

Free article review on occupational fraud

[Business](#), [Company](#)



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Introduction

Occupational fraud is a fraud that is committed by the employee to an employer is also called employee fraud, there are much common in most companies which it leads to financial losses . as much as the people working stay in the company they will hide the fraud forever.

The article: 2013.

During the cannas film festival a necklace which was worth about \$2m after a star studded though the event was every guarded the necklace was not found, the event is normally held to promote jewel. The jewel was stored in a safe and there door to the safe was not broken the police did investigations and suspected it to be a case of an occupational fraud. The larceny inventory as studied happens when the employee frauds the employer , it was taken from the employee , Chopard , the company normally gifts celebrities and a times lends the jewel . such cases normally happen if the security guards collude with the frauds especially those who work in the same organization , since they know their way around the company. A report conducted by the ACFE association of certified fraud examiners. In 2012 the UN conducted the survey it provided the monetary information and clear the frauds that had

been committed touching on the issue of how it happened; it focused on the companies that are suitable to fraud. ACFE categorized the fraud in three categories basically, corruption, asset misappropriation and the financial statement fraud.

Current statistics show that the major caused for the losses incurred is conducted due to the frauds committed by employees in 2012 a loss of \$1 billion was incurred due to the frauds. in an attempt of detecting fraud it poses n a greater challenge because individuals do not open up.

The relevance of the article to the fraud industry for example the ACFE since they use the information they get in order to know the way to use to reduce this kind of fraud . The key issues in the article are on matters concerning the employee being dishonest, employee's participant in fraud. The essence of lack of proper system to use to detect fraud poses another great challenge . the applicable stakeholders are the employers since they are the ones they are cheated on, also the business partners. Their rights are to get justice whenever an employee is accused of committing fraud since compensation sand the law takes its full force. The choices made for example to make sure the employee on e hires are of high integrity and also the employer to make sure that they pay them well so that they may avoid fraud the company of its property. The occupational fraud is applicable on stakeholders in that the effect of the occupational fraud affects them as well, since the money or the benefits they get reduces due to insufficient funds. The jewel stolen leads to heavy loss as it was expensive.

The situations should be resolved basically by reviewing the sales by comparing the actual stock and the finances available, reduce the inventory

debt so that there is no other way of committing sales fraud. Also reviewing the purchases and trace they back to actual inventory. The decisions made will affect or impacts on the employees themselves since they get more restriction in access the vital parts of the business or company. To resolve the issue of the fraud is to fix machine like the surveillance camera and build the strong security networks

The opinion: The article is the concerns the employees committing the frauds there is need to teach them the importance of being honest in fact raise the awareness of one got committing the crime , that it will lead to prosecution and lose the job as well also companies should at all times apply the use of technology. Investigate the employees well to avoid future losses.

Reference

Association of Certified Fraud Examiners. (2010). Report to the nations on occupational fraud and abuse. Austin, TX: ACFE, Association of Certified Fraud Examiners