Reviews

Investigating Corporate Fraud

by M.J. Comer

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(245 pages, £65.00)

Reviewed by Mark Button

The problem of fraud has emerged increasingly as a growing problem for a wide range of organisations. It ranges from small-scale opportunistic frauds that have limited impact on the balance sheet to large-scale endeavours that lead to the collapse of the corporation. Indeed the book shows that 30 per cent of businesses which fail do so because of fraud. The growing problem of fraud, however, has not been accompanied by expanding public resources to investigate, prosecute and recover monies from fraudsters. If anything, resources have reduced.

It is within this context that many organisations have turned to their own investigators and contract agencies to tackle fraud. *Investigating Corporate Fraud* is aimed at such organisations, with a brief to inform them about the potential problems and the strategies that can be put in place to minimise their risk. It provides a comprehensive range of strategies, information and advice for a generalist on countering fraud. In doing so it does not meander into investigatory jargon or legal discourse; rather it plainly and simply deconstructs a complex range of information on the subject to inform the reader. The style of the book, with excellent case study boxes and illustrations as well as cartoons, serves to make what can often be a dry subject very enjoyable.

The book is divided into two parts and in the first, after a brief introductory chapter outlining the characteristics of fraud, it begins with an overview of '12 deadly sins' relating to what organisations often do wrong when confronting fraud. These will be familiar to many companies as well as to students of fraud. They include common mistakes such as placing the manager of a department where a fraud has taken place in charge of the investigation; managers confronted with obvious evidence of fraud covering it up to protect their own interests; and managers believing that investigations will be easy, fast, cheap and ultimately successful. Each of the 12 deadly sins is backed up with case studies to illustrate how they occur, as well as with commonsense advice on how to avoid them.

Chapter 3 is particularly worth noting, as it takes on the impressive challenge of exploring criminal and civil law in England and Wales related to fraud. This 'working class overview', as the author describes it, is an excellent introduction to the subject explained in a clear and simple way. It outlines the structure of the legal system, standards of proof, and the main statutes regulating investigators. Part 1 of the book is then completed with two chapters, the first of which explores the essential aspects of investigations and the second the main planning and policy issues.

In the second part of the book chapters are devoted to the different parts of an investigation, providing no-nonsense advice for undertaking them. This covers a logical sequence from the initial suspicion of fraud, to the planning of the investigation, to interviews and asset-tracing, to giving evidence. These chapters provide a concise and readable introduction to the process of the investigation of fraud.

Overall this is a book from which a complete novice to the subject of fraud will learn a great deal, as will, probably, some experts. The presentation of the subject with text boxes, graphics and cartoons should be a template for other books seeking to introduce a ‘dry’ subject. *Investigating Corporate Fraud* should be essential reading for all those in organisations with a responsibility for countering fraud.

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