

ALIGNING SECURITY ROLE WITH LOSS PREVENTION IN THE CORPORATE SECTOR

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The responsibilities assumed by security personnel in the protection of company assets require training. This training instituted at all levels will ensure their competency to perform their responsibilities effectively and efficiently. Continuous training increases skills, competencies and teaches personnel the generally accepted techniques. Precisely, the focus is directed to knowing "how" as a normal tactician, one who knows what to do when there is something to do.

However, in the an ever changing environment, management expects security personnel to exercise their judgment in order to do the right thing, for which they need sufficient education or experience so that they can discern for themselves what that right thing is. These exposures increase their insight and understanding, and provide them the "why" for every action that they execute. A security personnel, as apparent to a strategist is one who knows what exactly he is supposed to do when there is nothing to do.

Generally a Loss Prevention Strategy is developed to counter a perceived level of risk, and as time goes on, the program is expanded to reduce perceived levels of risk to a minimum acceptable level by management. Hence, in designing Loss Prevention Strategies, security personnel need to understand "how" and "why" and "where" their roles fit into the overall strategy. They will then have the capability of using their skills and experience not only in the interpretation of issues but also to explain them to others. This aspect is crucial to achieve full participation and commitment of all employees to whatever security program that has been designed for compliance.

Before we look at the proposed strategy, it is essential that we understand the underlying issues determining the Police and Corporate approaches in their respective Loss Prevention Strategies. As for the former, deterring through arrest and isolating criminals are the priorities. Conviction in court is an important factor in determining the solvent rate of cases. Assigning manpower invariably is the first choice and budget is viewed as cost. Finally, from the Police perspective, the assigned department takes full responsibility of the prevention program. Loss is measured in its monetary value.

In the latter's approach, the prosecution of the wrong doer is only secondary matter. Hiring extra manpower is viewed seriously from an economic angle tending towards a discount program as the preferred choice. Security budget is viewed as RONA (Return of Net Asset) i.e. profit orientation. In contrast to the Police approach, employees play important roles in accomplishing the security goal. Besides monetary value, hidden loss

like missing tools resulted in idleness, which cascaded to loss in productivity, is an important and serious consequence.

Let us look at the simple generally accepted employee theft equation and its ingredients below:

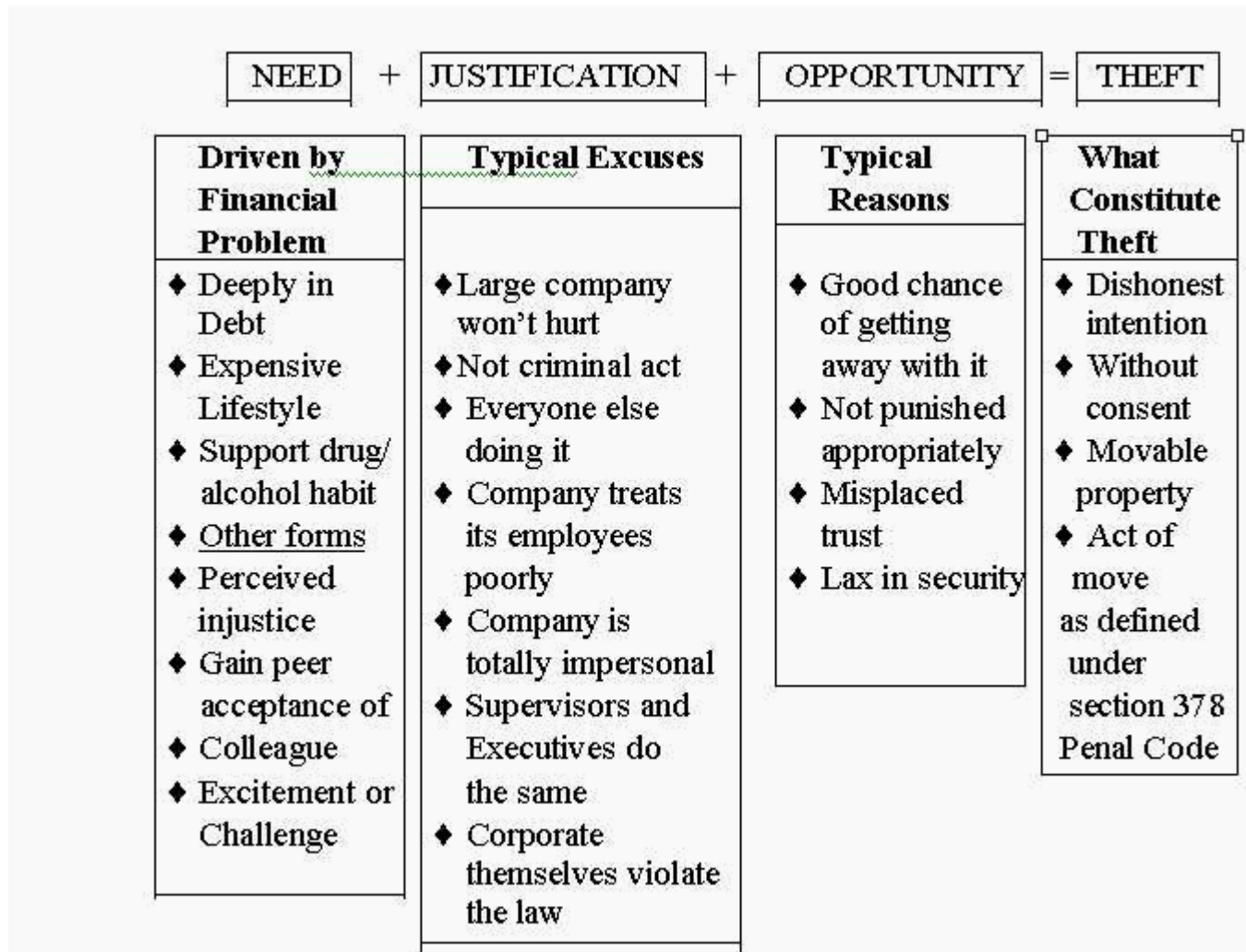


Figure 1: Employee Theft Equation

Having looked at the equation and digesting its ingredients, it is now appropriate to determine that viable concept dealing with the three components of theft. This is in pursuance to the formulation of our desired Loss Prevention Strategy.

The Concept of Restraint will impose effective restrictions and barriers to curb the needs of dishonest employees. Proactive actions through pre-hire screen and access control will deny the presence of unwanted elements from the facilities. This is in alliance with the popular axiom in security i.e. the easiest way "to prevent theft is not to hire thieves."

The Concept of Reducing Opportunity will deter any dishonest intention by proactive actions through target hardening and audit processes. Frequent spot checks and audits are not to imply the employees are dishonest but to help them remain honest.

The Concept of Omnipresence will display management's commitment and constant presence of security personnel in their proactive roles, through patrol and security awareness programs, will have strong impressions or perceptions of security is in control.

To summarize the anticipated grand Loss Prevention Strategy, let us look at the concepts, proactive actions and its other related components as below:

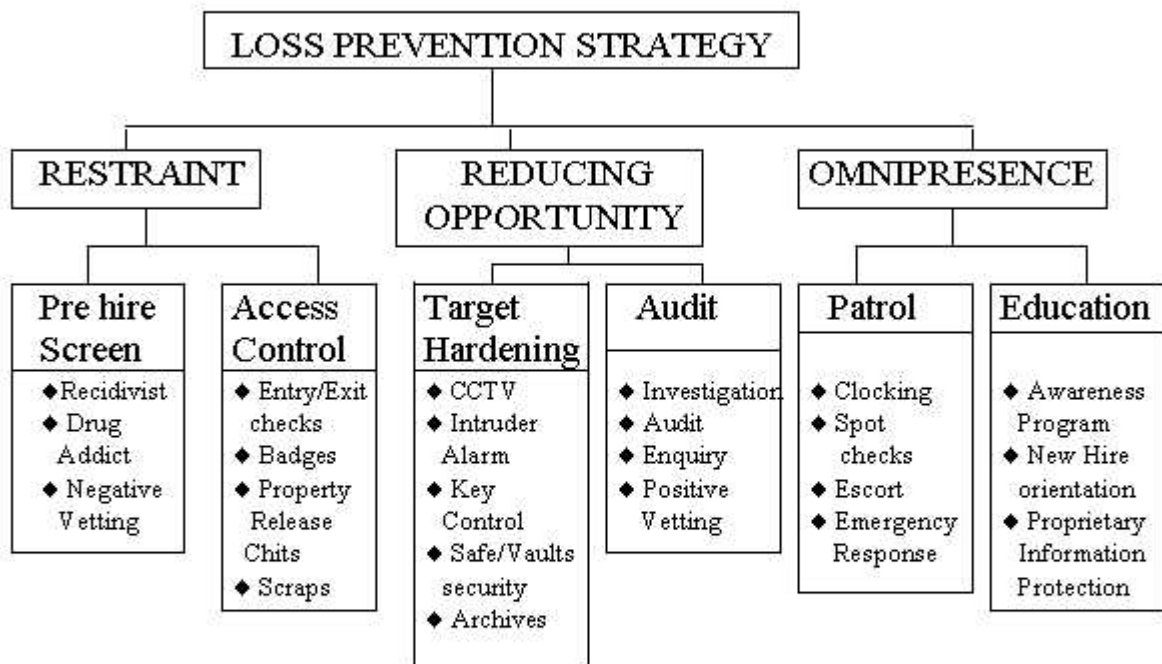


Figure 2: Loss Prevention Strategy

Having understood the correlation of the concepts to their intended roles and functions, security personnel will be in a better position to see the rationale for actions whilst executing their duties. In other words, a clearly defined strategy and its tactical clarity will undoubtedly place security personnel in a position to see value of their roles. At the same time focus their energy to effectively utilize their identified core competencies discovered through the process. Their efficiency and confidence are not only enhanced; they can also consistently align their directions towards the company's goal and vision in order to provide support for business continuity.

(This article was first published in the Malaysian Safety and Security Journals)