

Three steps that will protect your organization from fraud



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Over the course of the past nine months, many of our clients' business processes were shaken up, employees shifted to working in isolation, and internal controls became dismembered.

Monitoring an organization's pulse can be a challenge, but during these unprecedented times it can feel almost impossible. Unfortunately, sitting back and just hoping for the best is not the right response; there are serious money and reputational issues at play, no matter the size of your organization.

Although we live in an ever-changing world, there are three concrete things you can do to protect your organization from potential fraud:

1. Internally communicate

Remote work has the potential to make our teams feel disconnected and isolated. This can lead to various motivations and opportunities for fraud, especially if conditions persist for an extended period of time.

Now is the right time to establish an ongoing culture of communication within your organization. Start with planning out weekly team meetings with time for open conversations about what is and isn't working well. The more receptive you can be to honest responses, the more trust you will build inside your company.

2. Re-establish internal control processes

Many of our business functions have permanently changed and responsibilities have shifted around. Now is the perfect time to map out your current control processes in writing (this exercise is sometimes easier said than done). Then, assess each process to see if proper segregation of duties, approvals, and information access are in place for each function.

3. Launch a whistleblower hotline

No matter the size or structure of your organization, implementing an ethics or whistleblower hotline can be one of the best investments you can make to protect your organization against fraud.

The [Association of Certified Fraud Examiners](#) found that **43% of detected fraud was uncovered due to a tip**. Additionally, fraud losses at companies with a hotline were nearly half the amount of losses experienced by companies without a hotline; a \$100,000 median loss compared to \$198,000.

Tip hotlines have also had a positive impact on reducing the length of frauds, helping organizations detect fraud an average of **six months faster**.

In this unpredictable landscape, organizations should make it easy for their employees to report suspected fraudulent activity/theft, misconduct, or unethical behavior, and to remain completely anonymous throughout the entire reporting process. This is one of the most effective and inexpensive improvements you can make to your company.

The [Dean Dorton team](#) has streamlined our [Whistleblower Hotline service](#) to be an affordable plug and play option for a wide range of organizations. If you haven't implemented a hotline yet, we would love to talk with you about your options.

[Learn More about Dean Dorton's Whistle Blower Hotline](#)

Dean Dorton is here for you as your organization navigates through these unprecedented times. Contact us if you have questions about adapting and changing to this new landscape.

Nick Lynch, CPA/CFF, CFE

Consulting Associate Director

nlynch@deandorton.com • 859.425.7635