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## **h.h.gregg Builds “Common Goal” Culture to Effectively Reduce Loss**

### *Loss prevention team uses interdepartmental approach*

When Todd Zimmerman, National Asset Protection Manager at h.h.gregg, joined the appliances and electronics retailer in 2005, he was tasked to build a loss prevention team from the ground up. Back then, the company had 55 stores and its loss prevention challenges centered mainly on internal loss. Most investigations and audits were done manually.

Today, h.h.gregg has more than 220 stores nationally, plus several distribution centers. Its loss prevention department is 20 team members strong and its concerns focus on more sophisticated criminal activity such as credit card and check fraud, and organized retail crime. The company relies heavily on exception-based reporting and IP-based video solutions, with most of its stores outfitted with video surveillance cameras that allow its loss prevention team to view footage from laptops and mobile devices.

The results of h.h.gregg's loss prevention strategies are evidenced by the fact that regular write-offs for missing products have been reduced by 50 percent. Loss as a result of “return to vendor” and damaged items each decreased by 10 percent. The company continues to focus on the latter two areas, by having auditors research touchpoints within the lifecycle of a product in order to pinpoint where loss occurs.

With these landmark results, to what does h.h.gregg attribute its loss prevention successes? “It’s all about partnerships,” Todd says.

### **How it Began**

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“Coming into the company seven years ago as the sole loss prevention person, I knew I needed the help of others to effect change,” Todd explains. From the get-go, he understood that building a successful loss prevention function would require forming partnerships with other internal team members around a common goal.

“My primary objectives were to create a safe work environment for all our employees and to make the company profitable,” he says.

He also wanted to sell loss prevention as a win. “At the time, the loss prevention profession as a whole was viewed as police or guards. I wanted to change that perception...so that we were looked at as professionals who are a valued part of the business.”

To that end, Todd reached out to h.h.gregg's other internal departments such as Human Resources, Operations, Real Estate, Information Technology, Marketing and Accounting. He wanted to understand their goals in order to become a better business partner. “I created the LP department to meet their needs, so we could all be more successful,” he says. “There’s no good that comes from working against each other...it doesn’t serve anyone well.”

That’s not to say they always agree with each other. There have been instances where the loss prevention team has proposed a solution that another department may not immediately agree with.





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“We once proposed clear plastic boxes that some of our high-theft items could be housed in on the sales floor,” Todd cites. “Our buyers weren’t so excited about this idea. Rather than force it on them, we looked into other ideas, did some testing and compromised on a solution we were all happy with.”

## LP Technologies

The common goal approach at h.h.gregg has also positioned the company to better utilize technological advancements in LP.

“As we begin to rely more heavily on video and other technologies, it helps that we have a long-standing partnership with our IT department already in place,” Todd says.

Cameras are used not only as an LP tool, but also as a customer service tool and productivity tool.

In addition to video cameras and exception-based reporting, h.h.gregg uses traditional burglar and fire alarms to supplement their LP efforts, with Vector Security as its preferred vendor for new locations. The company is also piloting electronic article surveillance products provided by Vector Security.

## The Changing Landscape

Over the 14 years that Todd has been in the LP industry, he has seen many changes. “LP is morphing into something more than catching shoplifters,” he explains. “It’s becoming about taking a holistic approach and understanding business challenges and objectives. It’s about working together. At h.h.gregg our LP team is not just the LP department and our immediate interdepartmental partners. It includes all 7,000 people who work here...who are all working toward a common goal.”

## Vector Security Addresses Changing LP Needs

As the provider of intelligent security solutions, our goal at Vector Security is to help our customers be successful. One way we do this is by advocating for, and supporting them as new industry trends emerge.

One of these trends, as evidenced by h.h.gregg, is that companies are taking a more holistic approach to loss prevention. As new technologies become available, LP departments are working closer than ever before with their internal business partners to ensure success.

Vector Security recognizes the need to address this change and we are poised to respond to the evolving landscape not only by offering the latest technologies and analytics, but also by teaming with our customers to form relationships at all levels within their respective organizations.

