

Insider Fraud in Banks:

The Post- Covid Threat Landscape in a Snapshot

Drawing on primary and secondary research, we've summarized the current insider fraud threat landscape with valuable input from senior banking professionals to understand its consequences for banks, and the best strategies to respond to the challenge.

Here's a snapshot of the findings



are concerned about insider fraud and collusion risks to their organization.

THIS FIGURE IS ESPECIALLY SURPRISING WHEN

COMPARED TO THE FACT THAT don't know if they've been a victim of

insider fraud in the last 2 years.

created the highest rates of insider fraud in recent history, calling for long-term strategies to address the threat landscape.

For banks globally, Covid-19 and the mass shift to remote working have

increased the risk of insider fraud and collusion.

are also concerned about

employees breaching data

protection laws

agree that COVID-19 has

100%

agree that employee WFH has

increased the risk of insider

theft, it is not the only threat worrying organizations.

Although insider fraud is

typically linked to financial

fraud and data leakages.

The Fraud Triangle

A trifecta of rationalization, opportunity and pressure¹

The pandemic has exacerbated many drivers of the Fraud Triangle, creating a perfect storm of conditions for insider fraud.

A lack of company loyalty and harbored frustrations with leadership



stemming from a poor company culture may heighten internal fraud risks through rationalization.

RATIONALIZATION

OPPORTUNITY



reference the lack of

of fraud cases are end-to-end visibility as a challenge in insider fraud and collusion detection. discovered by employee whistleblowing.

The lack of direct supervision has introduced new barriers to monitoring employees

work from home and hybrid environments

Proximity-based detection, such as whistleblowing, is unreliable in today's

RAISING CONCERNS AS

Many companies are demanding their employees



pushing employees to take desperate measures to fulfill company demands

least concerning.

data breaches

Financial losses

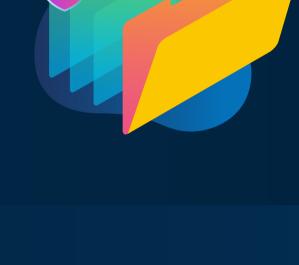
to invest.

approaching insider fraud strategies.

insider fraud

saw financial strain and uncertainty as key in driving the increase in fraud under Covid-19.

deliver ambitious targets and meet bonus thresholds,



48%

17.5%

Consequences of Insider Fraud

Damage to consumer trust and brand Employee/ client privacy

Here's how our survey respondents ranked insider fraud consequences from most to



There's no silver bullet; instead, insider fraud mitigation efforts must be layered with several different techniques.

network analytics, and network monitoring is best.

were unsure of their organization's plans

In addition, here are two key considerations to bear in mind when

said a combination of tools - including artificial intelligence/machine learning,

Best Practice

promote a culture of open conversation about fraud risks and reward good practices.

Improve company culture & awareness around

comes to insider fraud, the best strategies pursue prevention through strong detection, 74% value solutions that detect insider and other types of fraud.

Read the full white paper to see how you can strengthen your insider fraud prevention strategy Insider Fraud in Banks: The Post- COVID Threat Landscape

circumstances differ.

READ NOW

Prevention is detection

suspected. 90% agree that investigating insider fraud and

collusion isn't straightforward because each case's

Often, organizations operate reactively, but when it

Detection solutions are essential to avoid the cumbersome investigation period when fraud is





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