

# FRAUD IN SMALL BUSINESSES

Fraud can be especially devastating to small businesses. These organizations typically have fewer resources to both prevent and recover from a fraud, and they often require an increased level of trust in employees due to a lower ability to implement robust anti-fraud controls.

**SMALL BUSINESSES LOSE ALMOST TWICE AS MUCH PER SCHEME TO OCCUPATIONAL FRAUD**



<100 EMPLOYEES

100+ EMPLOYEES

Median loss:

**\$200,000**



Median loss:

**\$104,000**



Frauds detected by tip:

**29%**

**44%**

Frauds caused by lack of internal controls:

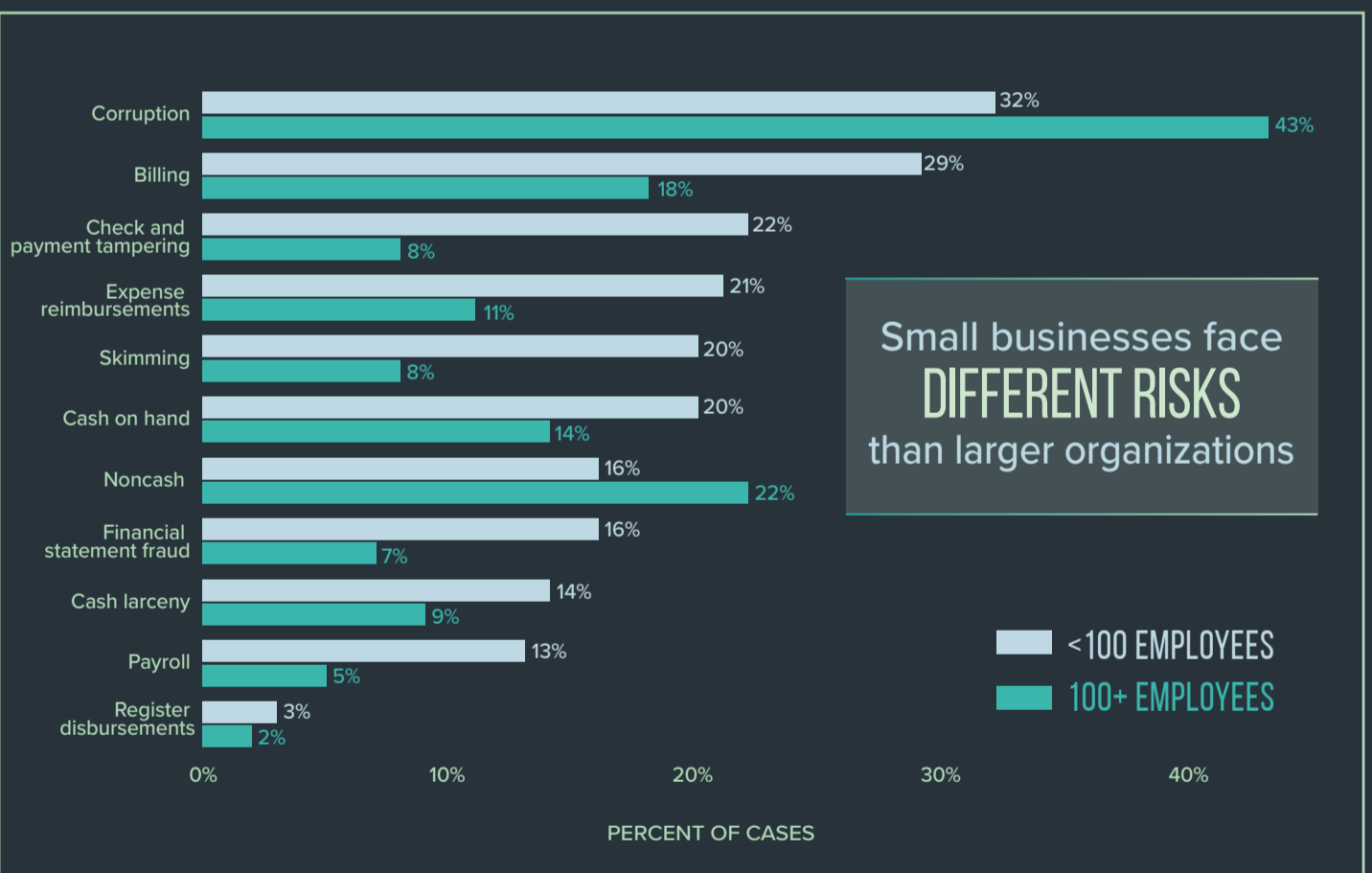
**42%**

**25%**

Frauds perpetrated by an owner/executive:

**29%**

**16%**



Small businesses typically have **FEWER ANTI-FRAUD CONTROLS** than larger organizations, leaving them more vulnerable to fraud

