

# Principles of industrial organizational psychology

Business



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Pickett Grand Canyon university Psychology 830 Principles of Industrial/Organizational Psychology August 19, 2013 As companies continue to grow and profit, employees are seeing opportunities to gain profit as well. Every Industry Is being Impacted by employee theft. Although there is statistical data that provides a multitude of motivating factors why an employee will commit theft, no one really knows the mindset of the employee.

Ingram (1994) stated that “ most employees see stealing as an unofficial compensation and a justifiable pay back for what is viewed as employer greed. However, there is no one factor more significant than the other as to why an employee you trust would come to work, do the job given, then steal from the company, Quite frankly, It doesn't matter how much precaution an employer takes, whether it be loss-prevention plans, pre- employment assessments or high-tech solutions, even an honest employee will commit theft at some point.

Truthfully, what does a thief, really look like?

The status of an employee, length of employment, age or gender, is not found to predict employee theft. As the economy continues to shift, businesses will continue to see heritages, Indicative of theft, It has become just a part of doing business. Every business knows that losses will occur whether It Is due to economics or employee theft. In this case study, a discussion of the circumstances of the theft, how it should be handled and measures taken to minimize the idea that employees can take what they can get away with taking.

As a manager, one of our roles is to do our best to bring aboard ethical and truthful people whose main goal is to help with the success of the company.

There Is no reason to believe your employees are thieves without substantial evidence. However, an employee can perceive theft as acceptable behavior based on managements attitude about It. According to Holt (1 993), “ declining morals and ethical standards of the younger generation, as well as, a reduced commitment to conformity and a reduced fear of social consequences for their behavior has influenced employee theft. In this instance, whether Taylor is a conscientious employee in all areas or not, theft should not be tolerated and consequences should always occur. Most employees think that by appearing to be hardworking and honest, this provides them with a false perception that they can teal from the company over a long period of time without getting caught. Although this employee didn’t have an immediate need to beat the system, he saw an opportunity for his own personal use and took it.

The first obvious discipline would be to terminate Taylor.

It does not matter the length of time or his unblemished records, the reality is this employee exhibited dishonest behavior which has caused the company a loss. The value stolen on a dally basis may have been minimal but as time progresses; It turned Into a greater monetary value. I Norte, layer would immediately dismissed from his duties with the company. When dealing with employee theft, it is important to be consistent in the punishment (Holt, 1993). It really doesn’t matter what type of punishment,

whether it's immediate dismissal, prosecution, restitution or any combination thereof.

As management, there must be consistent action across the board to send the message that management will not tolerate theft. As employers continue to face economic loss due to theft of property in the work environment, it is virtually impossible to really know where, how and when misconduct is being committed. Once discrepancies are noticed, action should be taken and it's hard to pinpoint what employees are involved without creating a situation to show who is loyal, honest and worthy of employment.

Without substantial proof, gut feeling would not cut it. Entrapment is too strong of a defense with this particular case.

According to CriminalDefenseLawyer. Com (2013), entrapment focuses on whether the employee would have committed the crime if the company had not engaged him. Well, the company did not engage him in stealing minimal amounts of gas daily; therefore, it can safely be stated that this employee could have repeatedly committed dishonest acts without any assistance from the company.

Employers are not responsible for the actions of their employees; therefore, Taylor got exactly what he deserved. The company could have taken it further and prosecuted him to the fullest extent of the law. Additionally, he would have to pay restitution for the losses attributable to the theft.

The punishment was really mild considering the action. Companies are starting to recognize that employee theft does exist and measures need to be taken to ensure it is as minimal as possible.

The lack of knowledge on theft would lead to major losses. There should be a well-defined ethics policy in place sending a message that theft just will not be tolerated. It is common that no matter what prevention measures are taken, there will always be an employee that will commit theft.

Mishear & Crampon (1998) specifically states that “ employee privacy has become a controversial issue in the field of Human Resource management as employers have more technologies available to monitor telephones, computer terminals and voice mail.

This privacy issue has been fueled by the increased use of a variety of electronic monitoring systems. ” Since employee theft is not easily discoverable, high tech solutions have to be implemented. This will treat the cause, not the symptom which will concentrate more on prevention rather than apprehension. The installation of security systems only helps to a degree, but employees that want to be dishonest will work their way around it.

There is nothing 100 percent effective so theft will never be totally eliminated.

As companies begin to educate their employees on the consequences of immoral and unethical behavior through loss prevention programs, pre-employment screening and electronic devices, this may instill a high

standard of ethics and conduct within the company. This may make employees think twice before involving themselves in unethical behavior. It is important that a company dismisses an employee without affecting the remaining employees and their productivity.

It is important to ensure that the company's decision to terminate is above reproach because how an employee is terminated sends a very powerful message to the remaining employees.

Consequently, any time an employee is terminated, there are always ramifications. Deanna It IT a replacement is not an easy quick fix, workloads may shift creating new demands on the remaining employees to keep up the workflow. If the company does not address concerns the remaining employees may have about the termination of a fellow employee, it can cause them to become distrustful, not only about job security but that management may target them next.

The impact of the termination, if not handled correctly, could jeopardize, not only the morale of the employees, but the success of the company. In conclusion, in order for a company to maintain a workforce that is built upon a culture of honesty, there needs to be more awareness within the company. They need to be more proactive in communicating with their employees when there is heritage in inventory and theft issues. Companies should make sure the code of conduct is clarified and identify behavior that will not be tolerated.

More importantly, prevention measures start with a more effective pre-employment screening process; which is inclusive of a more extensive

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background investigation. Although, this will not guarantee every new employee hired will be of good moral and ethical values; it will certainly minimize the amount of internal theft within the company. Companies can no longer ignore this sweeping problem. As a result, they have to better equip themselves by creating these internal controls that will, not only ensure growth but reduce the amount of profit loss endured each year.