

Keeping one step ahead of fraud

Insider Fraud



We know how important it is to keep your business secure against fraud and scams. 'Insider fraud' is a threat you need to be aware of. Read on to discover what to look for and what you could do to protect your business.

Insider Fraud

This is also called employee or internal fraud and is when a person within your company commits a fraud against it.

What to look for

Insider fraud cases often feature the following three elements. Whilst initial values of funds taken may start small, the amounts will often increase with the confidence of the perpetrator.

Pressure or Motive – can be driven by financial difficulties, addictions, trying to maintain a certain standard of living or organised crime involvement. These can motivate or pressure the employee to commit fraud.

Rationale – employees convince themselves what they are doing is justified. For example, staff thinking they aren't paid enough or that the company can afford it.

Opportunity – an employee sees an opportunity and takes it. The opportunity can often occur as a result of lack of internal controls and processes, access to financial systems provided when it's not needed and an abuse of authority.

If you remove the opportunity, you can protect your business from fraud!

What to do

- Ensure robust pre & post employment screening processes are followed
- Ensure clear segregation of duties, especially for staff dealing with payments (consider Dual Authorisation on Bankline)
- Regularly reconcile bank statements & other accounts
- Restrict and monitor access to sensitive information
- Have a robust annual leave policy in place. Reluctance to take leave could be a fraud indicator
- Preventing the opportunity is key to stopping Insider Fraud

Don't forget

Failure to take adequate security precautions could ultimately leave your business liable for any losses which arise from fraud. The Bank will **NEVER** ask you for your full PIN and password online, **NEVER** ask you for your PIN, password or smartcard codes over the telephone and will **NEVER** ask you for smartcard codes at log in.

Get in touch

If you suspect fraudulent activity on Bankline, call: **0800 161 5157**

To report other suspicious activity, call: **0800 161 5150**

If you need any other help, please call your Relationship Team.

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