

Risk Management Strategy in Fraud Prevention

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Abstract

This study aims to determine risk management strategies in fraud prevention. The methodology in this study is a literature study through a qualitative approach with deductive and inductive process analysis. Secondary data sources consist of relevant previous scientific research works. The findings from the results of the discussion, that in every organizational activity there will always be uncertainty that is synonymous with risk including the risk of fraud, so that management has the responsibility to manage the risks that will be faced. Risk management and internal control contribute to the implementation of good governance, especially in increasing the success of achieving organizational goals. An effective fraud prevention strategy is to carry out a thorough risk assessment process. Fraud risk assessment (FRA) procedures are required to distinguish and evaluate the risk of gaps in the achievement of organizational goals. An iterative cyclical change process is also needed to identify and assess the risks of these gaps. Assessment of fraud risk is an effective tool for fraud prevention, because this tool can increase competence in finding, detecting and preventing fraud.

Keywords: fraud prevention, risk management, good governance, internal control

1. Introduction

Fraud remains a highly interesting and relevant issue to be studied today, due to the ongoing occurrence of fraudulent acts and behaviors carried out by individuals or parties with the intention of harming others. Fraud has become one of the biggest obstacles to economic development today (Azim & Azam, 2016). Fraud is a crime involving the use of trickery, deception, or manipulation to unlawfully harm another party, whether an individual or an organization (Surjandari & Martaningtyas, 2015). More specifically, Zimbelman (2014) explains that fraud is a deception that includes the following elements: (a) representation; (b) material; (c) untruth; (d) deliberate; (e) believable; (f) acted upon by the victim; and (g) resulting in the victim suffering a loss.

Fraud can be committed by parties within or outside the organization. Internal fraud is fraud committed by parties within the organization itself, such as corruption, false reporting, financial statement manipulation, duplicate financial statements, covering up or disguising embezzlement, accounting incompetence, theft or improper use of organizational assets for personal or group gain, and misuse of organizational assets. Meanwhile, external fraud is fraud

committed by parties outside the organization, such as bribery, inflated invoices, duplicate invoices, and quality fraud (Sayyid, 2014). Tuanakotta (2019) defines fraud as: (a) a violation of the law; (b) perpetrated by individuals inside or outside the organization; (c) for personal or group gain; and (d) resulting in direct or indirect losses to other parties.

Fraud within an organization is a classic example of weak organizational management. In private organizations, there is a known conflict of interest between owners and managers (Jensen & Meckling, 1976). According to Eisenhardt (1989), there are three types of basic human nature assumptions to explain agency theory, namely: 1) humans are generally self-interested (egoism); 2) humans have limitations in thinking about the future (bounded rationality); and 3) humans always avoid risks (cautious).

The following is a phenomenon of fraud committed by internal and external parties of the organization; first, fraud cases committed by companies in manipulating accounting or financial reports, such as those carried out by PT. Garuda Indonesia (Persero) Tbk, with its subsidiary PT. Citilink Indonesia. By utilizing the help of a financial recording system, PT Garuda Indonesia (Persero) Tbk claimed to record excellent financial performance in 2018 with a net profit of US\$ 809 thousand or around Rp 11.33 billion by recording unearned income. However, this was detected by the supervisory authority of the Indonesia Stock Exchange (IDX) by issuing a written warning III and imposing a fine of Rp 250 million to Garuda Indonesia, and improving the presentation of financial reports. Not only that, the Financial Services Authority (OJK) also imposed fines of Rp 100 million each on Garuda Indonesia and all members of the board of directors. Second, fraud cases that occurred in large companies Facebook and Google. A Lithuanian man known as Esvaldas Rimasauskas committed identity theft, financial fraud, and money laundering between 2013 and 2015. He defrauded two major US technology companies, Facebook and Google, of US\$122 million. Facebook suffered US\$99 million in losses, and Google lost US\$23 million. Esvaldas carried out his fraud using the Business Email Compromise (BEC) method, sending fake invoices to both companies via email under the identity of Quanta Computer, a Taiwanese manufacturing company. He also attached fake documents and contracts. However, in 2017, his actions were uncovered, and Esvaldas was finally sentenced (Source: Jurnal Entrepreneur, 2022).

While the global economy experienced significant progress during the 20th century, corruption levels also increased. Predicting and measuring the exact extent and scale of this global corruption is difficult because these activities are carried out covertly. However, the World Bank estimates that international bribery reaches over US\$1.5 trillion annually, or about 2% of global Gross Domestic Product (GDP), and this is ten times higher than total global aid funding. Other estimates even reach 2-5% of global GDP (Sudarmanto & Hariyadi, 2023).

2. Literature Review

Many factors contribute to (motivate) someone to commit fraud. Based on a survey by Ernd & Young Consulting, the profile of fraud perpetrators includes: (a) educated and intelligent; (b) leaders or managers within an organization; (c) stress; (d) risk-seeking; (e) rule-breaking; and (f) greed (Karyono, 2013). According to Dagogo & Ngerebo (2018), there are two levels of fraud: institutional and social. Institutional fraud can be traced to the internal environment of an institution, while the social environment is influenced by society and its surroundings. Research by Uddin & Gillett (2002) revealed that those with high moral reasoning are more influenced by their attitudes toward committing fraud than those with low moral reasoning.

Based on a materiality perspective, research results indicate that more than 50% commit fraud even when the amount is considered insignificant (Shafer, 2002). Hollow conducted research on the motivations of managers and employees in committing fraud. He found significant differences in motivational factors based on job level. Lower-level employees respond due to personal pressure, while managers respond due to work-related or external pressure (Hollow, 2014). Another aspect of fraud motives is influence. Albrecht et al. (2015) stated the need to understand the relationship between fraud perpetrators and conspirators. Several reasons contribute to participation, including promotion, salary, stock option value, fear of dismissal, and following superiors' directives. Albrecht et al.'s findings indicate that power influences perceptions and actions.

Cressey (1950) was the first scientist to propose an explanation of why criminals commit crimes, known as the fraud triangle theory. This theory explains that individuals commit crimes based on three factors (the fraud triangle): pressure, opportunity, and rationalization. Business decision-makers use the fraud triangle to understand, prevent, and detect fraud committed by perpetrators (Daigle et al., 2014). When assessing fraud risks, identifying potential perpetrators, and developing strategies to prevent embezzlement, some policymakers turn to the fraud triangle to design the most effective anti-fraud measures (Mihret, 2014). Some researchers describe the elements of the fraud triangle as separate functions, meaning the three elements are independent of each other (LaSalle, 2007).

A theory that develops the fraud triangle theory is the Fraud Diamond Theory, introduced by Wolfe and Hermanson (2004). They added the variable "capacity" to the fraud triangle. A person's position or function within an organization can give them the ability to create or exploit fraud opportunities that others do not have. In other words, a potential perpetrator must possess the ability and skills to commit fraud (Kassem & Higson, 2012). This ability enables a person to recognize which doors open as opportunities and capitalize on them by repeatedly walking through them (Abdullahi & Mansor, 2015).

Another theory that explains the causes of fraud is Jack Bologna's GONE theory. The GONE theory has four components: Greeds, which relates to the potential greedy behavior inherent in every individual. Opportunities, which relate to circumstances in an organization, agency, or society that create opportunities for someone to commit fraud. Needs, which relate to factors required by individuals to maintain a normal life. Exposures, which relate to the actions or consequences faced by the fraud perpetrator if the perpetrator is found to have committed the fraud (Bologna et al., 1993).

According to the Association of Certified Fraud Examiners (ACFE), a professional organization specializing in fraud examinations, fraud is classified into three branches called the Fraud Tree: corruption, asset misappropriation, and fraudulent statements (ACFE, 2008). Corruption is defined as crime, corruption, bribery, immorality, depravity, and dishonesty. Other definitions include bad deeds such as embezzlement, bribery, and so on (Sudarmanto et al., 2021). Fraud involving misappropriation of assets has become a persistent concern for business owners when internal controls are absent or weak (Lenz & Graycar, 2016). Asset misappropriation is one of the most common types of fraud after financial statement manipulation (Krambia-Kapardis & Papastergiou, 2016). Klein (2015) even stated that 85% of workplace fraud cases are caused by asset misappropriation. Meanwhile, according to Karyono (2013), fraudulent statements involve actions taken by officials or executives of a company or government agency to conceal the true financial condition by financial engineering in the presentation of their financial statements to gain profit, perhaps analogous to the term window dressing.

To prevent fraud and its various problems, organizations must address these motivational factors and take appropriate fraud prevention measures, such as improving oversight and control of financial and operational activities, providing appropriate fraud prevention training, disseminating clear policies and regulations, and establishing guidelines for a superior work ethic (Sudarmanto & Utami, 2021). If fraud is detected, swift and decisive action must be taken to minimize losses and restore trust in the organization.

One method for fraud prevention is risk management, the process of identifying, evaluating, and controlling risks to reduce the likelihood of loss or damage to the organization (COSO, 2017). Risk management can be used as a fraud prevention tool because it can help identify risks and identify appropriate controls to mitigate the likelihood of fraud. Therefore, by implementing appropriate risk management, organizations can prevent and mitigate the risk of losses associated with fraud.

According to Godfrey et al. (1996), several sources of risk require early intervention, namely: (1) political, which is a source of risk arising from changes in government structures, regulations, or policies that negatively impact business and investment; (2) environmental, namely the source of risk concerning the organization's sensitivity to the environment and its decisions in environmental matters; (3) planning, namely the risk that arises due to a discrepancy in compiling, forecasting, and making business estimates; (4) marketing, namely the risk that arises from a discrepancy in estimating the market; (5) economic, is a risk that originates from economic factors in the form of financial policies, taxation, inflation, interest rates, exchange rates, and other economic factors; (6) financial, namely the risk that can arise and originate from various financial factors such as bankruptcy, profits, insurance, risk share, and other financial factors; (7) natural, namely the sources of risk that arise due to natural factors; (8) project, is a risk that originates from project-based activities; (9) technical, includes risks arising from technical processes whose results cannot be ascertained; (10) human, namely a risk that originates from human factors, which include errors, incompetence, negligence, fatigue, communication skills, culture and others; (11) criminal, namely a risk that originates from criminal factors; and (12) safety, namely a risk that arises and is related to safety factors which include regulations (occupational health and safety), hazardous substances, collisions, floods, fires, explosions and others.

3. Method

The methodology used in this study was library research, a research method conducted by studying literature and writings closely related to the research problem (Baidan, 2016). It also employed a qualitative approach, a research approach that emphasizes the analysis of deductive and inductive thought processes related to the dynamics of relationships between observed phenomena using scientific logic (Kisworo & Sofana, 2017). Qualitative methods were also used to explore various data sources, observations, and documentary evidence (Slack et al., 2015).

The data sources for this study consisted of secondary data sources, consisting of relevant previous scientific research works, such as books, journals, and other scientific works from various perspectives. The data used were various qualitative data of high quality, consisting of words, sentences, gestures, facial expressions, charts, drawings, and photographs (Sugiyono, 2017), derived from these various sources.

Next, the researcher draws conclusions based on the existing theoretical framework, related to the discussion of risk management strategies in fraud prevention, according to scientific discourse that has a related meaning and discussion.

4. Result and Discussion

The term risk is often interpreted as uncertainty. According to ISO 31000:2009, risk is defined as uncertainty that impacts objectives (ISO, 2009). Risk becomes a significant issue because the losses it causes cannot be accurately predicted (Sudarmanto et al., 2021). Risk is an event that has not yet occurred (possibly) that has the potential to impact objectives, whether positive or negative. Risk is an objective phenomenon in activities across all areas of a company (Skipper & Kwon, 2007).

According to Susilo and Victor, risk management is defined as directed and coordinated organizational activities related to risk. Risk management is also defined as a logical and systematic method for identifying, quantifying, determining attitudes, establishing solutions, and monitoring and reporting risks that occur in every activity or process (Susilo & Kaho, 2019). Meanwhile, in the banking sector, the Financial Services Authority (OJK) defines risk management as a series of methodologies and procedures used to identify, measure, monitor, and control risks arising from all bank business activities (OJK, 2016).

According to Jorion (1997), there are three types of risks faced by a company: (1) business risk, which is the risk faced by a company due to the quality and superiority of some of its products; (2) strategic risk, which is the risk arising from fundamental changes in the economic or political environment; and (3) financial risk, which is the risk arising from unpredictable changes in the financial markets.

Risk management affects a company's profit-loss ratio by predicting the associated risk probabilities and counteracting them by differentiating between internal and external risks (Andersen, 2005). Once potential risks are identified and addressed, fundamental benefits emerge, helping the company thrive and grow in a competitive marketplace (Collier et al., 2018).

According to the ISO 31000:2018 Risk Management Guideline, the risk management process is the systematic application of policies, procedures, and practices related to risk communication and consultation activities, establishing the scope, context, and criteria for risks, conducting risk assessments, including risk identification, risk analysis, and risk evaluation, risk treatment, monitoring and review, recording, and reporting.

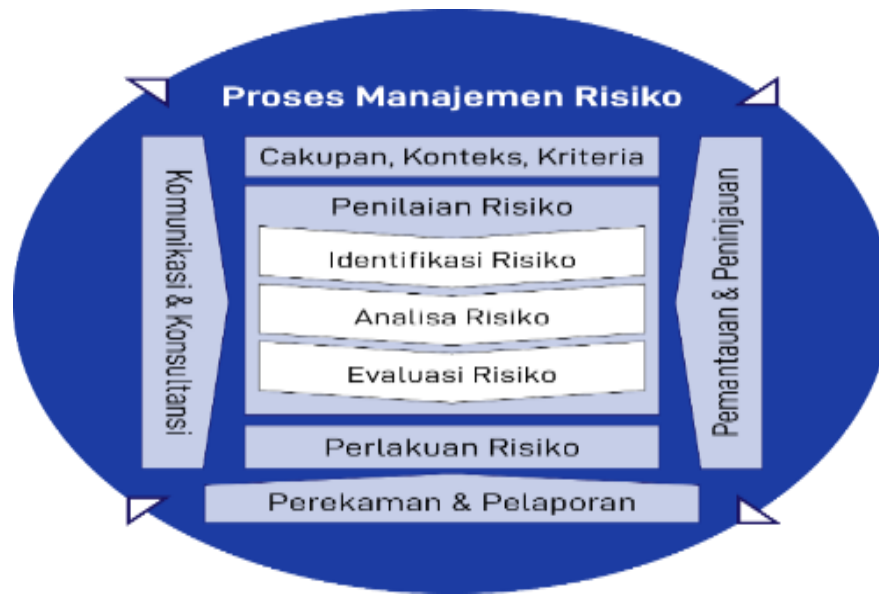


Figure 1. Risk Management Process (ISO 31000:2018)

In relation to risk management and knowledge, Perrott (2007) defines knowledge risk as the potential loss resulting from the identification, retention, or protection of knowledge that could reduce a company's operational or strategic benefits. Knowledge risk can result in several negative consequences, such as failing to offer high-quality solutions (Demian & Fruchter, 2009), costly disruptions to performance or operations, loss of competitive advantage, or even tragic accidents (Martins & Meyer, 2012). All types of organizations face (knowledge) risks, but not always of the same type or intensity (Kim & Vonortas, 2014). Furthermore, there is interdependence of risks, meaning one risk can lead to various other risks (Venkatesh et al., 2015). A study by Lopes et al. (2017) proves that the concepts of knowledge management and organizational sustainability are interrelated. Potentially, by implementing knowledge risk management, organizations can better and more easily meet sustainability requirements. To manage the crisis of potential knowledge loss risk, organizations best ensure that the knowledge risks they face over time are firmly embedded within themselves (Frigo, 2006). Risk management is a strategic process (Clarke & Varma, 1999), in which organizations methodically address the risks inherent in their activities with the goal of achieving sustainable benefits in each activity and across their portfolio (IRM, 2002).

Risk Management in the Big Data Era. In today's big data era, cutting-edge technology presents organizational structures for conducting business in a competitive world (Rostami et al., 2015). When planning a risk assessment, monitoring the organization's current plans and forecasting risks associated with its channels must be considered (Aven, 2016). The vast amount of unprocessed data represents a vast opportunity, presenting both opportunities and challenges for all parties (Utami, 2019). Guha and Kumar (2018) list data source applications among operational management and information systems as data integrity, data security and cybersecurity, social media applications, e-commerce, web marketing, supply chain network design, supply chain risk management, retail operations, and inventory management. These systems have also been found to enhance business innovation (Anaya et al., 2015). The knowledge-based view of big data applications recognizes that knowledge is crucial for achieving organizational competitive advantage, as argued by Chae et al. (2014); Schoenherr & Swink (2015); Akter et al. (2016); Hazen et al. (2016); and Ren et al. (2017). Setia and Patel

(2013) argue that the ability to manage operational knowledge is an important predictor of organizational competitiveness.

The primary foundation for implementing an effective fraud prevention program in an organization is a comprehensive risk assessment process. The fundamental concept of fraud risk assessment is the assessment of the likelihood and impact of identified risks (COSO, 2017). A fraud risk assessment (FRA) procedure is required to distinguish and evaluate risks related to gaps in achieving organizational goals (Huber et al., 2015). Popoola et al. (2016) also argue that implementing an FRA requires changes and a repetitive cycle to identify and assess risks related to gaps in achieving organizational goals. Fraud risk assessment is considered an effective tool for fraud prevention because it can improve competency in identifying, detecting, and preventing fraud.

In management science, fraud prevention efforts must be implemented through a process of managing organizational resources to anticipate potential risks that have been previously identified, measured, and considered for their management. Every organizational activity will always involve uncertainty, which is synonymous with risk, including the risk of fraud. Therefore, management must be responsible for managing the risks faced (Karyono, 2013). Risk management and internal control contribute to the implementation of good corporate governance (GCG), particularly in enhancing the achievement of organizational goals. Without risk management, the internal control system becomes less effective. Meanwhile, without an internal control system, the control aspect of GCG becomes less effective (Susilo & Kaho, 2018). Moeller (2014), in his study of the Committee of Sponsoring Organizations (COSO) internal control, provides an overview of the relationship between good governance, risk management, and internal control.

Risk is an objective phenomenon in corporate activities (Skipper & Kwon, 2007). It accompanies all areas of corporate activity. Despite the fact that some risk parameters may depend on ambiguous personnel actions or subjective management decisions, the objective nature of its manifestation remains unchanged. Risk management is carried out through risk management, which has two aspects: (1) mitigating the likelihood of a risky event occurring; and (2) mitigating the impact, namely anticipating and addressing the impact if the risky event occurs (Sudarmanto et al., 2021).

In 2015, the United Nations (UN) launched the Sustainable Development Goals (SDGs) 2030 agenda (Dhaoui, 2019). Numerous tools, strategies, and recommendations have been proposed to achieve these goals. Numerous studies have shown that the challenges facing countries in sustainable development, such as high unemployment rates, widespread poverty, and inequality, are partly explained by inefficient government and private institutions that are vulnerable to corruption (Demmers et al., 2004). In this regard, the new paradigm of good governance-based development strategies emphasizes the joint participation of the state, non-state actors, civil society, and the private sector in the economy and in public governance processes (Stojanović, 2016).

The Organization for Economic Co-operation and Development (OECD) defines good governance as a set of relationships between a company's management, shareholders, and other stakeholders (OECD, 2004). Good governance requires a structured system for achieving objectives and monitoring performance. Syakhroza (2005) defines organizational governance as a comprehensive entity encompassing cultural, legal, and institutional aspects, including

mechanisms based on the concept of corporate control and accountability systems for those in control.

According to Kaen (2003) and Shaw (2003), four key components are essential to the concept of good governance: fairness, transparency, accountability, and responsibility. The concept of fairness is necessary to maintain organizational stability by ensuring fairness and equality for each member, stakeholder, and other stakeholders according to their respective roles. Essentially, every part of an organization or company has an equal opportunity to develop and contribute to the organization (Finkelstein & Hambrick, 1990). Transparency indicates the clarity and accessibility of information and decisions for those with an interest in certain information (Mimicopoulos et al., 2007). Accountability is defined as the extent to which an individual is accountable to a higher authority, official, or the public for their actions (Shafritz et al., 2015). Therefore, this concept includes clarity of function within an organization and how to account for it. Meanwhile, the concept of responsibility reflects the responsibility of each individual and organization to comply with all duties, rules, and policies related to an organization's activities (Dion, 2010).

Risk management theory states that risk can be treated in various ways, namely: (1) avoiding risk, meaning deciding not to engage in activities that pose a risk; (2) mitigating risk, meaning reducing the likelihood of occurrence and mitigating its consequences or impact; (3) transferring risk, meaning transferring the risk to another party to bear the risk; (4) accepting risk, meaning not taking further action to compensate for the risk that must be taken; and (5) exploiting risk, which is the act of taking risks in other options that are the result of proactive and conscious decisions to take new risks because they have superior areas. The steps or processes carried out systematically to manage risk threats are known as risk management (Siahaan, 2009).

Meanwhile, the risk management process based on ISO 31000 consists of three major processes: (1) establishing the context, which aims to identify and express organizational objectives; (2) risk assessment, which consists of risk identification, risk analysis, and risk evaluation; (3) risk handling, which consists of: risk avoidance, risk mitigation, risk transfer, and risk acceptance (Susilo & Kaho, 2018). These three major processes are accompanied by two processes: (a) communication and consultation; and (b) monitoring and review (Suwanda, 2019).

The goal of risk management is to create and protect value. Risk management improves performance, encourages innovation, and supports the achievement of objectives. According to ISO 31000:2018, there are eight principles of risk management: (1) integrated; (2) structured and comprehensive; (3) customized; (4) inclusive; (5) dynamic; (6) best available information; (7) human and cultural factors; and (8) continuous improvement.

Integrated means that risk management is an integral part of all organizational activities (Spikin, 2013). A structured and comprehensive approach to risk management will produce consistent and comparable results. Lister (2007) emphasized the importance of an antifraud program for organizations to identify risks and mitigate them comprehensively and in accordance with a holistic approach. The concept of structured and comprehensiveness represents order, regularity, and adherence to existing policies.

Risk management frameworks and processes must be tailored to their users and commensurate with the internal and external contexts, including related objectives. Implementing a risk management program clarifies the role of internal auditors in providing assurance on risk management. An audit risk model can be offered to external auditors, based on and tailored to the organization's risk management as a solution to a fraud crisis (Ovidiu-Constantin et al., 2010). Adequate and timely inclusive stakeholder engagement will encourage all stakeholders to share knowledge, views, and perceptions for consideration. Clear policies can generally guide decision-making (Snider, 1990).

Risks can emerge, change, or disappear when the external or internal context changes. Risk management anticipates, assesses, understands, and addresses these changes and events appropriately and timely. Rapid change puts pressure on risk management, making it difficult for organizations to adapt. Research by Mehr & Forbes (1973) and Crockford (2005) recommends that risk management be a function of all managers, not just one department within the organization. Risk management input is based on historical and current information, as well as predictions or expectations for the future. Information should be timely, clear, and available to relevant stakeholders (Susilo & Kaho, 2018), taking into account elements of fraud risk, including external audits, risk, fraud, internal controls, risk management, and existing regulations (Power, 2013).

Human culture and behavior significantly influence the implementation of all aspects of risk management at every level. Maynard suggests that management is evaluated by the effectiveness of risk management, with internal audit being a key element (Maynard, 1999). Stulz (2008) identifies five types of failures as inappropriate actions: misjudging and ignoring risks, ignoring known risks, lack of communication, and failure to monitor or manage risks. Risk management involves continuous improvement based on experience and learning. Challenges to an organization's sustainability come from both internal and external factors. External factors include external parties who discourage the organization from growing and developing because doing so would conflict with their interests. Internal challenges include attitudes, behaviors, and morals of members or internal policies that deviate from the organization's ideals (Djalaluddin, 2014).

The internal control system is part of risk management, aiming to ensure the achievement of organizational goals in terms of operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations, and policies (Michelon et al., 2015). Mwakimasinde et al. (2014), and Beeler et al. (1999), revealed that the internal control system is an integral part of the financial and business policies and procedures of any organization. This is because the internal control system consists of all actions taken by the organization to protect its resources from waste, fraud, and inefficiency, ensure the accuracy and reliability of accounting and operational data, and ensure compliance with organizational policies, evaluate the level of performance across organizational units (Kabuye et al., 2017). According to Gupta & Govindarajan (1986) and Michel & Hambrick (1992), the CEO is the main practitioner of the company's system arrangement, determining the control mechanism and exerting its effects. The person most responsible for internal control in the company is the CEO (Chen & Wang, 2014) who is the core of the internal control framework and has the greatest influence at the center of power (Dalton & Kesner, 1985).

5. Conclusion

Fraud is a legal violation committed by parties within or outside an organization for personal or group gain, directly or indirectly harming other parties. Fraud is a classic manifestation of

weak governance and is one of the biggest obstacles to achieving goals. According to the fraud triangle theory, individuals commit crimes due to three factors: pressure, opportunity, and rationalization. Generally, fraudulent acts are classified into three categories: corruption, asset misappropriation, and report manipulation.

Risk is the uncertainty that impacts objectives. Risk management, on the other hand, is a series of methodologies and procedures used to identify, measure, monitor, and control risks arising from all of an organization's business activities. In the economic and business sectors, there are three types of risks: business risk, strategic risk, and financial risk. The risk management process is the systematic application of policies, procedures, and practices related to risk communication and consultation activities, establishing the scope, context, and criteria of risk, conducting risk assessments, risk treatment, monitoring and review, recording, and reporting. Risk treatment can be carried out through the following methods: avoiding risk, reducing risk, transferring risk, accepting risk, and exploiting risk. The primary foundation for implementing an effective fraud prevention program is a comprehensive risk assessment process.

Every organizational activity will always involve uncertainty, which is synonymous with risk, including the risk of fraud. Therefore, management is responsible for managing the risks faced. Risk management and internal control contribute to the implementation of good governance, particularly in improving the success of achieving organizational goals. Without risk management, the internal control system becomes less effective. Meanwhile, without an internal control system, the control aspect of good governance becomes less effective. An effective fraud prevention strategy in an organization is to implement a comprehensive risk assessment process. The basic concept of fraud risk assessment is the assessment of the occurrence and impact of identified risks. A fraud risk assessment (FRA) procedure is required to distinguish and evaluate risks related to gaps in achieving organizational goals. A recurring cyclical change process is required to identify and assess the risks related to these gaps. Fraud risk assessment is an effective tool for fraud prevention because it can improve competency in searching for, detecting, and preventing fraud.

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