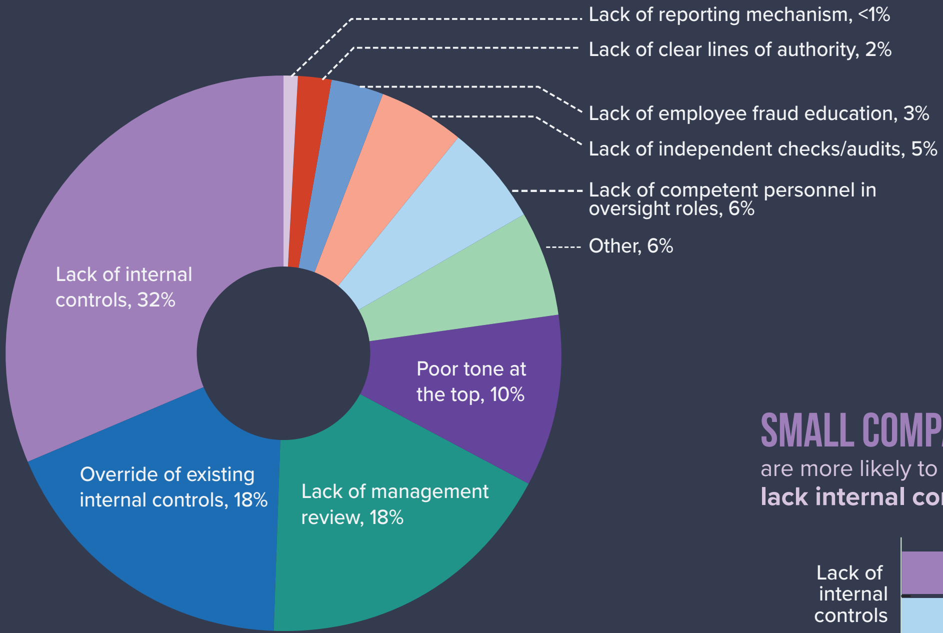
Internal Control Weaknesses That Contribute to Occupational Fraud

Various factors can facilitate a perpetrator's ability to commit and conceal an occupational fraud scheme.

What are the primary internal control weaknesses that contribute to occupational fraud?



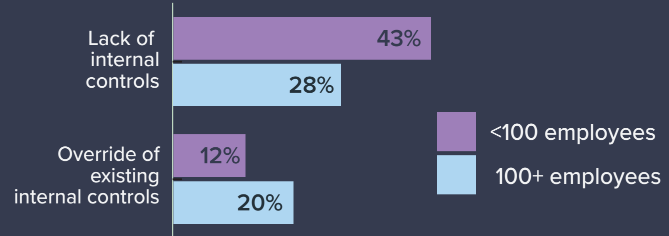
MANAGER-LEVEL PERPETRATORS

are more likely than other perpetrators to **OVERRIDE EXISTING CONTROLS**

Employees	15%
Managers	**22%**
Owner/executives	17%

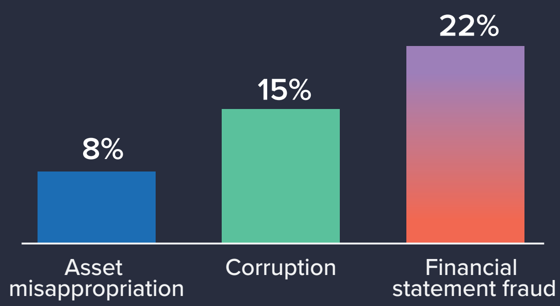
SMALL COMPANIES are more likely to **lack internal controls**

LARGE COMPANIES are more likely to have **controls overridden**



POOR TONE AT THE TOP

was the primary risk factor in 22% of all financial statement frauds.



SOLE PERPETRATORS take advantage of a lack of controls, while schemes involving **COLLUSION** are supported by poor tone at the top and an ability to override controls