

Your 10-point plan on how to combat fraud and corruption in your organisation

Make an impact that matters



Effective management of fraud and corruption risks should focus on the effective detection, response and prevention of incidents. The unfortunate reality is that perpetrators of these crimes are constantly adapting their approach and as such the risk profiles of organisations require constant monitoring and assessment. There are specific requirements that all organisations should take note of in their formulation of a sound foundation for managing fraud and corruption risks and this foundation requires augmentation in respect of organisation specific environments.

As a minimum, organisations should have all of the measures below in place (this list is not exhaustive and serves as a foundation for managing fraud and corruption risks):



1

Ensure that there is an approved Fraud Prevention Strategy, Whistleblowing Policy, Conflict of Interest Policy, Anti-Bribery and Corruption Policy and Fraud Response Plan (including cyber-incident response), which are clearly articulated, implemented and communicated throughout the organisation. These should be reviewed annually.



2

Implement a three-tier approach to reducing fraud and corruption, which should include essential elements of prevention, response and detection. Each of these three-tiers have numerous elements which comprise their core function.



3

Initiate on-going Fraud Risk Assessments (including assessment of cyber-related risks), which are a non-negotiable element of mitigating the risks of fraud; these should be conducted at an Enterprise and Business Unit level.



4

Leverage technology in order to implement Continuous Control Monitoring measures through Forensic Data Analytics aimed at the early detection of fraud and corruption risk indicators.



5

Conduct an annual online Fraud Health Check survey amongst employees, which should ideally be anonymous in nature. Results of these surveys should be benchmarked against prior years in order to identify areas of fluctuation that may require attention.



6

Manage the risk of Conflicts of Interest through implementation of an auditable declaration process where all declarations are assessed and verified. Employees' business interests should be verified and exceptions should be investigated in a consistent manner.



7

Discourage/prohibit the receipt of gifts from suppliers as this alleviates the risk of potential irregularities and furthermore reduces the administration of any gift register. Should the organisation elect to allow suppliers to provide employees with gifts it is imperative that the organisation implement an auditable Gift Register where all gifts offered/received require approval or rejection by management. Suppliers should also be required to declare all gifts offered/provided to employees.



8

Supplier vetting should entail stringent verification and approval measures, including a Conflict of Interest Declaration. Suppliers should be required to accept and adhere to the organisation's Code of Conduct, Conflict of Interest Policy, Gift Policy and anti-bribery and corruption requirements.



9

Fraud Awareness and Anti-Fraud Education should be consistently applied throughout the organisation and a continuous basis.



10

Implement an independent Whistleblowing hotline enabling anonymous tip offs regarding irregularities to be reported on a 24/7 basis in all official languages.



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