CORE CONCEPT

Fraud Risk Management and Fraud Investigation: Prevention, Detection and Response

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Technical depth: Practitioner · **Practical mode:** Case study

Introduction

Most organisations discover fraud through a tip-off or by accident, long after the losses began, and then handle the investigation in a way that damages the evidence or the case. Fraud risk is rarely assessed scheme by scheme, and anti-fraud controls are seldom tested against the schemes they are meant to stop. This Core Concept course equips managers to run a fraud risk programme with the COSO/ACFE Fraud Risk Management Guide, from scheme-level risk assessment to evidence-sound investigation. Participants work on cases from several sectors and leave with a Fraud Risk Management and Investigation Protocol.

Course Objectives

- Classify fraud schemes and their drivers using the ACFE Fraud Tree and the Fraud Pentagon
- Apply the COSO/ACFE Fraud Risk Management Guide principles to design a fraud risk governance and management programme
- Conduct a scheme-level fraud risk assessment and map preventive and detective controls to each scheme
- Detect fraud indicators with data analytics and red-flag reviews across procurement, payroll and expenses
- Plan and conduct an internal investigation that preserves evidence, follows due process and produces a defensible report
- Produce a Fraud Risk Management and Investigation Protocol ready for management approval

Target Audience

- Risk, compliance and internal control managers responsible for anti-fraud programmes
- Internal audit managers assessing fraud risk and anti-fraud controls
- Finance, procurement and payroll managers who own high-exposure processes
- Security, legal and HR managers involved in handling allegations and investigations
- Ethics and integrity officers managing reports of misconduct

Course Outline

Day 1: The Fraud Landscape and Programme Baseline

- ACFE Occupational Fraud and Abuse Classification System Fraud Tree
- Fraud Triangle and the Fraud Pentagon Model
- ACFE Report to the Nations Benchmarks: Detection Methods and Median Losses
- Internal, External and Collusive Fraud Schemes Across Sectors
- Anti-Fraud Programme Gap Assessment Scorecard

Day 2: Fraud Risk Management Frameworks and Standards

- COSO/ACFE Fraud Risk Management Guide 2nd Edition, 2023: Five Principles
- COSO Internal Control Principle 8: Assessing Fraud Risk
- ISO 37001:2025 Anti-Bribery Management System Requirements
- ISO/TS 37008:2023 Guidance on Internal Investigations
- Fraud Risk Governance: Board, Management and Three Lines Roles

Day 3: Assessing, Preventing and Detecting Fraud

- Fraud Risk Assessment Workshop and Scheme Register
- Anti-Fraud Control Mapping: Preventive and Detective Controls by Scheme
- Fraud Data Analytics: Benford's Law, Duplicate and Round-Sum Tests
- Red-Flag Indicators in Procurement, Payroll and Expense Claims
- Third-Party Integrity Due Diligence and Screening Checklist

Day 4: Conducting Fraud Investigations

- Investigation Planning: Predication, Scope and Terms of Reference
- Documentary Evidence Handling and Chain of Custody Records
- Digital Evidence Preservation Aligned to ISO/IEC 27037:2012
- Investigative Interviewing Using the PEACE Model
- Investigation Report Writing and Remediation Tracking

Day 5: Case Work and the Investigation Protocol

- Procurement Kickback Case Study: From Tip-Off to Findings
- Financial Statement Manipulation Case Study: Revenue Recognition Red Flags
- Fraud Risk Register Build for an Own Organisation
- Fraud Risk Management and Investigation Protocol Drafting
- Peer Review Panel and Protocol Defence

Skills You Will Gain

- Fraud Scheme Analysis
- Fraud Risk Assessment
- Anti-Fraud Control Design
- Fraud Data Analytics
- Red-Flag Recognition
- Evidence Preservation
- Investigative Interviewing
- Investigation Reporting

Why Attend This Course

- Return to work with a Fraud Risk Management and Investigation Protocol for your own organisation, already tested by peers
- Know what to do in the first hours after an allegation so that evidence and fairness are protected
- Explain to management which fraud schemes the organisation is exposed to and which controls actually stop them
- Compare anti-fraud practice with managers from other sectors and countries who handle similar allegations

Conclusion

Fraud losses fall when organisations assess risk scheme by scheme, test the controls that should stop each scheme and respond to allegations with discipline. This course moves from fraud typologies and programme baselines, through the COSO/ACFE Fraud Risk Management Guide and related standards, to risk assessment, detection analytics and the conduct of internal investigations. The final day turns that material into a Fraud Risk Management and Investigation Protocol that participants take back to management, giving them a structured and defensible response to the next fraud risk they face.