



POWERED BY THE LOSS PREVENTION FOUNDATION

# Detailed LPC Course Outline

[www.losspreventionfoundation.org/Information\\_LPCertified.html](http://www.losspreventionfoundation.org/Information_LPCertified.html)

## Module 2 - Business Principles

### 1. Building An Effective Program

- A. Historical Perspective (Trends)
  - 1) Company
  - 2) Industry (Current Studies)
  - 3) Understanding Your Business Trends/Changes
    - a) Company Initiatives That Impact Shrink
  - 4) Demographics
  - 5) Current Trends
  - 6) Analysis
- B. Developing Partnerships
  - 1) Management Buy-In
    - a) All Levels Of Management
  - 2) Associate Buy-In
  - 3) Vendors
- C. Resources
  - 1) Technology
  - 2) People
  - 3) Delivery Methods
    - a) Communication
  - 4) Internal vs. Outsourcing
- D. Partnerships in Education
  - 1) The Masses (All Levels)
  - 2) Awareness Programs (All Levels)
  - 3) Training
  - 4) Enhanced Focus
    - a) Based Of Shrink Trends
    - b) Based On Shrink Locations
- E. Vision And Accountability
  - 1) Sustainability
  - 2) Measurement
  - 3) Incentives/Rewards
  - 4) Continuous Process QA

### 2. Financial Analysis & Accounting – *The Tools*

- A. Financial Statements
  - 1) Balance Sheet
  - 2) Income Statement / P&L
  - 3) Cash Flow Statement
- B. Accounting Concepts
  - 1) Generally Accepted Accounting Principles (GAAP)
  - 2) Accrual vs. Cash Accounting
  - 3) Depreciation
  - 4) Accounting For Leases



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- 5) Forecasting
  - 6) Capital
    - a) ROI (Various Measurement Methods)
  - 7) Expense
  - B. Inventory Accounting Principles
    - 1) Based on industry
    - 2) Retail / Cost
    - 3) Gross Margin
      - a) Allowances (Various Types)
    - 4) Markdowns
- 3. Building Operating Plans (A.K.A. Budgets)**
- A. The Budgeting Process
  - B. Budget Functions
    - 1) Planning/Forecasting
    - 2) Coordinating
    - 3) Communicating
    - 4) Contingency Planning
    - 5) Monitoring/Scheduled Reviews/Adjustments
  - C. Types Of Budgets (Definition)
    - 1) Short Term vs. Long Term
    - 2) Rolling vs. Fixed
    - 3) Payroll / Non-payroll Expense
    - 4) Expense
    - 5) Capital
    - 6) Corporate vs. Store Line – (High Level)
  - D. Capital Investment (Selling ROI)
    - 1) Planning & Process
  - E. Expense
    - 2) Planning & Process
- 4. Supply Chain Management**
- A. Self Managed
  - B. Vendor Managed
  - C. Distribution Methods
    - 1) Warehouse Delivery
    - 2) Direct Delivery
      - a) Components
      - b) Performance And Value
      - c) Bottom-Line Impact
        - i. Profitability
        - ii. Productivity
      - d) In-House Vs. Outsourcing
        - i. Vendors
    - 3) Reverse logistics



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### 4) International

## 5. Managing Vendor Resources

### A. The Role of Vendors (Consultants, Contractors)

- 1) Services/Support
  - a) Recurring (Necessary Tools)
  - b) Expert
- 2) Technology /Hardware
  - a) (Facilitate Vendor-IT Relationships)

### B. Managing Relationships

- 1) Professional
- 2) Conflicts of Interest
- 3) Metrics for Measuring Vendors
  - a) Accountability
  - b) Documentation

### C. Procurement

- 1) Identifying The Need
- 2) Finding The Right Solution
  - a) Testing (Does It Fit)
  - b) Trade Shows
  - c) Peers
- 3) Educating the Vendor
- 4) Request For Proposal (RFP) Process
  - a) Specifications (Clarification-Involve SME)
  - b) Due Diligence
  - c) Reverse Auctions
- 5) Contracts
  - a) Set Expectations
  - b) Legal Coordination/Considerations

## 6. Protection of Critical Data & Privacy

### A. The Need for a Data Security Policy

- 1) Good Practices in Daily Activities

### B. Physical Security

- 1) Access Control
- 2) Data Centers
  - i. Physical Controls
- 3) Document Retention & Destruction

### C. Data Security

- 1) Network Security
  - i. Internal/External
  - ii. Wired/Wireless
- 2) Loss of Data via Espionage

### D. Safeguards

- 1) Regulations



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- 2) Implementing Best Practices
  - 3) Auditing/Testing
  - E. Privacy
    - 1) Health Insurance Portability & Accountability Act (1996)
      - a) Protection Of Medical Information
    - 2) Consumer information
      - a) PCI (storage of credit card number or personal information)
    - 3) Employee Records
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