

Assessing the Risks of Robbery

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More than 300 CUs realized last year that

robbery prevention is more than training. It also involves installing

the proper safeguards and regularly assessing risks.

FOCUS

- ▶ **Typical robbers** are men between age 18 and 29. And most are amateurs, with no prior record.
- ▶ **CUs reduce** the risk of robberies by installing safeguards such as security devices, bullet-resistant barriers, security guards, and armored car services.
- ▶ **Experts advise** CUs to continually assess risk and train employees on robbery procedures.

“What happens in a robbery is a credit union loses control for 30 to 90 seconds. Then you set a process in motion to regain control.

“Even during the robbery you retain as much control as you can, such as by handing over the money and getting the robber out the door.

“After the fact, you regain control by focusing on follow-up procedures and assignments. This person locks the doors. That person notifies police. One person acts as spokesperson. Now you have control back.”

That’s Vince Wagner discussing what happens during those frightening moments when a credit union is robbed. Wagner is a risk management specialist with CUNA Mutual Group, Madison, Wis., and a former police officer.

It was a textbook case when a branch of Postal Credit Union, St. Paul, Minn., was robbed last September. Employees gave the robber the money and got him out the door. The supervisor then handed out assignment cards giving everyone specific duties: Lock the doors, contact police and the Federal Bureau of Investigation (FBI), protect the crime scene, stay with the victim teller, and hand out identification forms to staff and members to obtain a description of the robber.

Jeanine Swanson and one of her trainers attended last spring’s CUNA Human Resource and Training and Development Council Summit in

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Santa Fe, N.M. At one session, three people talked about robberies at their credit unions. Swanson is senior vice president of human resources for \$330 million asset Postal Credit Union. When she and her trainer arrived home, they met with the manager and supervisors of cash services to update robbery procedures.

They took robbery response packets and transferred assignments to “nice little cards.” The person in charge hands out assignment cards to staff. Employees had undergone annual robbery training just two months before the actual robbery. So procedures “were fresh in everyone’s mind,” Swanson says.

Postal Credit Union focuses on robbery training annually and provides a refresher at one of the credit union’s monthly “service knowledge meetings.” After the September robbery—the first in the credit union’s 77-year history—Swanson and her staff reviewed the cards and added information: the credit union’s National Credit Union Administration (NCUA) identification number (the FBI wants it) and credit union officers’ home phone numbers.

Many credit unions also work with local law enforcement and adopt their own policies and procedures on how to react to a robbery. Each credit union must answer questions such as, “When do you activate the silent alarm?”

“Some credit unions might let the robber exit and lock the door behind him before sending the alarm. Others say, ‘As you give out the money, you push the alarm,’” says Wagner.

The decision involves local authorities. “Law enforcement doesn’t want to trap a robber inside,” he says. “That can escalate to a hostage situation.” So law enforcement will want some sort of “all-clear” signal from a credit union official before entering the credit union office.

In the final analysis, it comes down to when the person being robbed believes it’s safe to sound the alarm, says Wagner. That applies to handing out dye packs and bait money, too. “Do it only if you feel safe to do it.”

Local law enforcement also might assist with training in preparation for a robbery. “You continually assess your risk and train employees. If training is done only at the time you hire someone, that’s not enough,” he adds.

► ROBBERY PROFILES

It’s typically men age 18 to 29 who rob banks and credit unions. Women account for fewer than 5% of robberies, according to the Federal Bureau of Investigation’s (FBI) crime statistics.

Most robberies (80%) involve just one person; 15% involve two. Most robbers are amateurs, with no prior record. Just 20% are professionals with a prior record. Most robberies are “spur-of-the-moment” undertakings with very little planning.

While a firearm is present in 32% of the cases, only 2% of robberies involve a shooting. Kidnapping/hostage-taking occurs in less than 2% of robberies.

Robberies occur randomly. However, more robberies occur on Fridays (traditional payday) and between the hours of 9 a.m. and 11 a.m.

Annual totals for robbery incidents at banks and credit unions zigzag on the FBI chart. Robberies peaked in 1993 with 11,876, dropped off, peaking again in 1996 at 10,741, and again in 2001 with 10,150 robberies.

CUNA Mutual Group claims reveal credit union robberies peaked in 2001 with 455 incidents reported. In 1999, the figure was 277; in 2000, 328; and through November 2003, 317 robberies.

Staff readiness

Credit unions have many educational resources to turn to regarding robbery training. For example, the Credit Union National Association’s (CUNA) Robbery and Fear Seminar features a rehearsed robbery simulation with professional actors and a follow-up debriefing.

Deterrents

You can reduce the chance of a robbery by placing safeguards within the credit union. These safeguards include security devices (alarms and surveillance cameras), bullet-resistant barriers, security guards, and armored car services, CUNA Mutual notes.

Recent advances in surveillance equipment mean better pictures. Digital systems, just like high-definition television, offer better resolution than videocassette recorders (VCRs). One caveat: Crooks sometimes demand the VCR tape. “You may want to have an old VCR tape to pop out and give them,” says Wagner.

Risk assessment involves recognizing changes within your credit union and its neighborhood. Local law enforcement and CUNA Mutual can assess risk and provide onsite exams as needed.

Cities Credit Union, also in St. Paul, received a security exam from Steve Eckes, CUNA Mutual senior risk management specialist, following a burglary two years ago. Burglars cut the power during the night, waited, and when no one showed up, broke into the building, explains Jennifer Edlin, vice president for the \$24 million asset credit union. Fortunately, they couldn’t break into the safe, but the crime revealed a weakness. The credit union needed a redundant reporting

system in case of power failure and a cell phone-activated alarm.

Following recommendations in Eckes' report, the credit union also realigned surveillance cameras and installed more motion sensors and a larger vault.

CU case studies

Loren Roth didn't need a risk assessment to tell him something had to be done. "We were robbed five times in the span of a few months," says Roth, president/CEO of \$151 million asset Communitywide Federal Credit Union, South Bend, Ind.

Two years ago, his board of directors decided to install bullet-resistant glass barriers in the lobbies of all four offices. Before they could be installed, a robber hit the credit union one more time.

All offices are in and around South Bend and Mishawaka, Ind. "We put the glass in all of our offices. We didn't pick and choose," says Roth. "If we picked two, guess what, it will happen at the third one."

Although it costs \$3,000 to \$4,000 per teller station, Roth says, "We've never had a second thought about it. The employees love it." Even members had approached Roth asking, "What are you going to do to protect your employees? You can't let this go on. Someone's going to get hurt." And since Communitywide Federal installed the glass barrier three years ago, it hasn't been robbed.

Professional Federal Credit Union, Fort Wayne, Ind., brought peace of mind by stationing armed guards at two high-risk branches. Crooks hit a branch on the south side of Fort Wayne three times in six months. It became difficult to staff the branch.

The \$229 million asset credit union decided to hire off-duty police officers, who have take-



SAC FCU member Helen Evans enters the new branch office of the Omaha, Neb.-based CU through a security vestibule installed due to robberies in the area (photo from *CU Mag* 12/02).

home cruisers. They park them in the branch's parking lot, an added deterrent, explains Barbara Berghoff, president/CEO.

"We don't open our doors until the officer is here," says Berghoff. "If the officer is late, we keep the lobby locked and open the drive-up."

For eight years, police officers have been on duty full time at the southside branch and escort employees out at closing. Some neighboring financial institutions tried stationing guards randomly, but it didn't work. "We even were hit once in between the time one officer left and the next one arrived," she says.

Another branch on the southwest side of Fort Wayne was robbed twice, so Professional Federal added guards there six years ago. "They [robbers] moved from the south to the southwest side," Berghoff says.

It costs about \$100,000 a year to staff the two branches with off-duty police. "Money worth spending," explains Berghoff. "Our staff and members feel comfortable."

The credit union added dye packs this year and has time-locks on all vaults. Two vaults were hit during the year-2000

▶ IF YOU ARE ROBBED

- ▶ Remain calm. Follow the robber's instructions carefully, and get the robber out of the credit union as quickly as possible.
- ▶ Keep the hold-up note. Retain it by pushing it aside. Don't handle it.
- ▶ Observe the robber. Look for distinguishing items or marks such as scars, tattoos, or jewelry.
- ▶ Give the robber the bait money.
- ▶ Hold off on the alarms. Push the alarm button only when it's safe to do so.

SOURCE: CUNA Mutual Group



Bullet-resistant glass barriers protect employees at all Communitywide FCU's Indiana offices.

transition when the credit union had extra cash on hand. It also is adding cash-dispensing machines to teller lines and drive-ups as a security precaution. The machines also speed service and improve accuracy.

Every branch at Professional Federal undergoes robbery training quarterly. Once a year, employees take part in a mock robbery demonstration with state police. The credit union belongs to a community robbery prevention task force, and its credit union chapter brings in security specialists.

The \$315 million asset MidWest America Federal Credit Union, also in Fort Wayne, purchased an entrance-control system with a stand-alone branch it opened at a strip mall. The system consists of two separate chambers (entrance and exit), each with an exterior door and an interior door. The chambers feature bullet-resistant glass. The center of the entrance chamber contains a weapons detector.

When the system detects a weapon or metal mass, it locks the interior door to prevent entrance. An alarm alerts employees. Tellers monitor the entrance from a video console equipped with an intercom and override button. If they recognize a member, tellers can

override the system and allow entry. Tellers ask people they don't know to empty their purse or pockets on a tray visible to the video monitor. If someone refuses, tellers ask the person to use drive-up service.

The entrance-control system, which costs about \$50,000, came as part of a prefabricated branch office building erected in 1999. The credit union built a larger branch at the shopping center this past year and moved the entrance-control system to that building.

"Members have not found the system to be an encumbrance," says Mike Woehner, vice president of marketing. "They love their credit union, and they think it's important to keep their staff safe." The branch never has been robbed.

MidWest America Federal uses apartment-style access systems at three other branches but only during "slow times," when the risk of robbery is deemed greater. "When you recognize a member, you 'buzz' the member in. If you don't, you ask for identification," says Woehner, adding the system is switched off during high-traffic times. During busy times, it's inconvenient to admit members one at a time.

The credit union stationed guards at a downtown branch after that office was robbed four times in six years. The branch hasn't been robbed since hiring off-duty police officers four years ago.

These case studies illustrate the basic risk-management principle: Assess risk and install safeguards accordingly. ©

RESOURCES

- ▶ Your credit union league.
- ▶ Security training available from CUNA, including robbery and fear seminars, robbery awareness webinars, and self-study robbery prevention courses. Visit training.cuna.org.
- ▶ CUNA Mutual Group, www.cuna-mutual.com.
- ▶ Security equipment available from CUNA's strategic alliance providers. Visit buy.cuna.org, and click on "strategic alliance providers."
- ▶ CUNA Human Resource and Training and Development Council, cunahr-council.org.