

# CrossFraud – Fraud Analytics



Powerful Hybrid Mechanism to combat Fraud Analytics  
Needs of the Banking and Financial Institutions



## Technology at work for you

Developments in Technology have made new proactive fraud pattern detection techniques possible. Fraud analytics has become essential for every commercial organization in BFSI sector.

Mechanizing and automating the art of detection into a technology driven model which is repeatable across the growing organization is the need of the hour.

A unifying visualization of customer value, business risk and the concomitant fraud is of utmost importance for every bank executive. This becomes all the more compelling in view of the fact that the new genre of bank offers financial services, banking and capital market consultancy in the hope of becoming a one stop shop for all money related needs of consumers.

## Hybrid solution for your business needs

### Conventional Systems

Difficult to model complex cases especially if those are not foreseen. Rule sets require frequent maintenance to maintain existing performance levels. Rules can also discount occurrences of extremely rare items. Number of rules required increases based on the latest behavior of the fraud patterns. Fraud Analysts are required to tweak the rules and hence the interdependencies amongst the rules. Rules have to be changed constantly to combat the change in fraud patterns. Sequential execution means more run time. More rules, more maintenance and Upgrade costs.

### Hybrid Approach

Excellent at handling large sets of data requiring fast processing times. Best technique for creating models when historic outcomes are unknown (for example no tagged fraud transactions). These techniques are good for anomaly detection, internal frauds etc and other peer-based comparisons.

A Changing environment requires an adaptive solution. It is necessary to pin point non obvious relationships among transactions, accounts, customers and other entities like households or enterprises. Machine learning algorithms coupled with data mining techniques are essential to discover the hidden truth behind each and every banking transaction for building the holistic intent across all channels and legal entities. Technology tools to group, cluster and differentiate will reduce false positives.

### Key Features

- **Rule Builder and Engine**
- **Artificial Intelligence based Detectors**
- **Hybrid technology in detecting patterns**
- **Discovery of Frauds – Mechanized Detection**
- **BI dashboards on Key Risk Indicators**
- **Case Worker Management for Digital Forensics**
- **Link Analysis**
- **Peer Analysis**
- **Scenario based Investigation**

## Benefits to Bank

### Lower TCO

- Lowering the maintenance cost, since it is using the hybrid technology in detecting patterns and not just simple rules.
- Lowering the cost of detecting frauds in an efficient and effective manner.

### Single unified view with comprehensive Case Management

- Sophisticated command center with Key Risk Indicators provides single unified view across alerts.
- Comprehensive Case Management for Digital Forensics
- Graphical view with multi level navigational Link Analysis for analyzing customer fund flows.

### Decreases Fraud

- Enhanced accuracy in detection by reducing false positives.
- Adaptive self learning system for changing environment and business needs (since fraudsters change their profile frequently).
- The solution uses behavior profiling for analyzing the behavior of customers, employees, entities in every transaction to identify the sophisticated and complex fraudulent activity.

### Unique Technology

- Unique methodology in leveraging on the forensic analysts expertise in finding similar instances.
- Technology in discovery of new fraud patterns using the memorizer technique.

## Business Intelligence Mechanism

BI tools help the forensics experts with a single unified view and focus on analysis and not data gathering. CrossFraud BI tools help the analysts to go beyond simple case management, by providing them unique investigative tools to increase the accuracy of their decisions.

Rich, interactive visual displays so that business users can immediately see which transaction metrics are on track, and which need attention.

Integrated solution so that users can drill to underlying reports and analysis to understand what factors is contributing to the pattern.

### Discovery of Frauds - Mechanization

CrossFraud provides a unique methodology in leveraging their expertise and ensuring that it provides a cutting edge technology in bringing down their investigation time. CrossFraud Memorizer is an innovative tool to detect the patterns in banking transactions based on examples defined by Forensic analysts.

### Scenario based Investigation

CrossFraud provides a Scenario based investigation methodology by providing a configurable scenario library that allows the Forensic Analysts to define rules and weights. It also allows the experts to define the weights for the various pattern recognition clue detectors and reduce the false positives from the system. Fine-tune your detection capabilities based on the weights defined for these rules and pattern detectors to match your evolving needs.

### Dynamic Risk Analysis

Enterprises need to evaluate the operational risk associated with their customers at every point in time – at the account opening, during the business time and after the business and build a risk profile of the customer over various time. Instead of looking at transactions of these customers in isolation, CrossFraud uses Neural Network methods to capture the customers risk profile using segmentation of customers in to various peer groups based on the defined customizable attributes.

CrossFraud provides List Framework which allows screening of the enterprise customers against the various sanctions lists. It also provides a fuzzy matching De-Duplication technique to identify the customers with similar names and addresses, thus enabling the forensics auditors to focus on the high risk customer transactions.

## MING FARM Consulting

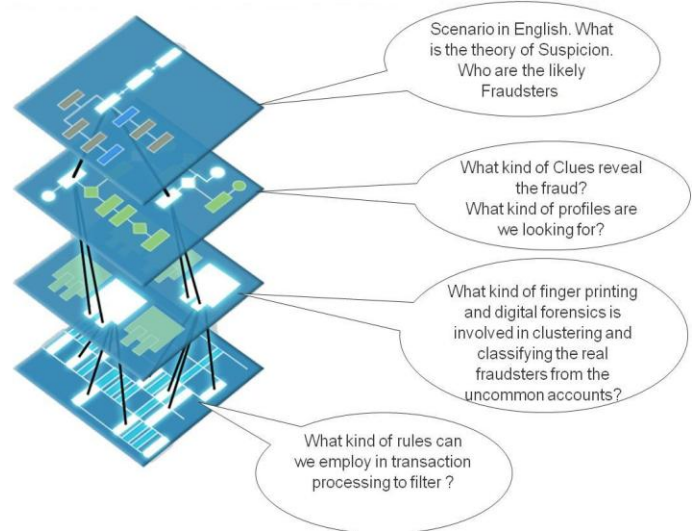
Money Laundering (MING) Fraud Assurance and Risk Management (FARM) Services

Use system supplied dashboards to find the Tested patterns

Follow the Trail from the Suspects unearthed from System Supplied Dashboards

Finding and Tracing the connections will help to find the fraudsters most deeply undercover

If you are an advanced user, then build new dashboards with new indicators.



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