

Pulling fraud out of the shadows

The biggest competitor you didn't know you had



PwC's 2018 Global Economic Crime and Fraud Survey

Fraud is at an *all time high*

PwC's 2018 Global Economic Crime and Fraud Survey finds that 49% of global organisations say they've experienced economic crime in the past two years. But what about the other 51%? Have they avoided falling victim – or simply don't know about it?



What are the most common types of reported economic *crime* and *fraud*?



Asset misappropriation
45%



Cybercrime
31%



Fraud committed by the consumer
29%

Who is committing the fraud?

52% of frauds were committed by internal actors

68%

of external perpetrators, responsible for 40% of fraud are frenemies of the organisation – agents, shared service providers, vendors and customers.

Frauds committed by senior management increased the most, jumping from 16% to

24%

91%

of the most disruptive frauds were brought to the attention of the Board or senior management.

What is the impact on organisations?

Top 3 risks

1

Employee morale

2

Damage to reputation and brand strength

3

Business relations including with regulators

What is the *financial loss*?

Nearly two thirds (64%) of respondents said losses from the most disruptive frauds could reach up to \$US1 million; 16% said between \$US1 million and \$US50 million.

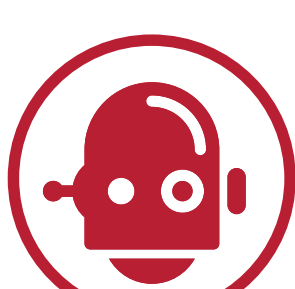
Four steps to fight fraud



Recognise fraud when you see it



Take a dynamic approach



Harness the protective power of technology



Invest in people, not just machines