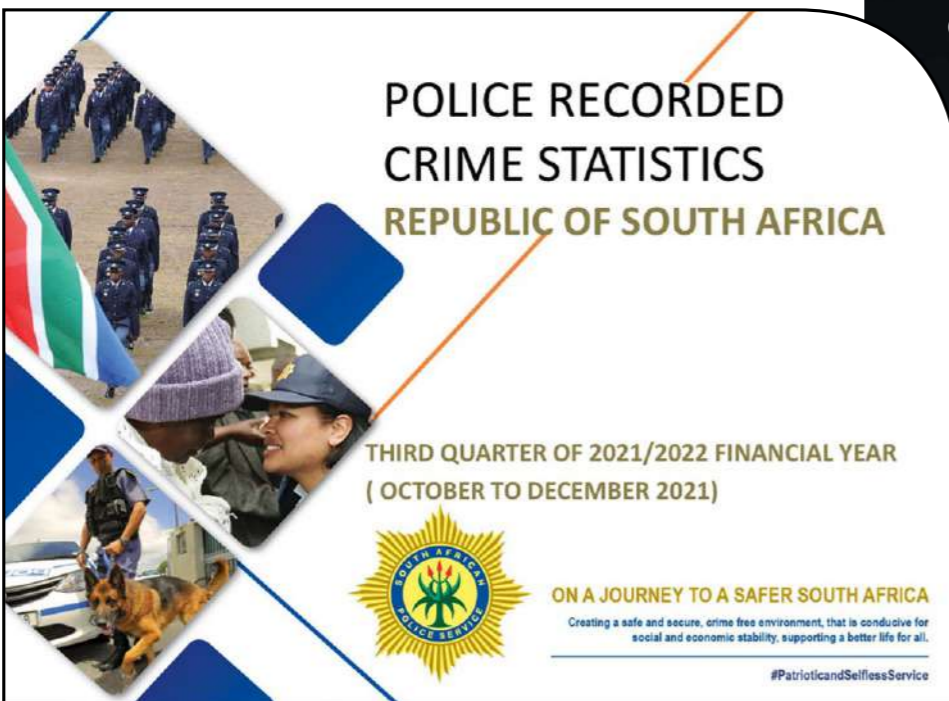


# Security & cash handling best practice

Any business that handles cash is well aware of the inherent risks. Minimising these risks and maximising cash handling safety is a mix of organisational best practice, and effective policies and procedures, reducing the amount of cash on site, situational awareness, and using technology to its best advantage.



[Link to SAPS crime statistics reports](#)

An overview of crime statistics reported by the SAPS (South African Police Service) in February 2022 for the period October to December 2021 shows that robbery at non-residential premises increased by 1.7% compared to the same period in the previous year. Other statistics of note for retailers were cash-in-transit robberies, which



“Both hardware and software should provide a safe, effective and client-driven end-to-end cash management solution”

Visual courtesy of Deposita

showed a -7.7% decrease. Burglary at non-residential premises decreased by 7.3% overall, although the Northern Cape and North West showed increases. Shoplifting decreased by 15.1%. Commercial crime increased by 15.9% and truck hijackings increased by 2% year-on-year. Shoplifting decreased by 15.1% overall, although

the Durban North and Phoenix police stations in KwaZulu-Natal, Burgersfort station in Limpopo and Sandton station in Gauteng reported increased cases. There were significant decreases in case numbers reported by the Pietermaritzburg stations in KZN (-42), Polokwane in Limpopo (-37) and Bellville in the Western Cape (-41).

## Cash theft on the rise

Leon Ehlers, Operations Director at cash management and payment technology firm Deposita, says statistics released by the Institute of Security Studies show that the instance of petty cash theft – where a criminal steals cash directly from a till or pay point – has increased over the last year. Ehlers, who spent 18 years in the South African Defence Force before joining Deposita nearly 15 years ago – giving him a unique insight into the risks associated with cash handling and cash management – says both hardware and software should provide a safe, effective and client-driven end-to-end cash management solution. “Research and development should be ongoing, to ensure optimum product





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safety and protection while driving efficiencies for the store. Tailored solutions that meet a retailer's specific needs and risks will guarantee operational efficiencies and reduce the risk for their staff, customers, and onsite cash."



Visual courtesy of  
Cash Connect

“ This will ensure fast and error-free cash management, while reducing overhead and back-office costs. ”

Eliminating manual reconciliations and banking, and counting

and double-count supervision, frees up staff time for more meaningful work. Depending on how much cash it processes each month, a retailer can save up to 40% in cash costs by deploying a fully automated, end-to-end cash management service with a robust cash vault.”

From cash verification and banknote validation technology to cash recyclers and smart safes, the technology and hardware involved in cash handling is aimed at security, efficiency, accuracy, and accountability. By removing the potential for human error and reducing the amount of physical labour that goes into cash handling, you can streamline processes and remove opportunities for theft or error.

Templemore-Walters believes that an automated cash management system is a practical and effective solution to the risks inherent in handling

cash on site. He says, “Automated cash management effectively puts a bank in the retailer's premises. It should feature a robust retail cash vault, built to minimum SABS Category 4 standards, to keep cash safe. From the moment the cash goes into the intelligent, automated business vault, whilst in transit to the bank, and until it appears in the bank account, the service provider should cover the cash risk. The cash should be guaranteed, side-stepping traditional insurance assessment delays and critical cash flow effects on turnover.”

### Is a cash-free society really possible?

Like other developing countries, South Africa is a dichotomy. A cashless society does exist and there are myriad ways for consumers to make cash-free payments instore and online. However, socio-economic barriers and a large sector of society that is technology-poor mean cash payments remain an integral part of the retail business.

For tech-savvy consumers who have access to technology, the ease of shopping online and the convenience of not having to carry cash are as important as the safety aspect of cashless commerce. For these consumers, the answer is online banking, card or device payments, and the use of technology such as SnapScan or Zapper. Whilst these options are attractive, they come with their own set of risks and challenges.

In an article for Fin24, Clayton Hayward, CEO of Ukheshe Technologies, a fintech company, says, “Digital innovation has enabled several payment

### Automated cash management

Mark Templemore-Walters, operations director at retail cash management solutions and cash vault provider Cash Connect, says ...

“ Automated cash management isn't just about accessing a secure cash vault these days – it's also about leveraging a complete set of fintech solutions that can help your retail business innovate and grow. ”

Implementing the right automated cash management solution for your needs can also help save on costs. “A truly automated cash management and payment solution should eliminate all staff touch points associated with manual reconciliations and banking,” says Templemore-Walters.

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options locally, such as contactless, virtual cards, QR codes and tap-and-go.” He adds, “Apple Pay and SamsungPay have also launched, while super apps are becoming more common, and we are also seeing chat services, such as the new TelkomPay in WhatsApp, reaching consumers for the first time.” But with the advent of new technology, so the potential for crime increases as criminals adapt their approach. Deloitte UK identified several potential risks for contactless payments, including “device and e-wallet vulnerabilities, malware within tags, eavesdropping data or man in the middle attacks [where attackers interrupt a data transfer].”

In the same article John McLoughlin, CEO of J2, a technology business focusing on security services and solutions, says he believes one of the great benefits of contactless payments is its security measures. He says, “It’s safe as long as we are in control of our cards, devices and watches and if we have the basic safety measures in place to keep them safe. It’s important to select unique passwords to [protect our devices]. [Users are highly encouraged] to implement multifactor authentication and use the biometric capabilities available.”

### Cyber security

The reality is that a cash-free society is still at risk of cyberattacks and online criminals. Customers, banks, and retailers are targets for this type of crime, and protecting against it is vital. In a recent LinkedIn post on cybercrime by cash handling company Volumatic, it was noted that “Businesses



“ As the online demand continues to increase, the retail industry are now becoming more and more vulnerable to cyber-related theft and fraud as attacks become more frequent and ever-more sophisticated. ”

have borne the brunt of this particular online crime for many years, but as the online demand continues to increase, the retail industry are now becoming more and more vulnerable to cyber-related theft and fraud as attacks become more frequent and ever-more sophisticated.”

The article goes on to say that “According to the Cyber Security Breaches Survey, published in March 2021 by the Department of Digital, Culture, Media and Sport (DCMS), 39% of all UK businesses (approximately 2.3m) reported a cyber breach or attack during 2020/21 – a worrying statistic that all businesses need to be mindful of.” Although these statistics are from the UK market, South

African retailers should take note and prepare themselves for the inevitable onslaught.

The recent cyberattacks on TransUnion South Africa, which affected at least three million consumers and 600 000 businesses, and on pharmacy group Dis-Chem, where the data of 3.6 million South Africans was compromised after a cyberattack on its third-party service provider (ITWeb, 11 May 2022, writer: Admire Moyo) should serve as an urgent reminder to all retailers to ensure stringent data security, with access controls and software security protocols in place and constantly updated and upgraded to the highest level.

Image courtesy of Tima Miroshnichenko, Pexels



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## Risk management

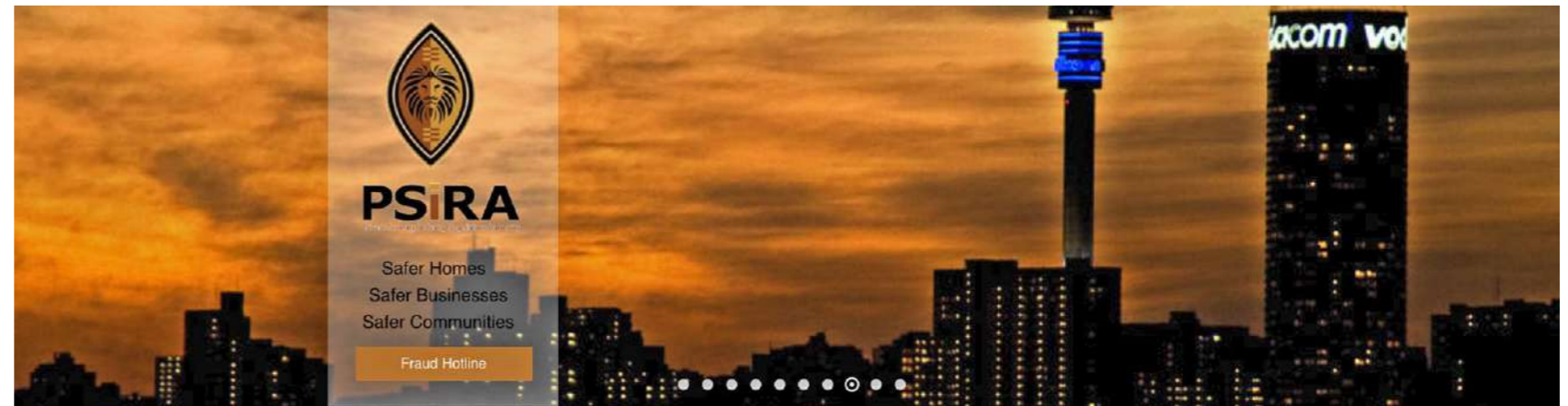
Deposita's Ehlers says ...

“All stakeholders involved in the cash cycle, from the cashier to the financial institutions, including cash-in-transit personnel, need to be aware of risk management. It benefits the whole cash cycle if you can detect a weakness early and prevent subsequent long-term losses.”

Determining your business' specific risks can go a long way to ensuring the safety of everyone involved, which is why you need to engage with reliable suppliers for both your cash handling and onsite security needs.”

Once risks have been identified and processes implemented, education is key, and the onus is on retailers to ensure their employees know what cyber crime is and how it could affect them and your customers.

Educating employees on important topics such as what constitutes suspicious behaviour and identifying dangerous activities (including clicking on unknown links or sharing sensitive information) – and teaching them how to react appropriately in these situations – can help protect your employees and your business against less-sophisticated forms of cybercrime. However, your suppliers and your own IT department must be able to protect your business from more sophisticated or targeted criminals.



Due to the very nature of card payments, retailers have access to a large amount of sensitive data from their customers, and this needs to be protected – security safeguards are, in fact, included in the POPI Act for this very reason.

Knowing what questions to ask of your security teams, working in partnership with your retail group's security professionals and providing feedback about your store's own unique security concerns will help to create a firewall between criminals and your business and customers. It is also imperative to understand the technology and software that are implemented, the risks involved and how to best reduce these risks.



Image courtesy of the BBC

## Physical safety and security

As the looting and riots of 2021 showed, South African retailers are at the mercy of marauding crowds. To ensure better protection and safety should an event like this happen again, shopping centres and malls are having to revisit their safety and security measures, from security guards and guarding services to surveillance cameras and access control.

Last year's mass looting did prove that there are very few security measures that can be wholly effective against a sustained attack. However it did show retailers that there is much room for improvement in some of the most basic security measures, including how store personnel respond to certain situations and what emergency procedures need to be put into place. Ehlers says that a detailed analysis of trends and previous attempts to forcefully gain access to their devices have resulted numerous design improvements to being implemented by the company.

Retailers also have their in-store security measures to consider, to protect against security risks and crimes such as theft, shoplifting,

common robbery, armed robbery, fraud, arson, assault, and burglary.

Security personnel need to be well-trained in recognising, preventing, and responding to criminal activities. Employing security staff with the correct PSiRA (Private Security Industry Regulatory Authority) clearance, registration and training is essential ([www.psira.co.za](http://www.psira.co.za)). Communication devices between security and store staff should be checked regularly, and there should always be a clear and effective line of communication with effective processes that have been designed for your specific store. Emergency drills, refreshers, and spot checks are vital for the continued safety of your store, your employees, and your customers.

### A customised cash handling solution

“Retailers that recognise the needs and habits of their customers will be able to base their cash handling decisions on solid data such as how much cash is physically received by your store each week. This requires efficient data collection and data analysis to gain insight into which customers buy what products and through which channels, from online purchases to typically cash transactions.”

Information is crucial to understanding what cash handling practices will work in which store. Location, the customer's use of cash or card

payments, the security system in place – these are just some of the factors involved.

A security audit – which your service provider or head office security team can implement – will highlight at-risk areas in your store.

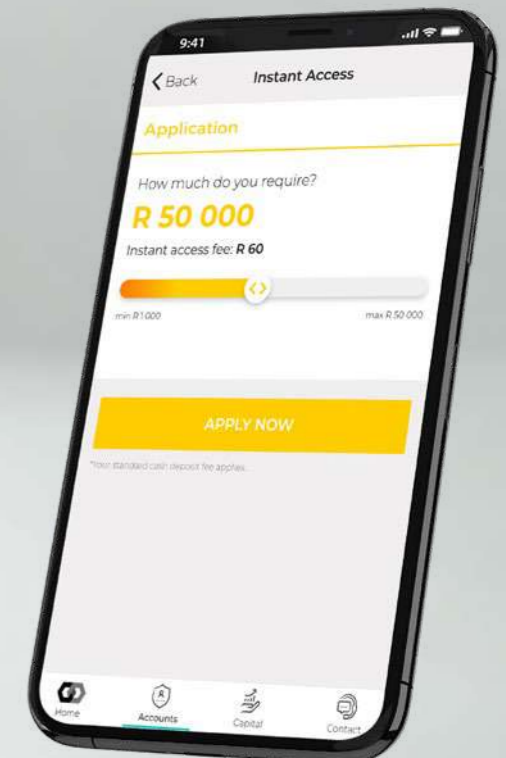
Retail stores should be protected in line with the level of risk of the area where the retail store is situated: low risk; medium risk or high risk, and security awareness and threat assessments should be conducted regularly. Stores can also encourage consumers to report any suspicious actions, persons, objects or vehicles to the security manager.

Safety and security of consumers at retail stores in the Gauteng province: an assessment of security measures, Mahabane, Misaveni Abel, UNISA, May 2017. <https://uir.unisa.ac.za/handle/10500/24500>



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# Four benefits of automated cash management



South Africa's economy remains cash driven to a large extent. With approximately R168 billion circulating on the country's streets at any given time, according to the South African Reserve Bank, cash remains the preferred method of payment and transacting.

The ongoing use and popularity of cash are compelling reasons for retailers to invest in an automated cash management solution. Automated solutions enable retailers to access sophisticated fintech solutions that empower them to grow their businesses, while simultaneously accommodating the payment choices of all their customers.

Automated cash handling with Cash Connect, as SA's leading provider of cash management and payment solutions, can benefit your retail business in at least four ways:

## 1. Save more than 40% in time and money

Automated cash management is fast and accurate. It can save retailers over 40% in precious time, by eliminating all the staff touch points associated with manual reconciliations and banking, counting, shrinkage and double-count supervision. In addition, automation puts money back into the business. A retail store that trades 30 days a month, employs a daily cash-in-transit service from Monday to Saturday and banks a monthly total of R2 million in cash, easily spends R30 000 a month on cash management costs. A fully automated, end-to-end cash management service with a secure cash vault will cost around R15 000 a month – a saving of nearly 50%.



Above: Click to view the N3K & N10K cash vaults

## 2. Enjoy instant access to your cash – real time

Manage and improve your cash flow with the Instant Access facility that allows you to use your cash whilst it is still in your cash vault. Need to make an urgent payment for a stock delivery but the cash-in-transit service provider hasn't collected yet? No problem: real-time access to your cash is just a click away with Instant Access.



Watch his story

Jan du Toit  
(Testimonial – Cash Management)



Watch his story

Madimetja Tloubatla  
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## 3. Hassle-free business funding within 24 hours

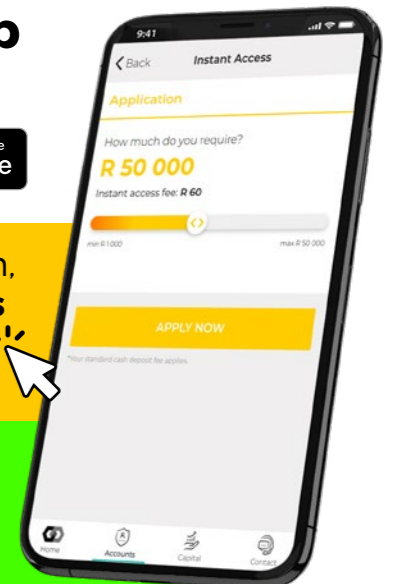
The business funding division, Capital Connect, enables retailers to 'Click & Borrow' up to R2.5 million business funding in just 24 hours. Quick access to hassle-free finance is crucial in the retail environment, making it possible for retailers to leverage opportunities, such as buying stock in bulk at discounted rates, renovating their store, or investing in shopper-tainment that can immediately increase profit margins.

## 4. Up the safety of your trading environment with a robust, automated cash vault

An important element of an automated cash management solution is a robust cash vault that is built to SABS category 4 standards, which increases the security of your premises and the safety of staff and customers. An automated cash vault is like having a bank in the store. As soon as you deposit cash into the cash vault, there is an immediate risk transfer, and your funds are guaranteed with a same-day (or real time) settlement into your bank account.

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\*connected.co.za/capitalterms

## Cash handling best practice

CashTech Currency Products ([www.cashtechcurrency.com](http://www.cashtechcurrency.com)) listed these top ten principles of cash handling:

**Organisation.** When it comes to cash handling, organisation means being aware of the location of your cash and being able to track it as it moves through your business. This can help prevent losses from occurring and avoid common cash handling problems.

**Oversight.** Automated cash management solutions and technology such as CCTV helps you monitor your cash at all times. Automated devices can also help you process your cash and generate accurate reports.

**Policies and procedures.** Once you have identified and implemented the safest and most effective cash handling procedures, you need to enforce these. This means providing regular refreshers and training, identifying issues, and making sure you obtain and take note of constructive feedback from your employees who are tasked with implementing the procedures.

**Less cash, less risk.** Keeping large amounts of cash on site is a risk. Set a limit and put procedures in place for ensuring you don't exceed that limit. Schedule daily or weekly deposits if necessary. A cash recycling solution can help you maintain your set limit.

**Engage with your frontline workers.** It is imperative that your employees who handle cash receive the correct training and to ensure they understand and adhere to procedures put in place



Start your cash management journey by choosing among a variety of state-of-the-art smart safe or cash recycler hardware. Choose the right brand and model type that works best for your business – including enhanced security options, such as biometric (fingerprint reader), magstripe, and barcode scanners.

for proper cash management and loss prevention. All employees should also clearly be informed of the consequences of being involved in criminal activities against your business.

**Set a schedule.** This is about organisation – balancing your cash registers regularly and making regular bank deposits can help streamline your cash handling processes. But this needs to be offset by safety concerns around having a set schedule that can be intercepted and used against you. Do not share cash handling schedules with any staff other than those who must be involved in the process and ensure access to this information is strictly controlled.

**Have enough staff.** Monitoring your security and keeping staff and customers safe should be a team effort by trusted employees. Overworked or overtired employees cannot see or be everywhere at once and important details may escape their notice.

**Engage a professional.** A reliable cash handling and cash management service provider will help you identify risks and consult with you on the best way to mitigate these risks. If you have questions about cash handling processes, technology, or hardware, ask a professional or engage with your retail group's security specialists

**Invest in technology.** Investing in the best technology and hardware that you can afford to protect your cash is a good business decision. The benefits of this type of cash management technology is that it can also streamline your processes, increase efficiency, reduce the possibility of human error, and decreases the amount of manual cash handling on which your employees need to spend.

**Keep improving.** Constantly evaluating and reassessing your cash management systems is the best way to keep improving it. **SR**



**Ann Baker-Keulemans**, a highly experienced business and consumer journalist, is published in numerous print and online platforms, writing on topics related to business, lifestyle, and health, with extensive knowledge on the SA retail and wholesale landscape. She holds a Bachelor of Arts degree in English Literature (British and Commonwealth) and Media Studies and is a member of the Golden Key Honour Society. [ann@wilkinsross.co.za](mailto:ann@wilkinsross.co.za)

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