

# Crime Prevention: A Guide for Small Businesses

## Text File

### **Slide 1 Crime Prevention: A Guide for Small Businesses**

Welcome to SBA's online training program, Crime Prevention: A Guide for Small Businesses. This course is a product of the agency's Small Business Training Network.

### **Slide 2 Introduction**

The course is directed to small business owners who are concerned about crimes within and around their businesses. This module will help you become aware of how crime can affect your firm and suggest ways to help prevent it. It is a practical, self-paced course that provides basic information as well as real-world prevention examples. Some helpful tips from small business owners are also included.

You will find the course easy to follow and the subject matter indexed for quick reference and easy access. It will take about 30 minutes to complete. Additional time may be needed to review included resource materials and to complete the suggested next steps at the end of the course.

When you complete the course, you will have the option of receiving a printed Certificate of Completion from the SBA.

### **Slide 3 Course Objectives**

This course has three key objectives:

1. Define the issues and describe why crime prevention is so critically important to small businesses
2. Outline practical steps that can be taken by a small business to prevent crimes it may face, and
3. Identify and describe valuable resources to help small businesses prevent crimes against the business

### **Slide 4 Course Outline**

There are multiple topic sections within the course. Each section covers a different aspect of crime and presents ways to prevent it.

Reviewed together, the topics provide a helpful platform that will assist you in recognizing and preventing criminal activities against your business.

### **Slide 5 Course Outline**

You will notice a button in the top right section of each slide that says course outline. Clicking on that button will bring you to the course outline, which will give you quick access to any section of the course. Click on the forward arrow-button to proceed to the next page.

### **Slide 6 The Issue**

Crime prevention is critically important to the success of a small business.

Small firms are more vulnerable than large firms. Inventory, cash and other assets need to be guarded more closely. *Small* damages to large companies, such as shoplifting, can cause *major* losses to a small business. More destructive crime, such as theft or burglary, can sometimes cost a business everything. In order to prevent crimes from crippling a small business it is important for the business owner to recognize the potential for crimes against the business, hire and train employees properly, and install crime prevention mechanisms. These steps will help prevent impending crimes from impacting a business.

### **Slide 7 Theft**

Employees can steal both money and merchandise from your business. There are a number of ways in which this can happen. One of the easiest ways for employees to steal money is when they are handling it directly. Employees at the registers handle the most money and are easily able to keep track of, and change, the amount of money in the till. It is fairly simple to “accidentally” under-ring someone, give incorrect change, or not ring up a sale at all.

In such situations the excess money is pocketed.

Shipping and loading docks are locations where employees can easily steal merchandise. If unsupervised, products can be exchanged between the distributor and employee. Do not allow truck drivers to load or unload their own truck. This will increase the chances for merchandise to be stolen. Issuing employees keys to the business or place where valuables are stored is an invitation for theft. It is best to hang keys where they are visible or have them in your possession so you know where they are at all times and when they are in use.

Only make duplicates if and when you fully trust the employee handling the keys.

### **Slide 8 Embezzlement**

Embezzlement can be a significant problem.

Embezzlement occurs when an employee diverts company monies into his or her own pocket or account. The discouraging thing about embezzlement is that typically the employee is someone who you trust. The following presents several examples.

Simple embezzlement is when the employee receives cash and simply pockets it.

There is never a record of a transaction taking place. A theft of this sort is hard to catch because there is usually never a receipt. Lapping is a more complicated form of embezzlement. It involves the taking of money from one account to pay off another account. While making the transaction, the employee pockets some of the money. This constant “borrowing” of money from different accounts can go on for many years undetected.

Employees working payroll have the opportunity to set up false workers and collect their salary checks. They can also set up false suppliers and purchase items that do not exist, again, pocketing money.

### **Slide 9 Computer-Related Crimes**

Computers and the internet are an integral part in how today's businesses are operated. Owners must protect their computer systems both internally from employees, and externally from the general public. Computer-related crime is on the rise because of the large increase in ecommerce.

Employees may be able to access funds, inventory records, payroll records, and much more vital information about your business from the computer. This is the main way embezzlement takes place. If the software being used and the internet connection are not secure, the public may also be able to hack into the system.

One of the best ways to prevent cyber-crimes is to set up firewalls and install antivirus software. Keep back-ups of your records and do not leave all information on one computer or storage device. Also, monitor employees who are using company computers or who have access to the company's information, especially documents containing monetary information.

### **Slide 10 Prevention**

To prevent employees from committing crimes against your business, take precautions to hire responsible and trustworthy individuals. In order to aid with this judgment, screen applicants using reference checks, background checks, personal character examinations, police reports, and other examinations you might deem necessary.

Once an employee is hired, set standards and follow them. Make sure rules of the business are understood and strictly adhered to. Explain and train employees on the crime preventatives and security programs your business already has. Make sure they can recognize theft and teach them what to do if faced with a robbery.

Watch to see if employees follow the standards set. Unannounced inspections or tests will help make sure employees are on their toes and following the rules of your business. Closely monitor employees working directly with money. Require audits from employees who work with invoices, receipts and payroll.

Set an example. Show that you are taking every precaution to secure your business and its assets- including your employees. Although security and crime are serious, make sure the atmosphere is positive and focused on integrity.

### **Slide 11 Prevention (cont.)**

To prevent theft from both employees and customers, you must also physically protect your business. There are many ways to do this.

Install multiple, strong locks. Consider a timed lock system. Along with opening and closing at certain times, time locks also record all openings. Dead bolt locks, padlocks, or multiple locks are also good security accessories.

Make sure the business is well-lit, both outside and in. Theft is less likely to happen if the area is clearly visible.

Install a surveillance camera or mirrors. Strategically placed mirrors can help employees and others see all points in the business. Cameras provide a hard copy of evidence if a crime should occur.

Remember, your supervision and inspections of employees are still important even with these helpful technologies.

### **Slide 12 Shoplifting**

Shoplifting is the biggest crime-concern of most small business owners. Loss of merchandise from theft can be devastating to a small business. The shoplifting of small items adds up and can cause businesses to raise prices to cover losses, which lowers their ability to compete.

Shoplifters have many faces. From youngsters to the elderly, people from all races, sexes, and salary brackets can be thieves.

There are many different ways shoplifters acquire merchandise. They usually carry large bags, pocketbooks, baby carriages, and other bulky objects that can easily and discretely stow away articles.

People sometimes work together to shoplift. For the most part, shoplifters avoid crowded stores or aisles. Unsupervised dressing rooms are an excellent place for shoplifters to exchange or steal merchandise.

### **Slide 13 Shoplifting Prevention**

The best way to prevent shoplifting is to be prepared. This starts with your employees. Educate and train them about things they can do to prevent shoplifting. In addition, plan your business layout with surveillance, lighting and low displays. By keeping display cases low, your view of the business will not be obstructed. You want to be able to see the entire store well, and make it obvious that surveillance, whether employee or video, is present. Lock cases that contain valuables or merchandise easily lifted. Make sure your customers know that you are aware of their presence. If they feel you might be watching, it will prevent them from stealing.

### **Slide 14 Burglary**

Another crime that concerns small business owners is burglary. Breaking and entering can only happen if the store is not properly secured. The harder it is for the intruder to enter, the less amount of time they will have in the store before they are detected and caught. There are many preventative barriers to help stall and/or deter a burglar.

When laying out the landscape of the business, make sure to keep tall shrubs, bushes and trees away from entrances or windows. Make sure your business' doors and locks are strong. Doors can easily be kicked in and locks can be broken or bent. Deadbolt or padlock keys work best to secure doors.

Windows can be easily shattered, and if at the correct height, climbed through. Bars or grates on windows can prevent their destruction. Make sure to remove any valuable pieces that are stationed by windows or can be seen through the windows. Also, keep them clear from any obstructions such as furniture or paintings which could hinder the ability to see into or out of the business.

It is important to keep your business well lit, both at night and during the day. A lighted area makes it easier for people to see what is going on around your business. Keeping a light on inside will also help see if anyone is inside after dark.

Motion sensor lights and alarms also might be advantageous to have if burglary is a concern.

### **Slide 15 Tips for Prevention**

Crime prevention is critical. The following tips were developed from discussions with multiple small business owners:

- Be alert and aware that a customer has walked into your business. Do not stereotype a customer, for looks can be deceiving.
- Acknowledge all customers, no matter who they are. Make eye contact as you say hello.
- Protect yourself and your employees. Know where the phone is, or keep one close. Perhaps carry a silent alarm with you, or give one to employees in case of intruders.
- If selling valuables such as jewelry, make sure the glass cases stay locked at all times and are fastened firmly together.
- Keep any keys to valuable places in your possession at all times, unless a duplicate has been made for a trustworthy employee. In that case the key should also always remain in their possession.
- Know your merchandise and where it is. The better you know your inventory and where it is located, the more likely you will be to notice if something is missing.

### **Slide 16 Tips for Prevention (cont.)**

If you are using a computer to help organize and run your business it is worthwhile to protect your hard drive and software. Install firewalls and anti-virus protection. This will help prevent hackers from obtaining valuable information about your business.

To help ward off intruders, install an alarm system. There are many different types to choose from. Check with your service provider for your telephone and internet to see what kind of plan they have involving an alarm system. Sometimes this will be less expensive than hiring a separate company.

If there are multiple businesses on your street or block, work together. Keep an eye out for one another. Let your local police station know that you are opening a business. They will be more apt to keep a watch on it if they are informed. Have the police do a security check on your building and business.

Conduct these checks if your security changes or to make sure your devices are working properly.

### **Slide 17 Next Steps**

Much material has been shared in this training program. The instructional part of the program is complete. It is now up to you to apply what you have learned.

If you are serious about crime prevention, consider following the next steps:

1. Develop a crime prevention plan for your business. Evaluate the state of your business and decide what preventions you need to implement.
2. Visit your local Police Department and Chamber of Commerce to review and discuss crime prevention techniques. Learn more about local resources available to you, your business, and your community.
3. With a business mentor, coach, or SBA representative, discuss what you have learned from this course and other resources regarding crime prevention in your business.

### **Slide 18 Additional Assistance**

Many resources are available to assist you. The following resources can help you build a foundation of knowledge.

Click on these hyperlinks to learn more and access their assistance.

### **Slide 19 Have a Question?**

Never let a question go unanswered.

This course has covered a great deal of material. And, there is much to learn and understand about crime prevention. If you have questions about any of the topics highlighted in this course, contact SBA or one of our resource partners. We will help you.

Use the 800 number or referenced hyperlinks to contact us directly.

### **Slide 20 Course Completion Certificate**

CONGRATULATIONS ON COMPLETING THIS COURSE.

WE HOPE IT WAS HELPFUL AND PROVIDED A GOOD WORKING  
KNOWLEDGE OF NEW TECHNOLOGIES CAN BENEFIT SMALL BUSINESSES.

YOU EARNED A CERTIFICATE OF COMPLETION FROM THE SBA.

THANK YOU FOR PARTICIPATING IN THIS COURSE. WE WISH YOU THE VERY BEST IN THE FUTURE. CLICK  
THE PRINT BUTTON TO RECEIVE YOUR CERTIFICATE.