

Global Fraud Survey

Ernst & Young

2018

OBJECTIVE:

The survey contains insights from business leaders on the risks and challenges organizations face in fighting fraud and corruption in an era of significant technological advance. The survey also discusses how companies are addressing these risks through enhanced technologies and increased compliance efforts.

METHODS USED:

The poll was done between October 2017 and February 2018 by researchers of the global market research agency Ipsos MORI. The agency conducted 2,550 interviews in the local language with senior decision makers from a sample of the largest companies in 55 countries and territories.

KEY FINDINGS:

- 11% of companies have experienced a significant fraud in the last two years.
- 11% of respondents stated it is common practice to use bribery to win contracts in their sector. 38% of respondents also stated bribery/corrupt practices occur widely in business in their country.
- 97% of respondents recognize it is important to demonstrate that their organization operates with integrity.
- Percentage of respondents who believe that the following categories pose the greatest risks to their business: 43% for changing regulatory environment, 42% for macroeconomic environment, 37% for cyber attacks and 36% of respondents responded for fraud and corruption.
- 78% of respondents state that there are clear penalties for breaching policies. While, 57% of respondents are aware that people have been penalized for breaching policies.

CONCLUSION:

- The proliferation of data analytics as a management tool is likely to challenge the traditional monitoring role of the compliance function.
- Advances in the predictive capabilities of “big data” means that analytics can be used to make real-time decisions, helping to identify and prevent fraud and providing management with more effective oversight.
- Leading companies are using artificial intelligence technology to replace classroom and web-based training with individualized risk-based communications in real time.

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