

How each department in every SA business can mitigate fraud in 2024

Fraud of all kinds increased by a shocking [600%](#) over the last four years in South Africa. Clearly, it's more important than ever to follow best practices when doing due diligence before sealing a business deal with someone – whether client or enterprise.

Robust Know Your Customer (KYC) or Know Your Business (KYB) checks are one of the best ways to mitigate fraud risk, says Sameer Kumandan, Managing Director of [SearchWorks](#), South Africa's largest and most innovative data aggregation platform. "Having reliable data is crucial before making any significant business decisions. Whether it's hiring a new employee or partnering with a supplier, having accurate information will not only reduce the risk, but also provide confidence in the decision-making process."

But such in-depth checks can prove to be quite the admin headache. That's where a KYC and onboarding specialist such as SearchWorks can help. Here's how each department can benefit:

Human Resources: According to a survey from [CareerBuilder, 75% of HR managers](#) have caught wind of a CV lie. Making a poor hiring decision based on fraudulent or falsified information can be time-consuming, resource-intensive at best, and much more than a costly mistake at worst - imagine a mining engineer jeopardising the safety of thousands of workers underground because they exaggerated their previous experience.

That's why background checks are a smart way to uncover any red flags that could indicate that a potential new hire is a risk. This involves verifying all the information contained on their CV - from education to work experience and certifications.

Some of the background check searches that can be run on candidates using SearchWorks include ID verification, qualifications checks, social media checks, criminal checks, BEE ID photo verifications, and driver's licence/PDP verification. Other useful checks, especially for individuals working in finance or to be appointed in leadership roles, include politically exposed persons and sanctions, FAIS status, SAFPS fraud verification, employment confidence index, gross monthly income, and CIPC director search.

Finance: If an accountant does not know their client or client's business, they run the risk of inadvertently being complicit in committing fraud, money laundering or tax evasion. But knowing everything about the business entity or client you are dealing with can be complex. "Besides the importance of having access to reliable, up-to-date data from

several sources, professionals need information obtained within the remit of the law, aligned with the National Credit Regulator and compliant with POPI regulations,” says Kumandan.

The SearchWorks online platform allows users to conduct live, accurate searches on individuals and companies, and in-depth KYC checks online. This gives them access to reliable data such as credit checks, deeds checks, exclusive use area verifications, valuations of properties and vehicles, CIPC records, qualification searches, Anti-Money Laundering (AML), PEP and Sanctions. In addition, ID and bank account verifications, asset valuations, live tracing on individual and company records, and property and directorship searches can all be done within the confines of the law.

Procurement: Onboarding fraudulent suppliers or tender applicants can mean the end of a company, so vetting all suppliers and third parties is crucial. This includes the obvious checks such as BEE status and account verification, but also harder-to-come-by information such as checking whether there are any sanctions against a company. “To assist in their role as gatekeepers in ensuring that their business only engages with legitimate partners and safeguards against fraudulent practices, procurement departments need the ability to thoroughly vet vendors, perform company background checks, and assist in crucial decision-making that ensures that organisations can grow with complete confidence,” says Kumandan.

SearchWorks’ platform not only provides reliable data to minimise risk, but reduces employees’ time and effort digging into various systems when looking for further information. It can help with credit checks (whether companies or individuals), CIPC vetting, asset deeds, VAT verification, sanctions vetting, account verification, default listings, and much more.

Legal: In the modern landscape, South African legal professionals can benefit from platforms that aggregate data from various public and private sources, including the Deeds Office, CIPC, credit bureaus, and additional reputable providers. These digital resources offer a multitude of search parameters that encompass individual, business, trust, property, credit, and adverse news searches.

SearchWorks allows lawyers quick access to accurate data on their clients, potential clients, and other parties involved in their cases. This can help with financial compliance, legal research and case preparation, as well as tracing and investigations in a broad

spectrum of legal specialties, including conveyancing, litigation, commercial law, and more.

With over 160 different search types and access to more than 20 data sources, platforms like SearchWorks have become indispensable – not only in the fight against fraud, but to increase efficiencies as businesses evolve in an ever-complex world. “Embracing such innovative solutions ensures that different departments can navigate their myriad responsibilities with greater confidence – and ensure businesses operate more ethically, transparently, and proficiently,” says Kumandan.

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