

Fending Off Fraud:

How Organizations Can Better Detect, Manage, and Prevent Fraudulent Activity





Why is fraud in the spotlight?

Today, companies are getting more creative in how they gain control over their employee spend and ensure compliance to better find the “red flags” of fraud. But why the recent change?



Big data. Better data.

According to a Forbes study, only 15 percent of Fortune 500 organizations are using big data and many reports show that money is pouring into these initiatives.



More “checks and balances” in play to verify and contain costs.

Organizations can verify expenses with multiple sources (bank cards, TMCs, digital receipts, travel data, travel suppliers).



Increase in government regulations and compliance i.e. The Sunshine Act (Open Payments).

Organizations are hitting the headlines with stories of regulatory violations and getting slapped with fines and fees.



Risk to reputation.

A loss of confidence from shareholders, employees, media and other stakeholders in organization’s lack of internal spending processes and controls.



Fraud is an enterprise risk.

It falls in the same realm as economic, supply chain, disaster, duty of care and regulatory risks. This awareness heightens fraud within a company to get more attention from senior management along with the proper resources to prevent and manage it.



How can you see it all?

While fraud can seem like a complex issue, organizations can take these proactive steps to help identify any red flags or find the “needle” to unravel a broader scheme in the areas of T&E.



Use a preventative and detective approach.

Take a preventative approach by adopting systems that allow employees to submit expenses for preapproval, guide travel decisions with color-coded cues, and capture every itinerary regardless of where it was booked. Additionally, do some detective work: use a third party auditor, conduct random checks, audit cash expenses and identify location and type of expense and where.



Information is power: proper data entry.

Set audit rules, require receipt type (paper, electronic, automated) and itemized receipt requirements type. Review individual transactions and look for patterns – important information can be gathered to help with FCPA violations.



Mandate a corporate card program.

Expenses that are auto-imported into an expense management or reimbursement system ensure that travelers cannot modify or falsify their expenses. Also, with a corporate card program, the owner of the account can add additional controls, such as setting a credit limit, transaction limits, cash limits, or setting merchant or location controls.



Organize and share data to empower.

Understand how to organize your data set configurations. Share data and package it for key stakeholders within your organization. Make the data easy to understand, actionable, and create healthy competition among departments.



Key triggers/data analytics.

Review common areas of concern:

- Volume of expense reimbursements, personal payments, top spenders, cash advances, high mileage, lump sum tips
- Benchmark your data, identify trends and find the outliers

ABOUT SAP CONCUR

SAP Concur is the world's leading provider of integrated travel, expense, and invoice management solutions, driven by a relentless pursuit to simplify and automate these everyday processes. With SAP Concur, a top-rated app guides employees through every trip, charges are effortlessly populated into expense reports, and invoice approvals are automated. By integrating near real-time data and using AI to audit 100% of transactions, businesses can see exactly what they're spending without worrying about blind spots in the budget. SAP Concur eliminates yesterday's tedious tasks, makes today's work easier, and helps businesses run at their best every day. Learn more at concur.com.hk or the [SAP Concur blog](#).

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