

Economic crime in New Zealand

What you need to know

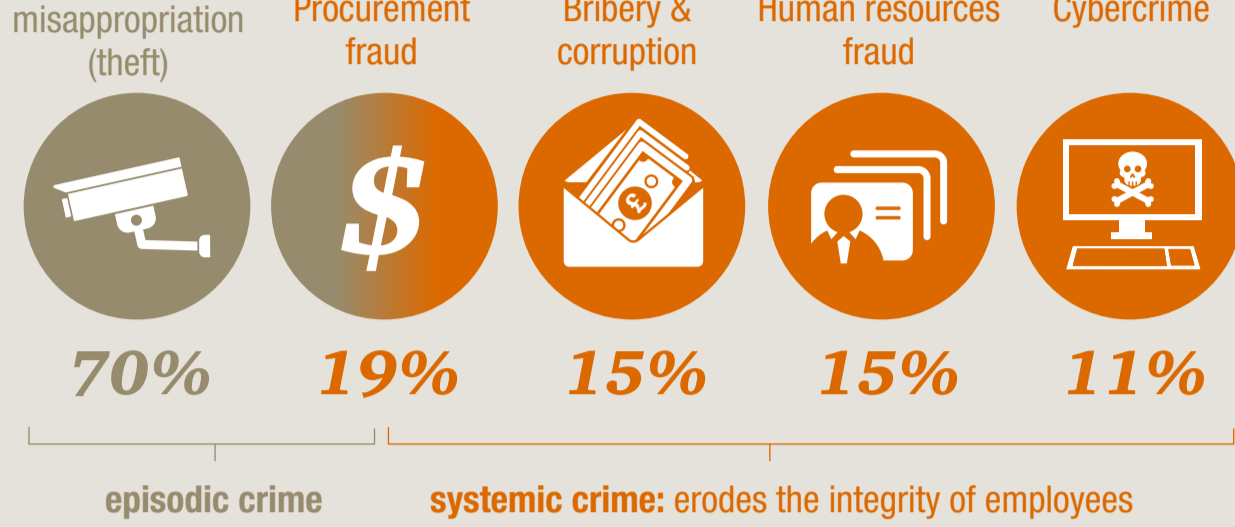
Economic crime continues to be a major concern for organisations of all sizes, across all regions and in virtually every sector. One in three New Zealand organisations reports being hit by economic crime.

33%

Financial losses are not the only concern: the true cost of fraud to reputation, employee morale and external relationships can be long lasting.

Most commonly reported types of economic crime

Five types of frauds are consistently reported – asset misappropriation, procurement fraud, bribery and corruption, human resources fraud and cybercrime.



episodic crime

systemic crime: erodes the integrity of employees

The New Zealand c-suite gets the message

How **concerned** are you about the following potential business threats to your organisation?

43%

A lack of trust in business

Cyber threats including lack of data security

40%

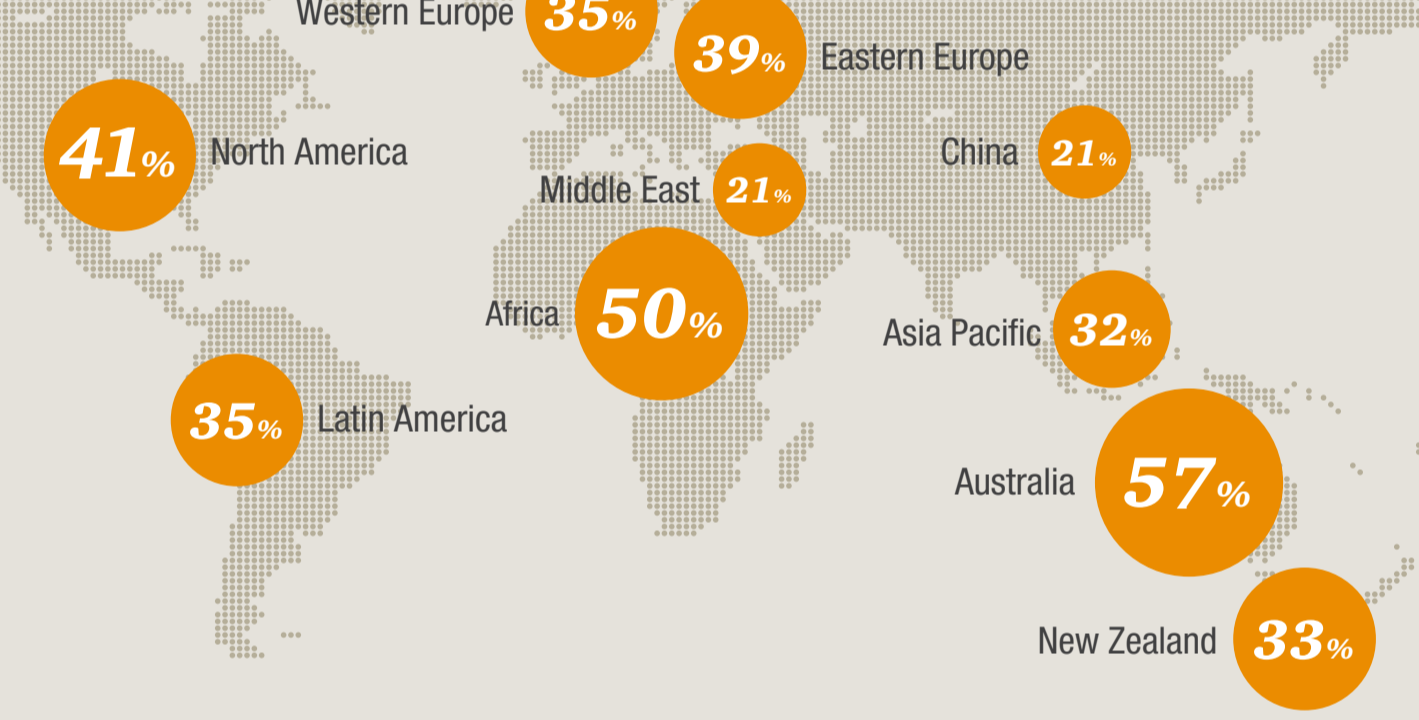
31%

Inability to protect intellectual property

New Zealand data from PwC's 17th Annual Global CEO Survey

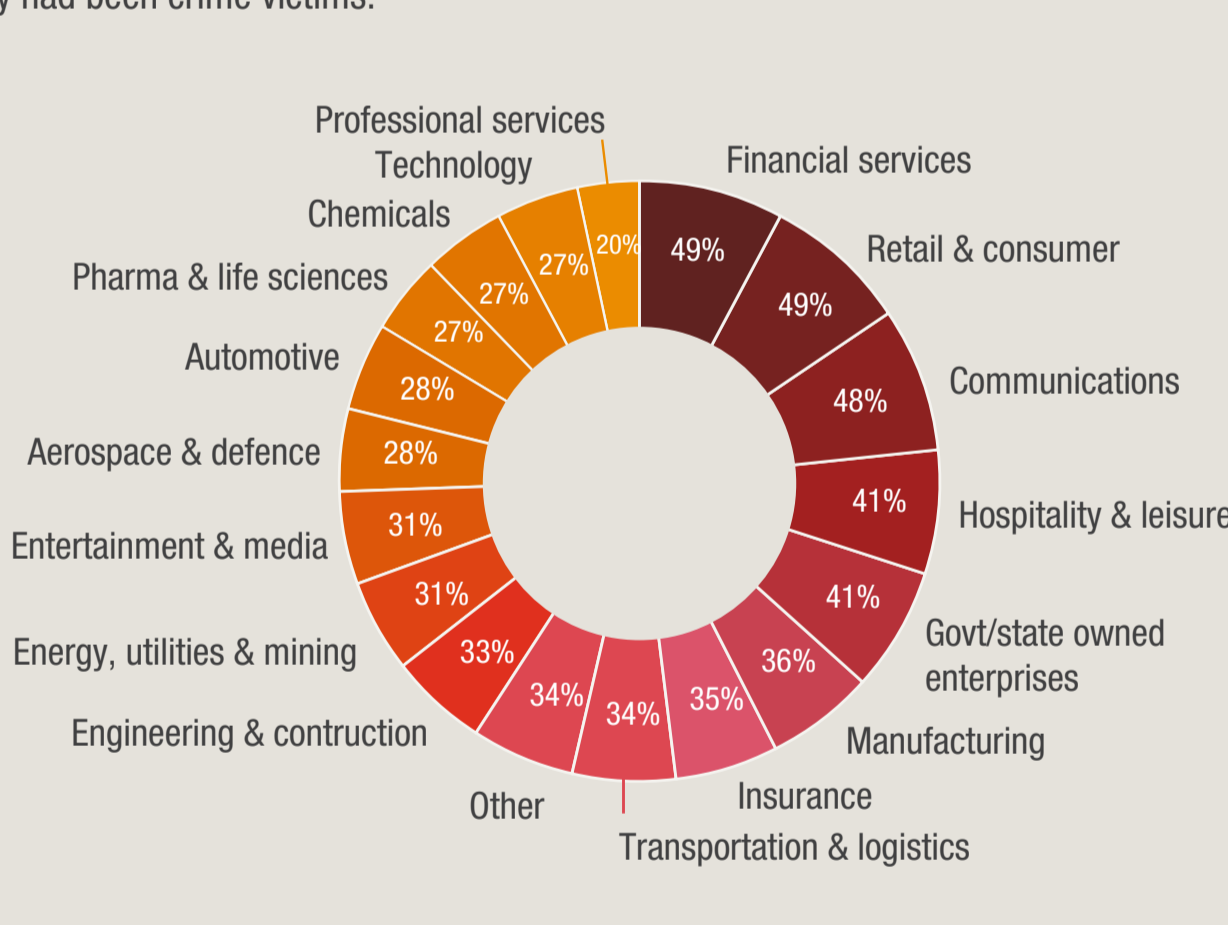
Where does economic crime occur?

Economic crime is a pervasive global threat. The highest levels of economic crime are consistently reported by respondents in Africa (50%) and North America (41%).



Which industries are at risk? A global outlook

By industry, economic crime is most commonly reported in the financial services, retail and consumer, and communications sectors. Nearly 50% of respondents in each said they had been crime victims.



Processes under threat

Economic crimes threaten the basic processes common to all businesses – paying and collecting, buying and selling, growing and expanding, sourcing and supply chain.



To catch a thief

Tip-offs, including whistleblowing, detect 37% of economic crimes in New Zealand

37%

Know your enemy

Businesses face threats from both internal and external sources and multiple angles. 70% of New Zealand organisations say the main fraud threat comes internally.

Profile of a typical NZ internal fraudster

Gender: male
Age: 31-40 years
Length of service: 5 years or less
Education level: High school level or less

The internal threat has the greatest impact when senior managers are involved.