



## Protecting Your Business in Uncertain Economic Times

According to the Association of Certified Fraud Examiners' [2008 Report to the Nation](#), fraud costs businesses approximately 7% of their annual revenues and often continues for years before being detected. In today's economy, that 7% may be the difference between solvency and being in the red.

### **Ten Things You Need to do Now to Reduce Your Firm's Risks:**

#### **1. Assess your firm's risks of traditional occupational fraud schemes**

Common risks may include:

- Embezzlement
- Payroll schemes
- Ghost billing and vendor schemes
- Expense account fraud
- Financial statement fraud

#### **2. Assess your firm's oversight, redundancies and checks-and-balances to mitigate and uncover these occupational frauds**

An excellent guide for this assessment may be found at:

<http://www.acfe.com/documents/managing-business-risk.pdf>

#### **3. Assess your firm's risks of emerging fraud and liability risks**

Emerging risks may include:

- Social Engineering
- Phishing-family schemes designed to trick employees and customers into compromising sensitive information
- Malicious code designed to capture and steal personally identifying information (PII), trade secrets or other sensitive data
- Resulting data security breaches

#### **4. Determine what standards-related laws or requirements apply to your firm (FACT-A, HIPAA, SOx, PCI DSS, Identity Theft Red Flags, etc.)**

**5. Prioritize your firm's risk mitigation needs and focus your time and financial resources on these priorities**

When profit margins are already thin, it's extremely important that your security and fraud-related expenditures are deliberate and based upon informed and accurate insights.

**6. Document identified risks and steps taken to minimize them**

**7. Encrypt correspondence and data at rest that include sensitive or Personally Identifying Information (PII)**

**8. Provide meaningful employee fraud awareness and risk mitigation training**

**9. Conduct periodic exercises and risk re-reviews**

**10. Get professional help, if needed**

About the Writer:



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Jon is a court-recognized expert regarding identity frauds and is the author of *The Identity Theft Handbook*. He is the Chair of the ASIS Economic Crime Council and recipient of the Outstanding Achievement in Anti-Fraud Education Award from the Association of Certified Fraud Examiners. He has been conducting fraud investigation and risk mitigation training for over 21 years.