

THE STAGGERING COST OF FRAUD

CFES ESTIMATE THE TYPICAL ORGANIZATION LOSES 5% OF ANNUAL REVENUES TO FRAUD



OUR STUDY ANALYZED **2,410** OCCUPATIONAL FRAUD CASES THAT CAUSED A TOTAL LOSS OF MORE THAN **\$6.3 BILLION**

THE MEDIAN LOSS FROM A SINGLE CASE OF OCCUPATIONAL FRAUD WAS **\$150,000**

MORE THAN **23%** OF OCCUPATIONAL FRAUD CASES RESULTED IN A LOSS OF AT LEAST **\$1 MILLION**

MEDIAN LOSSES VARIED BY REGION

CANADA	\$154,000
WESTERN EUROPE	\$263,000
EASTERN EUROPE AND WESTERN/CENTRAL ASIA	\$200,000
UNITED STATES	\$120,000
MIDDLE EAST AND NORTH AFRICA	\$275,000
SOUTHERN ASIA	\$100,000
LATIN AMERICA AND THE CARIBBEAN	\$174,000
SUB-SAHARAN AFRICA	\$143,000
ASIA-PACIFIC	\$245,000

OF THE THREE MAJOR CATEGORIES OF OCCUPATIONAL FRAUD, FINANCIAL STATEMENT FRAUD CAUSED BY FAR THE GREATEST MEDIAN LOSS PER SCHEME

ASSET MISAPPROPRIATION	\$125,000
CORRUPTION	\$200,000
FINANCIAL STATEMENT FRAUD	\$975,000

WHEN OWNERS OR EXECUTIVES COMMITTED FRAUD, THE MEDIAN DAMAGE WAS MORE THAN 10X WORSE THAN WHEN EMPLOYEES WERE THE PERPETRATORS

EMPLOYEE	\$65,000
MANAGER	\$173,000
OWNER/EXECUTIVE	\$703,000

THE MORE PEOPLE CONSPIRING IN AN OCCUPATIONAL FRAUD, THE HIGHER LOSSES TEND TO BE

1 person	\$65,000
2 people	\$150,000
3 people	\$220,000
4 people	\$294,000
5+ people	\$633,000

VICTIM ORGANIZATIONS THAT LACKED ANTI-FRAUD CONTROLS SUFFERED GREATER MEDIAN LOSSES—IN FACT TWICE AS MUCH

CONTROL IN PLACE	\$92,000	CONTROL NOT IN PLACE	\$200,000
CONTROL IN PLACE	\$100,000	CONTROL NOT IN PLACE	\$200,000
CONTROL IN PLACE	\$100,000	CONTROL NOT IN PLACE	\$200,000

Data from the ACFE's 2016 Global Fraud Study, Report to the Nations on Occupational Fraud and Abuse. © 2016 Association of Certified Fraud Examiners, Inc. All rights reserved. "ACFE," "CFE," "Certified Fraud Examiner," "Association of Certified Fraud Examiners," "Report to the Nations," the ACFE Logo and related trademarks, names and logos are the property of the Association of Certified Fraud Examiners, Inc., and are registered and/or used in the U.S. and countries around the world.