

Report Finds '30x Intelligence Gap' Between Employee Disclosures and Traditional Hotline Benchmarks

Data from high-shrink retail locations shows employees disclose internal theft, discount fraud, and inventory manipulation at rates hotlines cannot approach.

ATLANTA, GA, UNITED STATES, April 16, 2026 /EINPresswire.com/ -- Frontline retail employees



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Russ Law, Verensics Co-Founder & CEO

disclose internal theft, fraud and inventory misconduct at 30 times the rate of traditional whistleblower hotlines, according to a new report from Verensics based on survey data from 8,721 workers across 133 high-shrink locations. The report, "The Hidden Signals of Retail Loss," is directed at asset protection, loss prevention and retail operations leaders working to address the behavioral and cultural drivers of shrink.

The central finding is what Verensics documents as the 30X Intelligence Gap. The platform generated 50.4 disclosures per 100 employees surveyed, compared to a benchmark of

1.65 per 100 reported by the NAVEX 2026 Whistleblowing and Incident Management Benchmark Report. The gap reflects how much actionable intelligence becomes accessible when organizations shift from passive reporting infrastructure to proactive, low-friction intelligence collection.

Findings are organized across three behavior categories: internal loss, discount and credit fraud, and inventory reporting, each representing a distinct risk profile for retail organizations.

On internal theft, 403 employees witnessed a staff member stealing directly, 84 identified a specific coworker by knowledge, and 23 named a manager. A cash integrity concern emerged separately: 165 employees observed colleagues pocketing cash, approximately 1.24 employees per surveyed location. The report also documents organized retail crime signals, including 65 employees who suspected coworkers of running a resale operation and 51 observations of supervisors bypassing procedures with warehouse staff or customers.

On discount and credit fraud, an area where exception-based reporting (EBR) systems can flag

transactions but cannot identify intent, 530 frontline employees held direct, observed intelligence about illicit discounts occurring on the floor. Nearly 11 percent of the surveyed workforce admitted to giving manager-approved discounts against company policy, raising a critical question for loss prevention directors: whether exposure is concentrated among individual bad actors or normalized across store leadership. The report frames manager complicity as a multiplier, one that recalibrates what the broader workforce considers acceptable behavior.

On inventory reporting, procedural compliance sat at 82 percent, and 23 percent of employees did not recognize that inflating inventory counts before reconciliation is a method used to conceal theft. These findings suggest that many inventory control gaps are not purely operational. They reflect a training and culture deficit with direct financial consequences.

"For years, low hotline volume was misread as a sign that employees don't know much or don't care to report. This data says otherwise. Ninety-five percent of the workforce surveyed said they would report a stealing manager if they knew one. That is not a disengaged workforce. That is a workforce waiting for a channel they can trust," said Russ Law, Verensics Co-Founder & CEO. "The 30X gap is not a measurement curiosity. It is the cost organizations pay every day for relying on infrastructure that puts the entire burden of disclosure on the employee."

[View the full case study.](#)

[About Verensics.](#)

Verensics is a HUMINT (human intelligence) software platform that helps organizations collect investigative intelligence from employees during active loss investigations. The platform deploys adaptive, low-friction surveys that adjust in real time based on individual response patterns, giving asset protection and loss prevention teams access to insights that hotlines, exception-based reporting, and inventory software were not designed to reach.

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