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INDUSTRY, IDEAS AND INNOVATIONS

## Half the size but twice the damage



**tania  
BAWDEN**

TEN-FIGURE fraud cases involving large companies such as HIH have dominated headlines but were only the tip of the iceberg, an industry expert believes.

When small to medium-sized companies are victims – even if smaller amounts of money are stolen – the effects are far greater, said KPMG Forensic national managing partner David Van Homrigh.

The results can be devastating, both on the company's finances and on staff morale.

"SMEs generally don't have the same ability as larger organisations to rely on internal policies and procedures to detect and prevent fraud," Mr Van Homrigh said.

"They are more exposed because there is usually a smaller number of people, who are multi-tasked, so there is less separation of roles and ability to review procedures."

The KPMG Fraud Survey 2004 shows while SMEs recognise the risks, they still lack effective internal controls.

The survey found poor internal controls and the over-

### THE EVIDENCE

- Gambling, greed the most common motivators.
- Of 491 organisations which responded to Australia-New Zealand survey in 2004, 221 had lost a total of \$457 million – an average loss of \$2.1 million each.
- In one-third of cases, warning signs either ignored or not acted upon quickly.
- In 44 per cent of the frauds, there was no recovery of money.
- Non-management male employees – average age 31 and six years with the company – acting alone the most common perpetrators of major fraud.

Source: KPMG Fraud Survey 2004

riding of internal controls were the most important factors in allowing fraud to occur.

"Managers need to regularly monitor and upgrade these systems," Mr Van Homrigh said. "Smaller companies will often say it cannot happen to us because we know our people and it simply couldn't happen to us."

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PAGE 60: Shred the risk

PAGE 59: Prevention first

PAGE 58: Family no guarantee

## When image is everything



DRESS FOR SUCCESS: Salli Crozier and Nicole Underwood at work.

Picture: MARTIN JACKA

### NATHAN CROSS

GETTING ahead in your career does involve hard work and persistence, but there are other factors.

Entree Recruitment general manager Nicole Underwood said presence, exposure and image have a lot to do with what goes on within corporate organisations in terms of who gets promoted or who clinches that important deal.

Her own research had found promotion was based on 60 per cent

exposure, 30 per cent image and 10 per cent performance.

Ms Underwood and senior consultant Salli Crozier spoke recently at a Young Business Forum breakfast titled "Getting ahead in your career - tips for increasing your chances of promotion".

Ms Underwood said a person's presentation was a key factor in increasing chances of promotion or gaining business.

"Dress for the job you want, not

the job you have," she said. "Presentation is important to create a great first impression and says that you take yourself seriously and have high standards of success."

Ms Underwood said confidence was also vital because people naturally gravitate towards those who are self assured.

"When selling yourself and your ideas, a good tip is to talk in terms of outcomes and not responsibilities," she said.

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