

Loss Prevention Incident Flowchart

This flowchart provides a structured approach to handling employee theft investigations, specifically designed for Loss Prevention professionals. It outlines the step-by-step procedures from initial detection through case closure, with emphasis on maintaining evidence integrity, following proper legal protocols, and ensuring comprehensive documentation.

1. Incident Detection & Initial Report

- Detect suspicious activity or receive report of potential employee theft
- Document initial details: date, time, location, witnesses
- Conduct preliminary assessment to determine if investigation is warranted
- Notify appropriate Loss Prevention management

2. Secure Evidence & Scene Preservation

- Immediately secure all relevant physical evidence
- Preserve video surveillance footage
- Collect and safeguard documents, receipts, logs
- Document scene conditions before any changes

3. Preliminary Investigation & Assessment

- Review policies and procedures related to incident
- Identify potential witnesses for interviews
- Conduct background checks on involved employees
- Determine scope and resource requirements for full investigation

4. Detailed Evidence Collection

- Conduct thorough evidence inventory
- Obtain and review all financial records, bank statements
- Secure electronic evidence: emails, computer files
- Photograph and document all physical evidence

5. Witness & Employee Interviews

- Schedule and conduct structured interviews
- Use standardized interview protocols

- Record statements verbatim when possible
- Obtain written statements and affidavits

6. Financial Analysis & Audit

- Conduct detailed financial analysis
- Track cash flow and deposit irregularities
- Identify patterns and discrepancies
- Calculate total loss and impact

7. Legal & Compliance Review

- Consult with legal department as needed
- Ensure all procedures comply with company policy
- Verify adherence to local, state, and federal laws
- Document all legal considerations

8. Findings & Recommendations

- Compile comprehensive investigation report
- Document all evidence and findings
- Provide recommendations for disciplinary action
- Suggest process improvements to prevent future incidents

9. Management Review & Decision

- Present findings to senior management
- Facilitate decision on disciplinary action
- Determine need for criminal prosecution
- Approve recommendations for process changes

10. Implementation & Follow-up

- Execute approved disciplinary actions
- Coordinate with law enforcement if necessary
- Implement process improvements
- Conduct training sessions for awareness

11. Case Closure & Documentation

- Complete all required documentation
- Archive case files according to retention policy
- Conduct post-investigation review
- Share lessons learned with Loss Prevention team

12. Monitoring & Continuous Improvement

- Monitor for similar incidents post-closure
- Evaluate effectiveness of implemented changes
- Update investigation procedures as needed
- Maintain ongoing awareness training programs

This flowchart is designed as a general guide for Loss Prevention professionals. All investigations should be conducted in accordance with company policies, applicable laws, and with appropriate oversight and approval.