



# 5 FRAUD TIPS

## Every Business Leader Should Act On



Organizations worldwide lose an estimated 5 percent of their annual revenues to fraud, according to Occupational Fraud 2022: A Report to the Nations. A single instance of fraud can be devastating: **the median loss per fraud case was \$117,000**, and more than a fifth of the cases involved **losses of at least \$1 million**.

**The good news?** There are some basic steps your organization can take immediately to lessen your vulnerability to fraud:



1

### **Be Proactive.**

Adopt a code of ethics for management and employees. Evaluate your internal controls for effectiveness and identify areas of the business that are vulnerable to fraud.



2

### **Establish Hiring Procedures.**

When hiring staff, conduct thorough background investigations. Check educational, credit and employment history (as permitted by law), as well as references.



3

### **Train Employees in Fraud Prevention.**

Do workers know the warning signs of fraud? Ensure that staff members know basic fraud prevention techniques.



4

### **Implement a Fraud Hotline.**

Fraud is still most likely to be detected by a tip. Providing an anonymous reporting system for your employees, contractors and clients will help uncover more fraud.



5

### **Increase the Perception of Detection.**

Communicate regularly to staff about anti-fraud policies, ways to report suspicions of misconduct, and the potential consequences (including termination and prosecution) of fraudulent behavior.

Implementing these tips could help prevent your organization from becoming a statistic. **Take action today.**

[FraudWeek.com](https://FraudWeek.com) ☀️ [#fraudweek](https://#fraudweek)



November 12-18, 2023