

# Fraud Risk Management and Data Mining – Implementing Practical Solutions and Approaches

Banking Operations



9095



In-Class



24 hours



GBP750 +  
EGP11,000

## Course Description:

Fraud is an ever-present risk and one that is notoriously hard to control. In this virtual seminar we will discuss and evaluate the particular fraud risks currently faced by financial institutions, a continuing major target sector for fraudsters and terrorist financiers.

We will consider the key elements of a fraud data management program together the methodologies to be adopted. We will also introduce the approaches used by those who would do your firm, and society at large, harm and focus on the warning signs that signal the need for more in-depth work and/or a full-blown investigation. Key concerns will be addressed, and the application of risk-rating approaches addressed.

We will consider the application of data mining techniques to fraud risk management, considering what the approach can and perhaps most importantly what it cannot achieve.

Examples and exercises will be used throughout to draw out priority areas for attention and to reinforce learning points. You will get tips on what to look for and how to prepare a risk-based fraud prevention, detection and monitoring program.

## Target Audience:

- Risk Managers
- Group Security
- Financial Control Staff
- Operations Staff

## Course Objectives :

To understand current best practice in fraud risk management and applicable data mining techniques. Delegates will learn:

- The key elements of a fraud deterrence risk management structure
- How to develop and implement a structure regarding warning signs
- How to implement fraud data mining
- The limitations of fraud data mining

## Course Outline:

### Session 1: Fraud - Appetite, Risk and Culture

- Fraud definition
- Key elements of a fraud risk management framework

- What is a fraud risk register?
- Sanctions, financial crime and fraud risk management
- What are the key fraud risks in an organisation?
- Are there any indicators that might suggest that fraud is being perpetrated?
- What are the key controls that a firm needs to have?

### Session 2: Fraud detection and Controls

- What are warning signs?
- Developing and analysing fraud scenarios
- What information will you need to evaluate the risk?
- How will you use data mining?

### Session 3: Data Analytics

- Why use data analytics?
- How does this build into data analytics?
- What data mining can and cannot do
- Data analytics v sampling
- Prevention or detection
- Predictive analytics
- Decision trees
  - CHART
  - CAID
- How fraud is concealed in data
- Data matching
- Fuzzy matching
- Duplicates and gaps

### Session 4: Specific Applications

- Accounting and financial records
- Income recognition
- Disbursements
- Procurement
- Corruption
- Treasury

## Course Provider:

Risk Reward