



CASHTECH
CURRENCY PRODUCTS



CASH HANDLING BEST PRACTICES FOR RETAILERS



You may have heard rumours of a future cashless society. Many retailers, however, have discovered customers aren't on board with the idea of a cash-free society.

The reality is that cash [is here to stay](#). In fact, most customers prefer to pay with cash. As a result, you and your employees will be handling cash on a regular basis for the foreseeable future.

Given this fact, you should take a look at how you handle cash in your business. The costs of cash can be much higher than you realize. Rising costs in other areas, such as [increasing minimum wages](#), are already taking a bite out of your razor-thin profits.

In this environment, it's increasingly important to understand how best to handle cash to minimize losses, reduce labour costs, and maximize efficiency. The right policies and the right technology can help retailers like you succeed, even in a notoriously tough industry.

This guide will review nine best practices for handling cash in your retail business. By putting these practices into place, you can eliminate the risks of ineffective cash handling.

1 STANDARDIZE A CASH HANDLING PROCESS

The first thing you should do is review your current cash handling process. What do your cashiers do when they accept cash? How do they make change?

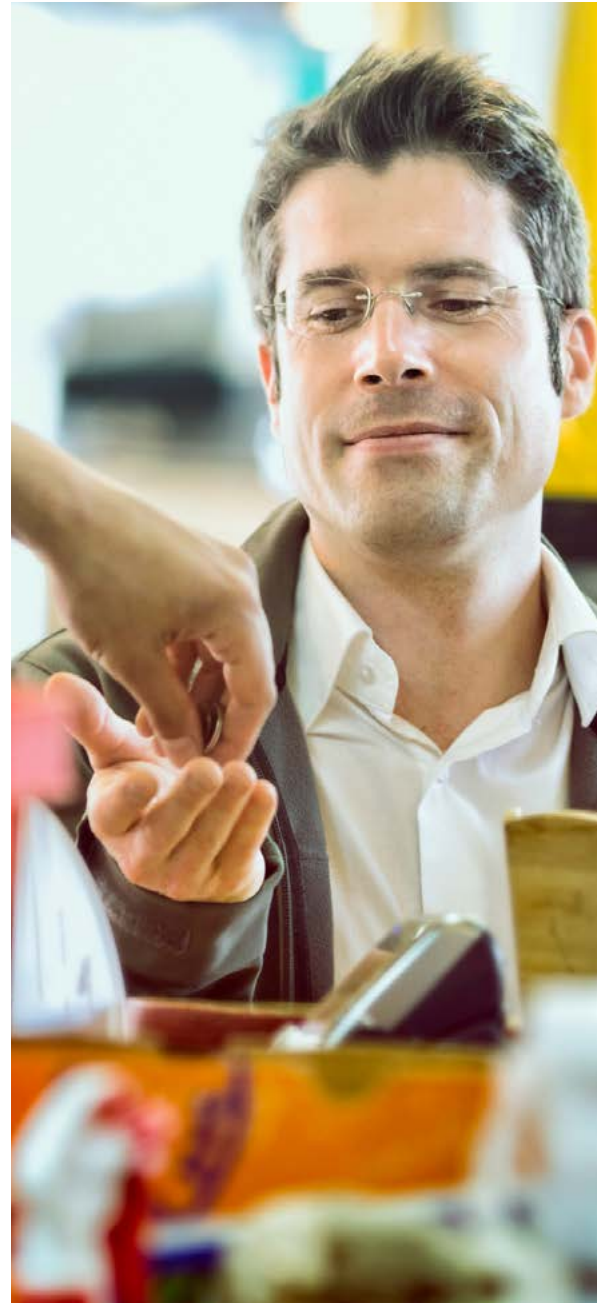
Your cash handling process also includes steps such as counting tills before and after shifts, preparing floats, and making pickups from tills during shifts. When the till moves to the cash office, there will be additional steps in the process. Someone there will count the till and reconcile it with other statements.

These cash managers will also prepare cash for bank deposits and ensure cash is stored safely. They're also in charge of the paper trail.

Many small retail businesses will find they don't have one standardized process for handling cash. Almost everyone in the business will follow a different process. Some managers may count the tills three times, while another will only do it once. Some will prepare deposits only at the end of the day, while others will prepare them on an ongoing basis.

By standardizing the process, you can streamline cash handling. With everyone following the same procedure, you can eliminate redundant work. You can also improve efficiency.

Finally, a standardized process makes it much easier to see where mistakes were made or whether steps were skipped.



2 ENFORCE POLICIES AND PROCEDURES



Once you've created a standardized process for handling cash in your retail business, you should develop policies and procedures in line with that process. An example might be picking up cash from tills at scheduled intervals throughout the day.

Another good example is creating a policy detailing when to prepare deposits or when to make a bank deposit. You might create a policy regarding when and where cashiers are to count tills at the end of their shifts.

Once you create these policies, be sure to enforce them. Some rules, such as having cashiers count tills in a separate room off the floor, provide safety measures. If your cashiers are counting on the floor, customers may approach them and distract them, potentially resulting in losses. Other good ideas include creating a Standard Policies and Procedures Handbook with visuals and preparing checklists to be completed by employees and time-stamped for submission to upper management to ensure procedure adherence and accountability.

If someone doesn't follow the rules, make sure to follow up with them. Ask them why they didn't follow the procedure. Make a plan to ensure it doesn't happen again. Create disincentives so employees aren't tempted to break the rules.

3 TRAIN EMPLOYEES

It's great to have a standardized process and policies designed to keep both cash and your employees safe. Neither are helpful if your employees never follow them.

One of the issues here is a lack of communication around policies and processes. Employees can't follow a process if they don't know the steps involved.

It should be clear why training is important. Make sure your employees are aware of the rules and the steps in the process you want them to follow.

Take training a step further and help your employees understand why you conduct operations in a particular way. Understanding "why" motivates people to follow regulations.

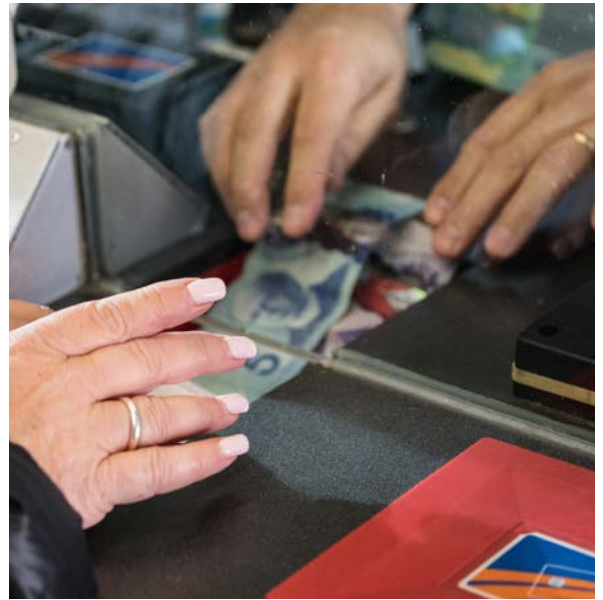
4 MINIMIZE THE NUMBER OF PEOPLE HANDLING YOUR CASH

When it comes to handling cash, there's such a thing as too many hands. The more people who handle cash in your business, the more difficult it becomes to track. It also means more people are spending time on cash management, which runs up [the costs associated with cash handling](#).

To streamline cash handling, minimize the number of people who handle cash. Try to limit the number of cashiers using the same till during a shift.

You can also limit the number of people who are authorized to handle cash in the office.

This makes it easier to trace problems back to just two or three people. It also makes operations more efficient, as people don't step in to finish a task that another person started.



5 HAVE ENOUGH EMPLOYEES ON STAFF

Many retail businesses run on the principle of "just enough" staff. Ensuring you have the right number of people [is tricky](#). If you have too many people on the floor, you may end up scheduling more shifts than are necessary. This increases your labour costs.

The opposite problem, having too few people on shifts, is just as bad. People may work too many shifts, resulting in overtime pay. Someone calling in sick may mean you don't have a cashier for the day. It could also mean poor customer service for the people who shop in your store.

It could spell trouble for your cash handling as well. If there are too many people on staff, it can be more difficult to keep track of who was in when. This can make it more difficult to trace issues back to the source. It also means more people to train.

Having too few employees could mean people are jumping from till to till. Cashiers may need to be on the floor while they count their tills. Those in the cash office may not have any supervision or they may not be able to get away to make a bank deposit.

6 KEEP CASH SECURE

Cash security is a concern for most retail business owners. It's one of the reasons most retailers implement policies that limit the amount of cash they keep on site.

This policy will likely involve how often you prepare bank deposits, when deposits are made, and the amount of cash you keep on hand for floats and to make change.

You'll also want to create policies regarding when to pick up cash from tills, especially if you're not using [coin and bank note recyclers](#). Create policies surrounding where and when to count tills. You may implement a rule about having two people in the cash office.

Finally, you should also invest in devices to help keep cash secure. [A smart safe](#) may be one of the best investments you'll make.

7 ELIMINATE BAD HABITS

It's often easy to fall into bad habits, and cash handling in your business is no exception to the rule. After all, if your bookkeeper is a whiz at making the day sheet balance, you may be tempted to leave them in charge of the cash office.

Leaving just one person in charge of the entire cash handling process [is a bad habit](#) to avoid, since it can lead to confusion or concealment. Instead, put into place rules about how much money someone can handle and which steps in the process they're in charge of.

Another "bad habit" is hanging on to your cash too long by habitually making infrequent deposits. This can lead to too much cash on hand, which is a security risk. You might think it's saving you some time, but it could end up costing you much more.

Using a reserve fund is another bad habit. While it's easy to use a reserve fund to cover shortfalls, it can mask the true depth of cash disparities. This makes it more difficult to tell when money goes missing, and it could also mean you don't realize how significant of a problem you are facing until you try to reconcile accounts.



8 KEEP AN AUDIT TRAIL

There are two very good reasons to keep a detailed paper trail regarding cash handling. The first is for your own purposes. Without a trail, it's difficult to find the source of mistakes. It's even more difficult to correct them.

You could spend a fair amount of time trying to reconcile your accounts this way.

The other issue is an audit by an external agency, such as [the Canada Revenue Agency](#) or the [Internal Revenue Service](#). If the CRA wants to review your business tax assessment, they may decide to audit your business. Good record-keeping is important in this situation since it can help you avoid penalties.

In short, creating an audit trail can save your business some bookkeeping and administrative headaches.

9 INVEST IN CASH MANAGEMENT TECHNOLOGY



One of the easiest ways to improve cash handling in your business is to [adopt the right cash management technology](#). A smart safe or currency counter can help you achieve efficiency, security, and more.

Cash management technology can help you streamline your processes and improve your cash handling efficiency. A [coin and bank note recycler](#), for example, can reduce the need to manage floats. It can also help improve your audit trail.

Coin and bank note recyclers and smart safes both work to improve your security. A [currency counter](#) could help your employees count cash faster and avoid errors. A [currency sorter](#) helps your team prepare cash for deposits with ease while improving your record-keeping and assisting with cash counting.

There are many different solutions out there, as you can see. Different models come with different features and capabilities. The machines also come in different sizes, so you can find one to fit your space as well as your cash handling needs.

REFINE YOUR CASH HANDLING TODAY

With these nine best practices in place, your retail business will be poised [to lower cash handling costs](#), improve productivity, and handle cash in a safer, more efficient way.

Cash management technology can play a key role in creating a more streamlined cash handling process for your business. If you want to know more about how you can use today's technology to save money and become more efficient, contact [CashTech Currency Products Inc.](#) We can help assess your needs and find the right solution for your business.

ABOUT CASHTECH CURRENCY PRODUCTS, A QWINSTAR COMPANY

CashTech Currency Products Inc., a Qwinstar Company, is a market-leading multi-vendor provider of maintenance and product solutions for currency and payment processing equipment in North America.

With over 40 years of expertise in cash automation, bank branch solutions, remittance processing equipment, and maintenance services, CashTech Currency Products Inc. and Qwinstar are uniquely positioned to support clients across Canada and the United States.

We are committed to providing industry-leading solutions in addition to exceptional service with highly trained employees.

Contact us to find out how we can provide you with the custom cash management solution you need to keep your business growing.

To learn more, visit:
www.cashtechcurrency.com



CashTech Mississauga Head Office

1040 Cardiff Boulevard
Mississauga, ON L5S 1P3
Canada
PH: 1-800-268-5457
Email: info@cashtechcurrency.com

3500 Willow Lake Rd, Suite 200
St. Paul, MN 55110
USA
PH: 1-800-872-9433

