FRAUD COMMITTED BY OWNERS AND EXECUTIVES

Occupational frauds committed by owners/executives tend to be extremely costly. How do these cases differ from non-owner/executive frauds?

**MEDIAN LOSS**

- **$850,000**
  - Owners/executives
- **$100,000**
  - Non-owners/executives

**65%** of owner/executive frauds involved corruption.

**62%** of owner/executive cases involved collusion.

**27%** of owner/executive frauds involved financial statement fraud.

**41%** of non-owner/executive cases involved non-fraud-related misconduct.

**34%** non-owners/executives

**6%** non-owners/executives

**66%** of owner/executive cases involved bullying or intimidation.

**45%** of non-owner/executive cases involved bullying or intimidation.

**Owners/executives engaged in non-fraud-related misconduct more often.**

- **62%** of cases involved non-fraud-related misconduct for owners/executives.
- **41%** of cases involved non-fraud-related misconduct for non-owners/executives.

**Bullying or intimidation** was most common, observed in 41% of owner/executive cases.

**Frauds detected by a third-party auditor or law enforcement:**

- Owner/executive: 1 in 8
- Non-owner/executive: 1 in 25

**Frauds that are not detected internally tend to be much more costly.**

Corruption and financial statement fraud are the two costliest forms of occupational fraud.