Fraud Investigator interview questions

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What to expect

Fraud investigator interviews assess your ability to analyse financial records, conduct interviews, build evidence and work within legal and regulatory frameworks. Employers look for a mix of technical skill, investigative judgement and ethical awareness.

- **Technical:** Questions on financial analysis, tools such as IDEA or SQL, and methods for tracing funds.
- **Process:** Questions that ask you to walk through an investigation from start to finish, including evidence gathering and reporting.
- **Behavioural:** Questions about past experience with interviews, stakeholder coordination or difficult cases.
- **Scenario:** Hypothetical situations that test your judgement, such as handling a senior suspect or a conflict of interest.
- **Regulatory and legal:** Questions on relevant legislation, such as the AML/CTF Act or the Criminal Code, and how you ensure compliance.

Typically, the interview begins with introductions and background questions. Then the panel moves to technical questions about your tools and methods, followed by behavioural and scenario-based questions. Some employers include a case study or written exercise. You will usually have a chance to ask questions at the end.

1. Walk me through how you would investigate a flagged transaction from start to finish.

Why they ask

This tests your investigative process, attention to detail and ability to follow evidence.

How to structure your answer

Provide a step-by-step walk-through: initial review, gathering evidence, interviews, reporting, coordination.

Example answer

“I would start by reviewing the flagged transaction and any associated account history. I would pull statements, transaction logs and customer records using SQL and Excel to establish a pattern. Then I would trace the funds across accounts, documenting each step with timestamps and identifiers. If the evidence suggests deliberate wrongdoing, I would conduct interviews with relevant parties, starting with witnesses and then the suspect. Throughout, I would maintain a chain of evidence and prepare a report for legal or management review. Finally, I would coordinate with law enforcement if the case warrants it.”

2. Tell me about a time when you had to interview a suspect who was not forthcoming. How did you handle it?

Why they ask

This assesses your interviewing skills, credibility assessment and ability to remain calm under pressure.

How to structure your answer

Use STAR: Situation, Task, Action, Result.

Example answer

"In a previous role, I interviewed an employee suspected of falsifying expense claims. Initially, they denied everything and gave evasive answers. I remained neutral and focused on the facts, presenting discrepancies I had found in the records. I asked open-ended questions and gave them opportunities to explain. Eventually, they admitted to some claims. I documented the interview carefully and included it in my report, which led to a disciplinary outcome."

3. You suspect an employee is involved in fraud, but they are a senior manager. How do you proceed?

Why they ask

This tests your judgement, ethical stance and understanding of organisational protocols.

How to structure your answer

Assess the situation, consider policies, escalate appropriately, maintain confidentiality, gather evidence, involve legal and HR.

Example answer

"I would first ensure I have enough evidence to justify further investigation without alerting the suspect. I would review our internal fraud policy and confidentiality requirements. Given the seniority, I would escalate to the appropriate authority, such as the head of compliance or legal counsel, before taking any overt action. I would continue to gather evidence discreetly and document everything. I would not confront the manager directly without guidance from legal or HR, to avoid compromising the case or facing retaliation."

4. What tools and techniques do you use to trace funds across multiple accounts?

Why they ask

This probes your technical proficiency and familiarity with investigative software.

How to structure your answer

Describe tools, techniques and documentation methods.

Example answer

"I use a combination of IDEA and SQL to query large datasets and follow transaction trails. For visual analysis, I might use Tableau to map fund flows. I start by identifying the source account and then follow transfers, noting dates, amounts and counterparties. I look for patterns like round-sum transfers, rapid movement or use of third parties. I document each step in a spreadsheet and maintain a clear audit trail, which is essential for any legal action."

5. How do you ensure your investigation reports are legally sound and can withstand scrutiny?

Why they ask

This checks your understanding of evidence standards and legal admissibility.

How to structure your answer

Explain your approach: accuracy, evidence chain, clear language, legal review, compliance with standards.

Example answer

"I ensure every factual statement is supported by evidence, with references to exhibits. I maintain a chain of evidence for all documents and digital records. I write in plain English, avoiding speculation. Before finalising, I have the report reviewed by legal counsel to confirm it meets evidentiary requirements. I also follow any relevant standards, such as those set by the Australian Government Investigations Standards, to ensure consistency and reliability."

6. Describe a time you had to coordinate with law enforcement or legal counsel. What was your role?

Why they ask

This assesses your stakeholder management and ability to work within a multi-agency framework.

How to structure your answer

Use STAR.

Example answer

“I worked on a case involving a large-scale insurance fraud where we needed to refer the matter to police. My role was to prepare a comprehensive brief of evidence, including financial analysis and witness statements. I liaised with the police fraud squad, answering their queries and providing additional documentation. I also coordinated with our legal team to ensure we complied with disclosure obligations. The case resulted in charges being laid, and I learned the importance of clear communication and timely information sharing.”