



Guess Who's Leaving with Dinner! Part 1: Chronic Theft

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Employee theft is a subject most food service operators don't want to think about. The problem is easier to address if broken down into two primary types. Acute theft involves stealing large quantities, or operating in collusion with truck drivers or other employees. Chronic theft involves theft of small quantities, and tends to be an individual activity. Since the two types are different from a variety of angles (motivation, planning, execution), prevention of acute theft must be handled differently than prevention of chronic theft. We will deal with acute theft in the next issue.

Motivation for chronic theft is typically as simple as being hungry or poor. It is very difficult to resist food on an empty stomach. It is also difficult to resist the temptation of taking a little food home when there is so much around it would never be missed, and access is easy. **Chronic theft is about food.**

Surprisingly, our studies have found that chronic theft is more significant than acute theft with respect to overall losses. While acute theft tends to be significant on an incident-by-incident basis, it generally does not happen every day and those who perpetrate it generally don't stay in one place very long. Chronic theft, on the other hand happens every day by a much larger number of people who don't come and go as frequently.

Nibbling Problem

Consider the chronic theft of food associated with nibbling in the kitchen. For example, if every employee in a 10-man kitchen eats 1 pound of food per day, and the kitchen operates two shifts per day, the annual cost is approximately \$36,500 assuming the cost of what they eat averages \$5.00 per pound. It is not unreasonable to think they could consume more than a pound per day, and it is unlikely they are nibbling on produce or other inexpensive foods when they could be nibbling on bacon, cheeses and other more expensive foods.

While nibbling is one form of chronic theft, chronic theft can also take the form of sneaking small quantities of food or liquor out in clothing, trash, or any other container leaving the premises. Called shoplifting in other industries, pre-portioned foods are often the target of this type of theft, since they are conveniently packaged individually, well-sealed, and easy to conceal. Coffee packets are particularly popular, since most food service people cannot survive without it. It seems incredible that liquor would be guarded far more carefully than food, given liquor's lower cost in general. In some operations, they protect the liquor storage rooms with multiple keys, while the meat walk-in is never locked, and succulent tenderloins hang from the shelf whispering "take me".

Reducing Chronic Theft

Deterrence is the best solution to chronic theft. Place expensive food in harder to access locations. Lock the walk-ins, or if that isn't possible, place smaller, locked cages on the shelves for expensive items like meats and seafood. Some popular theft items can be placed on high shelves. Others can be moved to a central storage location and require requisitions to release. Try to think of

pre-portioned food as being a higher theft risk, and secure it accordingly. Take frequent inventories of most items and more frequent spot checks of key items, using an inventory system or manual calculation to determine variances.

Another form of deterrence is setting rules and making an example of those who break the rules. A no-nibbling policy in the kitchen is an excellent rule, and as a deterrent to breaking the rule, people who are caught nibbling might have their names written on a board. Those who end up there might draw grease trap cleaning duty or some other unpleasant task. Second or third offenses may result in termination.

Finally, remember that one of the motivations for chronic theft is hunger. Some chronic theft can be avoided by properly timing employee meals. For example, having employees eat early (perhaps one to two hours) into their shift, and then again perhaps three to four hours later should keep their stomachs full for the majority of the shift.

Next Issue: Part 2: Acute Theft

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