

## Anti-Fraud Education

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### **Definition:**

A program to educate managers and other selected employees on the importance of creating and maintaining a comprehensive anti-fraud environment.

### **Benefits:**

It is estimated that undetected fraud will cost companies between one and six percent of gross revenues in the next year. This program will give you the tools to evaluate and prioritize fraud risks and implement a risk management strategy to reduce risk of fraud to an acceptable level. At the same time you will learn ways to foster an ethical work environment and increase profitability.

### **Process:**

- We begin by helping managers identify the risks of fraud, learn how to recognize different types of fraud, and establish means to manage this risk.
- We then illustrate the manner in which fraud is committed and identify fraud risks within your company.
- The risks of fraud in your company are evaluated and prioritized, and we assist you in determining your company's "acceptable" level of fraud risk.
- We assist in the implementation of a risk management strategy.
- Finally, we show you how to monitor the results of your risk management strategy and how to revise the plan as needed.
- You will receive a Workplace Anti-Fraud Policy to issue as guidance on suspected employee misconduct and dishonesty.
- We will also provide your employees with a Fraud Prevention Hot Line to anonymously offer information about suspected fraud in the workplace.
- You will also receive FRAUD BLOCK, our newsletter on preventing and detecting fraud.

### **Case Example:**

An anti-fraud training session was held for a wholesale/distribution client. Although the owner did not feel fraud was an issue at his company, he felt the education could be a good experience for his department managers.

At the session, we explained many types of easily relatable, real-life fraud; most of the department managers admitted they had never considered the scenarios described as fraud.

Shortly after the session, we were approached by one of the attendees who felt his purchasing clerk was using improper purchasing techniques. Rather than shopping for the best price, the clerk often purchased from one supplier, thus allowing the clerk to earn trips and other valuable prizes based on his annual purchasing volume. Prior to the session, this was viewed as a nothing more than a normal business practice by the purchasing manager.