



Reducing Employee Theft With POS Technology Fingerprint Biometrics

Once upon a time, when POS systems were shiny and new, store owners and managers looked at them as the solution to many problems with employee theft. Once each worker had his own log-in code or password, and managers carried override swipe cards and keys, retailers believed that every transaction would be easily tied to an individual. But it hasn't turned out that way.

Here's the reality. Often transaction override cards are shared between multiple employees. Keys are duplicated. Manager's codes are passed around. And the POS systems that seemed to offer such tight regulation still leave plenty of opportunity for employee fraud and theft.

But in a difficult economy, businesses know that their employees can be the most important connection to their customers. Well-trained and motivated workers may mean the difference between business success and failure. But there's still the problem of reduced productivity and costs associated with internal theft.

Combatting Employee Theft

So what can the average business do to improve employee productivity and thus reduce costs in the labor force? Many organizations are focusing on two problems that can drain money from a business. Labor fraud and inventory shrink.

Retail losses in these areas are closely connected with the attitudes and behaviors workers display on the job. Things like late arrivals and early departures, a phenomena called "buddy punching," where one person clocks in for an absent or late friend, extended breaks, and time wasted getting from the time clock to the sales floor. **And when looking at shrinkage, the 2007 National Retail Security Survey found that employee theft made up 44% of losses, surpassing even shoplifting.**

THE BENEFITS OF HAVING A BIOMETRIC FINGERPRINT READER FOR YOUR POINT OF SALE SYSTEM



Tried and true methods of combatting employee theft extend from the application process forward, including background checks and extensive interviews. Once a worker is hired, education on the importance of honesty and the impact of theft is used in an attempt to keep everyone on the right path.

When discrepancies occur, employers can implement expensive monitoring strategies such as video surveillance and POS analytics. But in many cases these traditional approaches don't work.

Fingerprint Biometrics: The POS Frontier

And that's where businesses looking for an identification strategy that truly authenticates just one person during a transaction are turning to biometrics using fingerprints. The most mature commercial biometric technology available today, fingerprints can't be shared or swapped (except in the latest Hollywood thriller), and once workers know their every action is tied to them, they become more accountable.

Fingerprints can be used within the POS system for employee sign-in, as transaction confirmation, and for manager approval of overrides and voided sales. And since most cash registers have the option of fingerprint readers, POS applications can use them as an alternative to PINs, swipe cards, and passwords.