

# Deloitte. OPERATIONAL FRAUD

SAFETY VS. PRIVACY?

NO SILVER BULLETS

MULTI-DISCIPLINARY!

- Cyber Criminals
- Organized Crime
- Etc

**FRAUD HAPPENS EVERY DAY**

What are the risks: what do you do about them?

Hope to see common definition of risk management

FORMALIZE  
STRUCTURE

We've had to engineer an end-to-end holistic process

WHICH TYPE OF FRAUD IS MOST CONCERNING?

- Identity Theft 62%
- Transactional Frauds 14%
- Account Take over 15%
- Other 8%

WE NEED A COMBINED APPROACH

WHICH MITIGATION EFFORT HELPS REDUCE FRAUD MOST?

- Risk-based Authentication Tools 56%
- Policy & Procedures 28%
- Behavioral Analysis Tools 13%
- Address Verification Tools 3%
- ID exceptions: manage to them

YOU CAN'T DO THIS ALONE!!

- \* Showing NEED COLLABORATION
- \* NEED FUSION OF DATA
- \* VULNERABILITIES
- \* Look for the right info embedded in a systematic methodology

- Are we getting the right info?
- Are we getting actionable intelligence?
- Est. trust: rules of engagement
- Have a risk-based Policy/Approach in place 1st
- Protection Features in Place (Culture of Privacy)

Which dept. in your org leads fraud reduction efforts?

BRIAN McEINLEY  
AL KIRKPATRICK



- 48% Information Security
- 22% Corporate Security

Predicting spike in "Hey, we own your account now" fraud

Need incredibly creative strategies to get ahead this

FINANCIAL CRISIS

What worries me is what I don't know & can't see...

\* SILOS:

Who's going in to authenticated space?

We haven't even seen the bad stuff yet!

Bad guys are 2-3 steps ahead!

\* Reach out! - Bring in people who look at it differently

As bad as it is, this is the EASY stuff!

Unregulated internet  
Long Compression time - a little bit less, a little too late.  
Unless it's exploding, it gets lost in the noise

