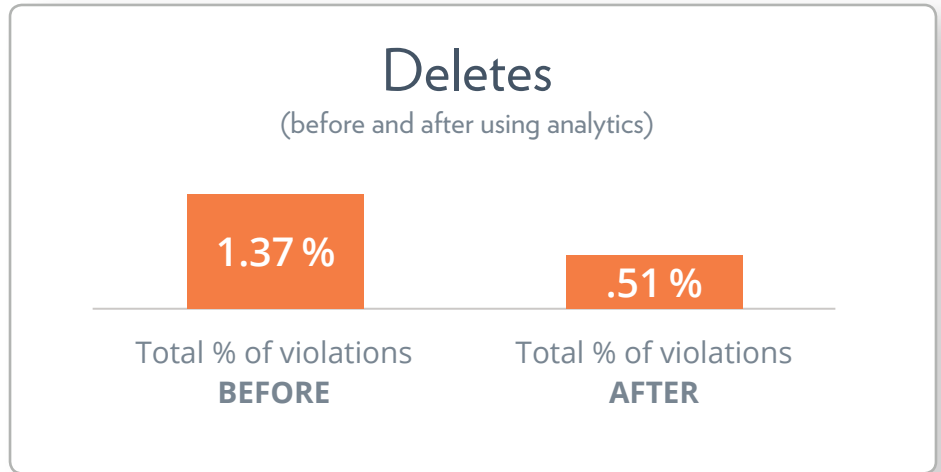
Studies show that operators who use data analytics as part of their loss prevention strategy will see a decrease in fraudulent transactions like employee meals and deletes.

*When data analytics are in place, these transactions decrease because:*

- ✓ Employees know they're being monitored and can't cut corners undetected
- ✓ Managers can easily spot the fraud
- ✓ Data acts as the proof needed to catch the thieves



# Marked improvement



**Delete:**

A deletion is an action taken when a mistake is made between the guest and the cashier. But, in theft examples, a cashier rings in all or part of the items ordered, takes the guest's money, serves the guest, deletes all or part of the order, and pockets the money.

**Employee meal:**

Employees use discounting functions to feed themselves, friends, and family without approval. Managers also use discounts to steal by taking the guest's money, then applying a discount (typically a 100% discount). Discounts can also be used to manipulate inventory by ringing in the product at a 100% discount and crediting the sale of the food when nothing was prepared.





## Time is money

Operators don't have time to review every delete, void, or refund. And, even if they did, human error would cut into the validity of the information.

When you can collect the relevant information from the POS and put it in one place, your data is more accurate and the chances of misinterpreting theft are greatly reduced.

“ It would be nearly impossible to effectively analyze transaction trends without the help of loss prevention software. ”

**Jeff Williams, Vice President of Operations at Border Foods**



## Connect with a camera

Surveillance systems can benefit a restaurant operation in multiple ways. Public-facing cameras can deter some illegal activity. But ultimately, surveillance will compliment whatever loss prevention system you have in place.

Operators can combine their use of cameras with specific data points discovered via loss prevention software. Employee actions can be seen on camera, documented, and connected to suspicious transaction times and dates, making it easier to conduct a loss prevention investigation.

For example, if you know that “Joe” rang up a refund on a specific date and time, you can pull the video footage and see what really happened. Did Joe actually refund a customer? Or did he reach into the register and pocket the transaction?



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Loss prevention and reporting  
technology can generate a  
**\$17 return for every \$1 spent.**

Contact us today for a  
personalized demo!