



# FRAUD AND CORRUPTION DEMYSTIFIED

## AN EYE-OPENER TO THE RISKS OF FRAUD AND CORRUPTION

### INTRODUCTION & AGENDA

#### ***The background***

*Spectacular losses, corporate collapses, and major frauds in recent times have focused the minds of company directors, owners, and regulators on Corporate Governance, the failure of risk management strategies, and the widespread existence of corporate fraud and corruption. The list of common frauds includes deliberate overcharging, false invoices, misuse of expenditure, bribery, kickbacks, false rebates, conflicts of interests, false reporting, theft, abuse of systems and deception in relation to acquisitions and disposals.*

*Questions have been asked, and continue to be asked, about how and why fraud and corruption occurs, and why no one acts on the early warning signs.*

*There is broad acceptance in the world that fraud and corruption directly or indirectly accounts for major losses (often estimated to be between 2 and 5% turnover) and severely damages the reputation and morale of companies. However, despite being one of the largest unmanaged risks in companies today, many managers still receive virtually no formal training in how to identify the symptoms of fraud and corruption, deal with them and, most importantly, become more resistant to the threat of fraud and corruption.*

#### ***The objectives***

*The objective of this workshop is to raise the awareness and develop an understanding of the risks of fraud and corruption faced by the organisation, and to describe those actions which mitigate the risks.*

#### ***Required pre-study***

*Prior to participating in this workshop it is important that all participants complete Fraud-i<sup>TM</sup>, an interactive e-learning module.*

## AGENDA (3½ HOUR PROGRAM)<sup>1</sup>

TIME	SESSION
10 mins	<b>INTRODUCTION AND OBJECTIVES<sup>2</sup></b>
50 mins	<b>THE NATURE AND COST OF FRAUD AND CORRUPTION</b> <ul style="list-style-type: none"> <li>• Why fraud and corruption takes place</li> <li>• Who might be involved in fraud and corruption</li> <li>• The effect on profits, reputation and culture</li> <li>• Examples</li> </ul>
15 mins	<b>RISK BRAINSTORMING</b> <ul style="list-style-type: none"> <li>• Where is fraud and corruption most likely to strike within the organisation?</li> <li>• “Thinking like a thief” to be able to understand the fraud and corruption risks faced by the organisation</li> </ul>
<i>15 mins</i>	<i>Break</i>
20 mins	<b>FEEDBACK FROM BRAINSTORMING</b> <ul style="list-style-type: none"> <li>• Evaluation and ranking of the most important methods of Fraud and Corruption faced by the organisation</li> </ul>
55 mins	<b>CASE STUDIES</b> <p>Groups of 3 -5 participants tackle case studies designed for their area of experience, for example, procurement, sales, inventory, payments, and other.</p>
30 mins	<b>MANAGING THE RISK OF FRAUD AND CORRUPTION IN THE ORGANISATION</b> <ul style="list-style-type: none"> <li>• What is currently being done to prevent and detect fraud and corruption</li> <li>• Policies: reporting acts of fraud and whistleblower policy</li> </ul>
15 mins	<b>SUMMARY, QUESTIONS AND DISCUSSION</b>

<sup>1</sup> 3½ hours is the full program. However, the length of the program can be adjusted

<sup>2</sup> Introduction to the objectives, the agenda, the speaker(s) and the participants. In a large group (over 10 participants) it is sometimes enough to ask the question “which of you have seen or experienced something which you feel may have been fraud or corruption first-hand”?