ARE YOUR EMPLOYEES STEALING FROM YOU?
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It is in the headlines all too often – "employee embezzles from company". The Company never sees it coming. Employers tend to trust their employees but, unfortunately, not all people can be trusted. I am not going to bore you with too many statistics but here are a few: It is estimated that employees in the U.S. steal $50 billion annually. This is the equivalent of 7% of annual revenues.   While not all theft can be stopped, policies and procedures can be implemented to prevent and detect fraud on a timely basis.

Some suggestions to help prevent employee theft include:

1. Implement a system of controls in which employees monitor each other. Employees that know someone is watching are less likely to steal.
2. Only provide employees access to the computer systems they need to perform their job. Additionally, change security codes and passwords on a regular basis.
3. Perform background checks when hiring employees.
4. Be sensitive to indicators that may signal the potential of theft such as living above salary levels, alcohol abuse or a gambling addiction.
5. Restrict credit card access and for employees that do have credit cards, monitor these statements closely on a monthly basis.

Despite your best efforts, fraud may still occur. Here are a few ways to help you detect fraud:

1. Provide a way for employees to report fraud by co-workers.
2. Count inventory on a regular basis.
3. Hire an accountant to help monitor and investigate any unusual variances in your monthly financials.
4. Have internal audits performed.

If you have trouble determining where to start or what to do about your situation, your accountant is always a good place to look for help.

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