

# Contents

<b>1</b>	<b>Introduction</b>	<b>1</b>
1.1	Book Outline	4
	End Notes	5
<b>2</b>	<b>The Fraud Problem</b>	<b>7</b>
2.1	Introduction	7
2.2	The Fraud Problem	7
2.3	The Extent of Fraud	15
2.4	Trends in Fraud	20
2.5	The Impact of Fraud	25
2.6	Conclusion	29
	Further Reading	29
	End Notes	29
<b>3</b>	<b>The Fraudster and the Culture of Fraud</b>	<b>33</b>
3.1	Introduction	33
3.2	Understanding the Fraudster	33
3.3	Cultures and Fraud	43
3.4	Conclusion	46
	Further Reading	47
	End Notes	47
<b>4</b>	<b>The Resilience to Fraud</b>	<b>51</b>
4.1	Introduction	51
4.2	National Resilience	51
4.3	Organisational Resilience	56
4.4	Further Research	63

---

4.5	ACFE Research	63
4.6	Understanding the Problem: Fusing the Fraudster, the Culture, and the Structures of Resilience	65
4.7	Conclusion	66
	Further Reading	67
	End Notes	67
<b>5</b>	<b>Measuring Fraud Losses and Tailoring the Strategy</b>	<b>69</b>
5.1	Introduction	69
5.2	The Problem with Risk Management	70
5.3	Measuring Fraud	71
5.4	Wider Benefits of Fraud Measurement	81
5.5	Conclusion	82
	Further Reading	83
	End Notes	83
<b>6</b>	<b>Creating an Anti-Fraud Culture and Preventing Fraud</b>	<b>85</b>
6.1	Introduction	85
6.2	Situational Measures	85
6.3	Creating an Anti-Fraud Culture	94
6.4	Conclusion	98
	Further Reading	99
	End Notes	99
<b>7</b>	<b>Detecting Fraud and Investigating Professionally</b>	<b>103</b>
7.1	Introduction	103
7.2	The Costs of Investigation	103
7.3	Who will Investigate?	104
7.4	Proactive Investigations	107
7.5	Reactive Investigations	113
7.6	Conducting Fraud Investigations	115
7.7	Psychology and Investigation	125
7.8	Conclusion	128
	Further Reading	129
	End Notes	129
<b>8</b>	<b>Sanctioning Fraudsters and Pursuing Redress</b>	<b>131</b>
8.1	Introduction	131
8.2	Understanding Fraudsters and the Place of Deterrence	131

---

8.3	The Sanctions Tool Box	133
8.4	Publicising Sanctions	141
8.5	Conclusion	143
	Further Reading	143
	End Notes	143
<b>9</b>	<b>Enhancing Performance through Counter-Fraud Metrics</b>	<b>145</b>
9.1	Introduction	145
9.2	New Ways of Thinking About Security and Fraud	145
9.3	Developing a Counter-Fraud Metrics Programme	150
9.4	Define Overall Objectives/Metrics	150
9.5	Decide Metrics That Meet Those Objectives	151
9.6	Develop Strategies for Generating Metrics	159
9.7	Establish Benchmarks and Targets	160
9.8	Determine How Metrics will be Reported	160
9.9	Create Action Plan	161
9.10	Review/Refine Cycle	161
9.11	Challenges and Critique of Metrics	162
9.12	Conclusion	163
	Further Reading	163
	End Notes	163
<b>10</b>	<b>The Counter-Fraud Professional</b>	<b>165</b>
10.1	Introduction	165
10.2	Counter-Fraud Professional Infrastructure	165
10.3	The Essence of the Counter-Fraud Professional	171
10.4	Redefining the Counter-Fraud Professional	176
10.5	The Counter-Fraud Department	177
10.6	Conclusion	178
	Further Reading	178
	End Notes	179
<b>11</b>	<b>Reaping the New Competitive Advantage</b>	<b>181</b>
11.1	Introduction	181
11.2	Bringing the Counter-Fraud Strategy Together	181

11.3	Reaping the Benefits	183
11.4	How Quickly can Losses be Reduced and by How Much?	185
11.5	The World's 500 Largest Companies	187
11.6	UK FTSE 350 Companies	188
11.7	French CAC 40 Listed Companies	190
11.8	German DAX 100 Listed Companies	191
11.9	Concluding Remarks: Reap the Advantage!	191
	Further Reading	192
	End Notes	192
	<b>Index</b>	<b>195</b>