AUTOMATING FRAUD DETECTION WITH CONTROL-M SAAS



Financial fraud is a topic that covers a gamut of illegal activities, including money laundering to support large-scale criminal activities like terrorism and trafficking. It's a pervasive—and expensive—issue. According to Deloitte's Anti-Money Laundering Preparedness Survey Report 2020, money laundering averages 2–5 percent of the global GDP every year—a staggering $800 billion to $2 trillion.

Even with that astounding valuation, many financial organizations aren't prepared to tackle the issue, which sets them up not only for regulatory sanctions, but also for reputational damage, both of which impact them financially.

According to Deloitte's survey, 80 percent of respondents cited manual processes and 74 percent cited poor or inadequate data among the top five operational challenges they faced in complying with anti-money laundering regulations. Despite those drawbacks, manual processes are still widespread—McKinsey & Company found that of the banks it surveyed, up to 85 percent admitted their financial crime compliance and anti-money laundering activities were still done that way.

That's way too high, especially now, when tools exist to help make sense of all that data and streamline your workflows. There's never been a better time to evolve your fraud detection processes.

Getting ahead

Identifying and preventing fraud involves monitoring transactions and financial activities for abnormal behaviors or patterns. Distilling volumes of financial data from multiple sources like physical banks, ATMs, mobile devices, online transactions, and more, each with its own highly-

complex methodology, can further complicate the ability to red-flag transactions for potential fraud.

Automating the process is no longer a nice-to-have; it's a necessity. With an expanding network and reach of customers, the net must be cast wider than ever before—analyzing data and returning insights in as close to real-time as possible. Instead of spending resources chasing bad leads, finance automation with Control-M can help identify quality signals faster, shorten time to detection and response, and reduce the cost of fraud remediation by up to 42 percent.

In fact, PwC's recent Global Economic Crime and Fraud Survey 2020 found that companies that got ahead of fraud with a dedicated fraud program later spent 42 percent less on responding to fraud, and 17 percent less on remediation versus organizations that didn't have a program.

Control-M Saas

Control-M Saas is an adaptable, easy-to-use, software-as-a-service (SaaS) platform that automates fraud detection processing by ingesting, storing, processing, and analyzing financial data at scale, from on-premises to the cloud. By developing, scheduling, managing, and monitoring workflows, financial organizations can detect fraud faster, make sound business decisions, and maintain overall regulatory compliance.

Conclusion

In an ever-growing digital and global economy, fraud is having a significant impact—47 percent of respondents to the PwC survey experienced some sort of fraud within the last 24 months, with losses totaling $42 billion. Money laundering was in the top five costliest. To combat the threat, financial organizations must evolve beyond traditional, manual processes and embrace the newest technologies that empower them to keep pace with—and get ahead of—fraudulent criminal activities. Control-M Saas can automate and orchestrate your multi-application, multi-national financial data sets to help bring your fraud detection capabilities into the future.

For more information on Control-M Saas, visit: bmc.com/control-m.