

# Fraud Prevention, Identification, and Research

## The Undetectable Opponent

### Introduction

- Did you know that in 2018, fraud is thought to have cost the global economy more than \$3 trillion?
- If fraud were happening in your company right now, would you know about it?
- Are you aware of the main fraud risks that your company faces?
- Does your company have a plan in place to prevent fraud?
- Do you have a structured plan in place to address the risk that fraud poses?
- Do you employ any automated methods for detecting fraud?
- Do you have a well-defined plan in place for handling the investigation in the event that fraud is suspected?
- You're not alone if you said "no" to any of the aforementioned questions.
- Numerous businesses lack a structured approach to fraud prevention, detection, or investigation, according to recent polls.
- The following will be aided by this Course N Carry training course on fraud prevention, detection, and investigation:
  - Determine how frequently and how much fraud is likely to cost your company.
  - Create a top-notch programme to prevent fraud.
  - Evaluate potential fraud situations using real-world fraud cases.
  - Focus on important fraud areas using tried-and-true detection methods.
  - Drastically cut down on the likelihood of corruption

### Objectives

#### **Upon finishing this training programme, you will be qualified to:**

- Analyse and contest the fraud risks associated with management.
- Recognise how a con artist thinks.
- Use effective strategies to aid in the prevention of fraud.
- Encourage the use of a successful fraud prevention method
- Use data mining as a technique for identifying and preventing fraud.
- Utilise a successful fraud investigation procedure.
- Use your auditing expertise to look for fraud.
- Recognise when someone is lying to you.

### Training Methodology

**Attending this basic/intermediate level course does not need attendees to have any prior knowledge of fraud detection or prevention.**

- There are no minimal standards for schooling.
- There is no need to prepare ahead of time.
- Delivery method: group-live, including role-plays and activities that mimic audit scenarios and circumstances that assurance professionals might face.
- At the conclusion of the course, a brief test will be administered.

## **Organizational impacts**

This training course on fraud prevention, detection, and investigation will be beneficial to businesses across all industries. It will give public and private enterprises a better understanding of the growing risk that fraud poses and how to mitigate it.

**The following areas of organisational knowledge can be improved with the help of this training course:**

- The scope and effects of fraud risks, particularly with regard to a company's reputation
- The assortment of fraud indications
- Finding a cost-effective way to combine detection and prevention
- The ramifications for law
- The necessity for alertness
- Formulating an anti-fraud strategy

## **Personal Impact**

**Participants in this training programme will be able to broaden their knowledge in the following areas:**

- Assessing the dangers of fraud
- Interrogation methods for fraud detection
- Creating a programme that effectively mitigates fraud
- Completing a fraud investigation successfully
- Presenting management with workshops on fraud awareness

## **Who should attend?**

**A wide range of professionals can benefit from this Course N Carry training course, but the following are particularly noteworthy:**

- Recently Hired Fraud Experts Supervisors desiring a deeper comprehension of how to look into all kinds of fraud
- Auditors who must become knowledgeable about the most recent methods for preventing and investigating fraud
- Individuals on fraud teams who want additional education on internal fraud targeting

- Managers who require a deeper comprehension of fraud prevention and detection

## Course Outline

### Day 1

#### Overview of Fraud: Definitions and Statistics

- Background
- Why is fraud such a big problem?
- Results of the ACFE Fraud Survey
- The Price of Deception
- Who is the fraudster?
- An Account of a Con artist
- Trends and Data on Fraud That Has Been Spotted Why is fraud most likely being committed in your business right now?
- Assessing the Risks of Fraud Results of E&Y's 13th Global Fraud Risk Survey
- Procedure for Fraud Risk Management
- Handling Fraud Risk in Business (IIA, CPA, CFE Paper)
- Six Guidelines (from the paper)
- There should be a fraud risk management programme in place.
- Exposure to Fraud Risk Should Be Assessed Preventive Measures to Prevent Possible Fraud Risk Events
- Techniques for Detection Need to Be Established
- There should be a reporting procedure in place.
- A Coordination of Inquiry and Remedial Measures to Create a Comprehensive
- Understanding of the Principal Fraud Risks: Supplier and Outsourcing Fraud
- Fraud Risk Table
- Fraud Situations
- Example of a Fraud Risk Register
- Fraud Risk Assessment
- Typical Risk Elements
- Particular Risk in the Design of Fraud Prevention Measures
- Logical and Physical Access
- Job Descriptions
- Reconciliations in Accounting
- Oversight
- The Dangers of IT Fraud
- Computer Fraud Prevention with Computer Fraud Paper
- E-commerce: The main fraud dangers and precautions to consider
- The hazards of fraud on the Internet and Intranet
- Stopping Online Theft Document
- How do we assess IT security's efficacy and affect change?
- Acceptance and Implementation of Information Security Guidelines
- ~~Divided Responsibilities: The Risks and Workable Solutions~~

- Identity Theft
- Identity Theft: The Fraud Risk That Is Growing the Fastest
- Fraud Advisory Panel - Identity Theft Examples of Paper Identity Fraud
- How can you safeguard your company?
- The Potential for Corrupt Practices
- Causes of Corruption
- Indicators of Corruption
- Red Flags of Fraud
- Risks of Procurement Fraud
- The Concerns to Consider Bid Rigging: The things to consider

## Day 2

### Creating a Procedure to Prevent Fraud

- Fraud Reduction
- How should fraud risk mitigation be assessed?
- Why safeguards could not be sufficient?
- Imagining Yourself as the Fraudster Does
- Analysing the Common Measures Taken to Reduce the Risks
- Hazardous Exposures
- Finding the Weakest Points
- Fraud in Procurement
- Common Indicators for Tendering and Bidding
- Fraud involving suppliers and outsourcing
- Risks of Procurement and Inventory Fraud
- There will be a procurement fraud checklist available.
- Fraud Signals
- The Top 30 Indicators of Fraud
- What are the telltale signs of danger?
- Fraud Advisory Panel Paper: Fraud Indicators
- Creating a Toolkit to Spot Potential Frauds
- There will be a fraud toolkit available for auditors.
- Putting in Place a Best Practice Process for Fraud Prevention
- CIMA Fraud Risk Management Guidelines: Presenting Robust Anti-fraud Measures
- Establishing a Fraud Awareness Training Programme and Creating a Fraud Consciousness Loop
- Transmitting Expected Behaviour Standards and Ethics
- The Importance of Taking Firm and Relentless Action When Fraud Is Suspected
- Plans for Electronic Data and Asset Protection and Fraud Reaction Paper Anti Money Laundering: Problems and Needs
- The Pack of Money Laundering Papers
- The Connections Among Fraud, Risk, and Control
- The Positions, Duties, and Accountabilities of Experts, Supervisors, and Additional Personnel

## Day 3

### The Relationship between Fraud Prevention and Detection Using Management Checklists

- Cost-Effective Balance between Prevention and Detection
- To be able to stop it, one must possess the ability to think like a fraudster.
- Corporate Policy Regarding the Repercussions of Fraud
- Encouraging Whistle Blowing
- Policy for Whistle Blowing
- Benefits and Drawbacks of External Hotlines
- Utilising Experts to Support Identification and Analysis
- Creating and Putting into Practice Fraud Contingency Plans
- How can we guarantee that looking into fraud is always our first priority?
- Effective Fraud Investigations as a Moral Disincentive
- Handling the External Reporting of Confirmed Fraud
- The role of assurance in the prevention and investigation of fraudulent ECIIA papers
- Should an IA role include detection?
- Detection is not currently an IA job, according to the IIA.
- How can IA help with detection?
- Application of Computer-Aided Audit Techniques (CAATs)
- ACL as a Tool for Fraud Investigation
- Examples of how to employ CAATs in fraud investigations will be included in the ACL Fraud e-book.
- Benford's Law
- Benford and CAAT's Document

## Day 4

### Fraud Identification and Law Concerns

- The Use of Data Mining as a Tool for Fraud Detection: An Overview Paper
- Fraud Profiling: Which Systems Should Be Targeted?
- GTAG 13: Preventing and Identifying Fraud in the Automated Environment
- Information Mining Prioritising Fraud Risk and Paper Risk Scoring
- How can you obtain the data you require?
- Utilising Internal Databases
- Exhibiting External Database Usage
- Automated Fraud Detection and Data Validation
- How may the methods be implemented in your company?
- Audit Software: The Instruments at Hand
- Uses of Data Mining in Practice and Possible Outcomes
- The Lawful Aspects

- The Must to Adhere to the Law

- When should the solicitors arrive?
- How can you prevent publication of your work? - Privilege of law
- How can one make sure admissible evidence is used?
- Orders for Search and Seizure
- Criminal versus Civil Action
- Bribery Act: Its Effects on GCC Enterprises
- Presents and Welcome Advice
- How can assets that have been taken be recovered? Ensuring that the offender does not make any money
- How should disciplinary actions be handled?
- Rights of Employers and Employees
- How should one proceed if they suspect fraud?
- What should you do if you suspect fraud?
- How do you decide who should be informed?

## Day 5

### Fraud Examination

- Overseeing the Inquiry
- The Importance of Careful Planning
- Establishing the Investigation's Goals
- Who ought to take part? – Which competencies are required?
- How can the probe be kept under wraps?
- Investigating Fraud Research Guidance – What data can be collected legally?
- Which information is useful and accessible?
- Obtaining Forensic Evidence: A Guide
- Gathering Data and Preserving the Evidence Chain
- Choosing When to Fire or Suspend Employees: A Fraud Investigation Report Template
- Speaking with Witnesses and Suspects
- Establishing the Scene: location selection, etc.
- Are you aware of your legal right to interview people?
- Is it acceptable to lie during an interview?
- How can you prevent going against the legal rights of your employees?
- 47 Fraud Interview Tips
- Interview preparation: dos and don'ts
- Fraud Interview: The Ten Procedures
- How can one maintain composure?
- What is a good way to spot dishonesty?
- Sharing the Outcomes
- How and when should top management be informed?
- When should I notify the police, regulators, etc.?
- Controlling Outside Media Attention
- Managing Stakeholders and the Media
- Effective Fraud Investigations as a Moral Disincentive
- Mending Broken Connections