

From a Private Investigator's Perspective: Crossing Over

by Eric Echols, CFI

Crossing over, as most of us know it, involves taking our Loss Prevention experience and entering the Operations side of the business. It's a natural progression that many in our business view as a standard next step. As I discovered several years ago, another kind of crossover is possible: I left corporate Loss Prevention—with its firm rules, multilevel structure, and politics—to enter the realm of Private Investigation.

After 20 years of Retail Loss Prevention experience as Regional Director, Manager of Investigations, Divisional Vice President, and Director of Loss Prevention with major corporations, crossing over to Operations would have been the typical career move. But as I have learned, going the private route has just as many synergies with that experience, while it presents such advantages as autonomy, lack of big-company politics, and opportunities to directly utilize my additional skills gained in the military and through personal protection and security. Most importantly, I have come to realize that what I learned in corporate Loss Prevention can be used readily in the private realm.

The knowledge needed is the same, so crossing over to the private side was not difficult when it came to getting the job done—or “accomplishing the assignment” (a little PI phrase). For example, when interviewing, I use my own developed style of Interviewing called the Retail AID (www.tfptraining.net), even in criminal and civil cases. The domestic cases deal with more covert surveillance, much like sitting in the camera room watching a dishonest employee (DE) at the register, waiting for him or her to take cash; or some of you may remember the days when we used to hide in the boxes in the receiving department waiting for the receiving team to take merchandise. The Shops are still the same—Double Buys, Single Buys, Drops, Hook-ups—though I have added some twists that I might not have been able to in a corporate position. In catching shoplifters, the 5 Elements of Proof still apply. And in Operational Shrink, I'm still controlling receiving through proactive cycle counts and by looking at past inventories to select top shrink items, which are still top sales items and should be on your Cycle Count Program.

Putting together the Shrink Reduction Programs has not changed. I continue to implement frontline matrices to quickly identify areas of lost sales, lack of training, and internal theft to show companies how they can improve sales by engaging the customer (ETC). We reveal those employees that have low sales transactions per minute when comparing the same level employees (i.e., grouping full-time and part-time employees to get average sales transactions per minute). We then show companies that controlling, auditing and monitoring the front line are keys to raising employee productivity and reducing or preventing internal theft.

The focus remains on the operational procedure enhancements that ensure proper merchandise credits and bill-outs, damage returns, inter-store transfers, hand markdowns, and vendor credits. We demonstrate how operational system breakdowns occur through such failures as credit adjustments not posting; the host system not updating properly through receiving, processing, or during sales; and multipacks not scanning properly or not being counted properly during inventory. Then we generate operational recoveries through research, follow-up, and due diligence. We also focus on external theft prevention by enhancing physical security with in-store door alarms, guards, CCTV, raising the level of customer service and deterrent methods (EAS Tagging, security cases, cabling, and pick-up tickets), and in some markets sending in blitz teams to make shoplifting apprehensions. Finally, we implement Internal Theft prevention, identification, and apprehension through an open-door policy, a reward program, system upgrades that measures all transactions at the Point of Sale (POS), POS and CCTV integration, Management Audits, and (when warranted) the use of quality in-house Internal Investigators or Certified Forensic Interviewers (CFI).

By now, you get the picture! The duties of a Private Investigator are somewhat the same as the Loss Prevention Professional, without all the structure and many levels of the corporate setting. We still deal with the politics of the clients, and some of our own—that's true everywhere—but it's on a very small scale.

Both our corporate clients who have an in-house Loss Prevention Department and those who outsource Loss Prevention Services have equally come to appreciate that they get the same skills and experience using a PI firm as they would hiring or further developing their internal team. Let's face it: Using private outsourced assistance, they get a great deal of expertise without the added yearly payroll, benefits, and HR issues. It's yet another way in which corporate Loss Prevention supports crossover into the private realm.

For me, one positive aspect of crossing over as I did is that I have the Loss Prevention world to thank for much of my current success. It was this world that gave me my knowledge, experience, and training. So, thank you, TJ Maxx, May Company, Lowe's, Walt Disney World, and Kmart (to name a few). You made the crossover a great deal easier.

Private Investigator Eric D. Echols is Managing Partner with TFP Company and has been a CFI since May 31, 2006, holding a Legacy CFI Membership. Eric is a former United States Marine and has worked for fortune 500 Companies in loss prevention as Divisional Vice President with Kmart, Regional Director with Lowes Home Centers, Director of Loss Prevention with SaveRite Grocery Warehouse, and Area Manager with Walt Disney World, to name a few. Eric has also developed an innovative style and format for interviewing employees to discovery dishonesty and rollovers called the Retail AID Program, which stands for Retail Advance Internal Development Program. The Retail AID Program has been approved by the Wicklander-Zulawski (WZ) and International Association of Interviewers for CFIs to obtain eight (8) continuing education hours. You can find the Retail AID program at www.tfptraining.net and Eric's book The Echols Files: Catoosa County Justice on Amazon.