TRAINING IN CRIME PREVENTION STRATEGIES AND TECHNIQUES IN THE COMPANY

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ABSTRACT

The purpose of this Community Service is to increase the understanding, awareness, and practical skills of participants, especially at the managerial level, in recognizing, preventing, and investigating various forms of fraud that often occur in companies, both in the state-owned and private sectors. This training not only emphasizes understanding of basic concepts, but also the ability to identify modes, motives, and areas prone to fraud in the fields of human resources, finance, procurement, logistics, maintenance, and other important functions. The methods used include theory-based interactive training, group discussions, case study analysis, and fraud investigation simulations. This approach provides a comprehensive understanding of the typology of fraud, including *asset misappropriation, fraudulent statements* and *window dressing*, as well as *corruption* (bribery, gratuities, and other corrupt practices). Participants are also equipped with the skills to recognize fraudulent behavior at various levels of the organization, from operators to executives. The results of the activity show an increase in critical awareness of fraud risks and the importance of prevention from an early age. Participants gain the ability to detect fraud patterns as well as investigative strategies when cases occur. Thus, the program supports integrity, transparency, and sustainable corporate governance.

Keywords: Fraud, Prevention, Investigation, Managerial, Corporate Governance

1. INTRODUCTION

One of the most important things in managing a business is how the company is able to prevent the possibility of fraudulent acts and crimes committed by employees or officials within the company itself. Acts of fraud are not uncommon to be carried out individually, but often also occur due to cooperation with other parties outside the company who have certain interests. Such malicious agreements not only harm the company financially, but can also damage reputation, weaken partnership relationships, and threaten business continuity (Wells, 2017) . Therefore, the strategy to prevent fraud is very basic to maintain the integrity and competitiveness of the company (ACFE, 2024) .

On the other hand, companies must also have the skills to dismantle fraud if the case has already occurred. It is not enough just to be preventive, but it is also necessary to be quick and precise in conducting investigations. With a systematic investigation, the company can reveal the modes, motives, and parties involved so that enforcement and recovery steps can be carried out appropriately (Kranacher et al., 2019) . This is especially important because the impact of fraud is not only related to financial losses, but also concerns the stability of relationships with business partners, public trust, and the long-term viability of the company (Guellim et al., 2024).

In the era of global competition, the *competitiveness* of a company is largely determined by efficiency, transparency, and management accountability. One of the threats that most often weakens companies is the emergence of fraud on various fronts. Fraud in a company is not only an ethical issue, but also an economic and legal issue. Many companies have collapsed not because they have lost competition in the market, but because of weak internal control systems that allow fraud to continue undetected (Rezaee, 2002; Sudjono, 2023). Fraud can appear in different parts of the company. In the field of human resources, for example, fraud can be in the form of manipulation of recruitment data, abuse of authority in job promotions, or the practice of nepotism. In the financial sector, fraud can be in the form of embezzlement of funds, engineering financial statements, to *window dressing* practices to cover losses (Beasley et al., 2010). In the procurement function, the potential for fraud is enormous, such as price mark-up practices, falsification of contract documents, or collusion with vendors. In logistics, fraud can be in the form of embezzlement of goods, manipulation of distribution data, and falsification of shipping documents. Even in the maintenance department, there are no fraudulent practices, such as manipulating maintenance schedules, using fake parts, or inflating repair costs.

In general, fraud can be categorized into three main forms: asset misappropriation, fraudulent statements, and corruption (Cressey, 1953; ACFE, 2024; (Zimbelman et al., 2019). First, *asset misappropriation* , which is the misuse or theft of company assets. These cases are most common, ranging from petty cash embezzlement to inventory theft. Second, *fraudulent statements* are false or manipulative reports that are usually based on accounting or financial engineering. This practice can be in the form of balance sheet manipulation, inflating income, or reducing liabilities to display seemingly healthy performance. Third, *corruption*, which includes the practice of bribery, gratuities, *economic extortion*, and other forms of corruption involving abuse of office. These three types of fraud can occur at all levels of the organization. At the operator level, fraud may be in the form of embezzlement of goods or manipulation of work data. At the supervisor and manager level, fraud can be in the form of collusion with vendors, manipulation of reports, or abuse of authority. Meanwhile, at the senior level of managers to executives, fraud can be more complex, such as engineering financial statements for personal or political interests, as well as decision-making that benefits certain groups.

The training carried out in this community service program emphasizes fraud prevention strategies. Effective prevention is carried out by strengthening internal control systems, building a culture of integrity, and increasing transparency in every business process. In addition, companies also need to implement a secure *whistleblowing system* so that any indication of fraud can be detected immediately (IFAC, 2021). However, if fraud has occurred, the company must have good investigative skills. Investigations include evidence collection techniques, interviews, data analysis, and the preparation of investigative reports that can be used as the basis for action. In the training, participants were invited to conduct an investigation simulation so as to understand practical steps in dismantling fraud (Kapo et al., 2024).

In addition to prevention and investigation strategies, the training also emphasizes the importance of skills in negotiation and mediation. This is necessary to resolve disputes effectively without damaging the business partnership relationship. In certain cases, settlement can involve the realm of criminal law, so companies need to be agile in dealing with the process. Crisis handling is an important key to maintaining a company's reputation in the eyes of the public and business partners. Recovery after fraud cases is also an important part. Recovery is not only limited to the return of financial losses, but also includes improving the system, increasing supervision, and strengthening the culture of integrity so that similar incidents do not happen again (Tuanakotta, 2010)..

The training, which is aimed at participants at the managerial level and above, has resulted in several important achievements. First, increasing critical awareness of the magnitude of fraud risks in the company environment. Second, increasing the ability of participants to recognize patterns, modes, and motives of fraud from an early age. Third, practical skills in conducting fraud investigations systematically and professionally. Fourth, understanding the importance of maintaining a company's reputation through proper crisis handling. With these results, these community service activities have made a real contribution to efforts to build a company with integrity, transparency, and high competitiveness. Furthermore, this activity supports the realization of *good corporate governance* and creates a healthy and sustainable business environment (Saputri et al., 2025).

2. METHOD

This community service was carried out by the community service collaboration team of Prof. Dr. Moestopo University (Religious), Yogyakarta University of Technology and Trainers, HR Consultants and Bandung Academics at one of the state-owned companies (BUMN) in Indonesia on August 12,

2024. The activity is focused on a form of training aimed at employees at the managerial level and above, with the aim of increasing understanding, vigilance, and skills in recognizing, preventing, and investigating various forms of fraud in the company environment. The method used is interactive counseling, which is by providing a direct explanation of the basic concept of fraud, the typology of fraud, and its impact on the company. This counseling was enriched by the presentation of real cases, namely examples of fraud that often occur in various parts of the company, such as human resources, finance, procurement, logistics, and maintenance. In addition, participants were also invited to understand how fraudulent behavior can appear at various levels of the organization, ranging from operators, supervisors, managers, senior managers, to executives. The typology of fraud discussed includes asset misappropriation, *fraudulent statements* and *window dressing practices*, as well as *corruption* (bribes, gratuities, and other forms of corruption).

The training method is not only in the form of theoretical explanations, but also uses group discussions and practical simulations. The discussion was used to explore the experiences of participants as well as find joint solutions to potential fraud in the work environment (Free & Murphy, 2015). The simulation was carried out to train skills in recognizing modes, dismantling fraud cases, and mastering negotiation and mediation techniques in dispute resolution (Kranacher et al., 2019).

This approach is complemented by an emphasis on crisis handling strategies so that the company remains alert to fraud cases, as well as appropriate recovery measures to maintain the sustainability of the Company's business and reputation (Sudjono, 2023; Guellim et al., 2024). With this method, it is hoped that participants will not only understand the concept, but also be able to implement prevention and investigation strategies in real life in the field(Saputri et al., 2025).

Figure 1. Training activities

Figure 2. Fraud Problem Solving Practice Activities

Figure 3. Group Photo of Some of the Training Participants

3. RESULTS AND DISCUSSION

The Community Service team's activities were carried out at one of the state-owned companies in Indonesia on August 12, 2024, with the main focus on fraud prevention and investigation training for employees at the managerial level and above. This training emphasizes understanding of the basic concepts of fraud, typologies of fraud, and prevention and investigation strategies that can be implemented in real life in the work environment. The results of the activity showed an increase in participants' critical awareness of the risk of fraud that can occur at various levels of the organization. Before taking part in the training, most participants had the perception that cheating was more common at the operational level. However, through the presentation of real cases, participants understand that fraud can appear at all levels of the organization, both through asset misuse, financial statement engineering, and corrupt practices. This understanding fosters a proactive attitude in supervising potential fraud in their respective work units.

In addition, this activity also increased participants' knowledge about fraud prevention strategies. The material presented emphasized the importance of strengthening the internal control system, implementing a safe whistleblowing system, and establishing a culture of integrity in all company lines. Participants can identify gaps in internal control that are still weak, for example the lack of independent internal audits and weak verification procedures in the procurement of goods and services. This understanding is an important provision for participants to encourage the improvement of the control system in their work environment.

This training activity also provides more applicable fraud investigation skills. Through simulations, participants were trained to conduct interview techniques, document analysis, and tracking financial transactions. The simulation results showed that participants increasingly understood the importance of speed in detecting fraud indications and accuracy in collecting valid evidence. Participants also practice compiling investigative reports that can be used as a basis for managerial decision-making and legal steps if needed. This investigative skill was initially seen as the task of law enforcement officials or external auditors, but after attending the training, participants realized that the initial investigation had to be carried out within the company, especially by managers who understood the business process.

Another aspect gained from the training is the ability to resolve conflicts and crises. Fraud not only causes financial losses, but also a crisis of trust that can damage a company's reputation. The training emphasizes negotiation and mediation skills in conflict resolution, so that companies can resolve fraud cases without damaging relationships with business partners. Participants realized that recovery is not enough in the form of a return on financial losses, but also requires a fast, open, and measurable crisis communication strategy to maintain the company's reputation. This awareness fosters participants' commitment to maintaining long-term partnership relationships and the company's reputation in the eyes of the public.

The results of the training also showed an increase in the motivation of participants to implement the principles of good corporate governance (GCG). Participants expressed their commitment to strengthening transparency, accountability, and integrity in carrying out managerial functions. This is in line with the direction of the Indonesian government's policy which emphasizes the implementation of good corporate governance in SOEs as a form of public accountability. Thus, this activity not only provides individual benefits, but also strengthens the capacity of the organization as a whole in realizing healthy corporate governance.

The discussion during the training showed that fraud prevention strategies through internal control are the most effective approach. Companies with weak control systems are more susceptible to fraudulent practices, especially in finance and procurement. The group discussion also revealed that there are still weaknesses in the vendor verification process and a lack of transparency in logistics logging, which is an entry point for fraudulent practices. Through this activity, participants were encouraged to propose procedural reforms and improve the supervision mechanism in their respective units.

In addition, the investigation simulation provides participants with practical experience in dismantling simple fraud cases, such as manipulation of recruitment data, price mark-ups in procurement, and engineering of distribution reports. Participants realized that internal investigations are a crucial step to prevent small cases from developing into major scandals that systemically harm companies. This understanding confirms that every manager has a strategic role in detecting and dealing with fraud early on.

The training also emphasized the importance of maintaining business sustainability through proper crisis handling. Fraud cases can lower public trust, which ultimately threatens the company's competitiveness. Therefore, post-fraud recovery is not only limited to financial aspects, but also involves system recovery, increased supervision, and strengthening the culture of integrity. In this way, companies can fix existing weaknesses while strengthening the foundation of good governance.

The implications of the results of this training are quite broad. For companies, training can be the basis for strengthening internal control systems and building a more effective whistleblowing system. For managerial employees, this activity provides applicable investigative skills so that they can improve the quality of supervision in each unit. As for the development of science, this activity provides an empirical contribution to fraud prevention and investigation strategies in the context of Indonesian SOEs, which is still rarely explored in depth in the academic literature.

Thus, it can be concluded that this Community Service activity has succeeded in achieving its goals. The training not only enhances participants' conceptual understanding of fraud, but also strengthens practical skills in prevention, investigation, conflict resolution, and crisis management. Furthermore, this activity makes a real contribution to supporting the implementation of good corporate governance in SOEs, as well as creating a healthy, transparent, and sustainable business environment.

4. CONCLUSION

This Community Service Training has made a real contribution in increasing participants' understanding, awareness, and skills in recognizing, preventing, and investigating various forms of fraud that have the potential to harm the company. Through counseling methods, case studies, simulations, and discussions, participants were able to understand fraud typologies, modus operandi, and prevention strategies that can be applied in various lines of the organization, from the operator level to top management.

The results of the activity showed an increase in participants' critical awareness of the importance of integrity, transparency, and the implementation of *good corporate governance*. By participating in this training, the company has invested in building a healthy work culture, maintaining its reputation, and increasing competitiveness amid increasingly complex business challenges.

As a follow-up, it is recommended that companies integrate these training materials into their human resource development programs on an ongoing basis, establish special units or anti-fraud teams, and strengthen effective internal control systems. This recommendation aims to ensure that prevention efforts are not only temporary, but part of the company's long-term strategy. Thus, the benefits of PKM are expected to continue, support business sustainability, and ensure that the company remains on a healthy and prospective growth path.

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