

#3: A new approach to adopting technology to mitigate fraud

Rethinking technology deployment in the context of fraud risk management



The outcomes of technology adoption are heavily dependent on the underlying processes and system design. This should be the primary consideration for organisations wanting to embrace new technology and/or re-use their existing technology deployments.



Inculcating a Forensic Software Development Life Cycle (SDLC) governance model from the start of technology adoption can prevent instances where early-stage system design manipulations (inadvertent or otherwise) could diminish an organisation's capabilities to identify potential fraud.



The new approach relies on designing of the fraud controls at the time of technology adoption and testing by risk experts while the development is ongoing, thereby improving the chances of identifying loopholes and system design flaws early on.



A robust consequence management system should also be developed to respond to any fraud risks that may be discovered or in response to any technology upgradation/enhancements.



Periodic checks by risk and technology professionals on the 'state of technology' can help fraud risk management programs, especially those relying on new technologies such as artificial intelligence, evolve more robustly in the future.

Use of technology to mitigate fraud risks is on the rise, with respondents identifying the following most commonly used techniques/ tools to prevent fraud:

