Pulling fraud out of the shadows
Global Economic Crime and Fraud Survey 2018, PwC
2018

OBJECTIVE:

PwC’s 2018 Global Economic Crime and Fraud Survey takes a look at companies’ awareness gap regarding fraud. It explores steps that companies can take today to fight fraud more effectively.

METHODOLOGY:

PwC’s 2018 Global Economic Crime and Fraud Survey was completed by 7,228 respondents from 123 territories. Of the total number of respondents, 52% were senior executives of their respective organizations, 42% represented publicly-listed companies and 55% represented organizations with more than 1,000 employees.

KEY FINDINGS:

- In 2017, 49% of respondents to our Global Economic Crime and Fraud Survey said their companies had been victims of fraud or economic crime, up from 36% in 2016.
- 42% of respondents said their companies had increased spending on combatting fraud and economic crime over the past two years (up from 39% in 2016).
- 59% of CEOs agree or strongly agree that organizations are currently experiencing increased pressure to hold individual leaders accountable for any organizational misconduct.
- 83% of CEOs report experiencing no negative impact on revenue growth after a well-managed crisis.

CONCLUSION:

More and more companies, organizations and nation states are now recognizing that corruption and fraud are holding them back from competing on the global stage – and have simply become too costly to ignore.

PwC’s 2018 Global Economic Crime and Fraud Survey shows that, while there is growing awareness of the perils of economic crime, too few companies are fully aware of the individual risks they face. This report sets out to plug that awareness gap. The survey shows that many companies are underprepared to face fraud, for both internal and external reasons. This is why shining a light on an organization’s fraud blind spots, and sharing a clear understanding of what constitutes fraud – and what needs to be done to prevent it – is so important.

An unplanned event can quickly spiral into a crisis if not well managed. But with the right mechanisms in place – a culture of cohesion and openness and a sophisticated control environment – a company will be well positioned to absorb the shocks, build ‘muscle memory’, and emerge stronger. The imperatives are clear: place transparency at the heart of corporate purpose, use it to unite strategy, governance, risk management and compliance, and find yourself better positioned to transform a potentially serious business problem into an opportunity to come out ahead.

Full Report