KPMG

Fraud intelligence platform

Forensic solution to detect and prevent white-collar crimes

Fraud intelligence platform

Fraud threats on rise

Fraud and white-collar crime have affected organisations over the past decade and the trend is likely to continue. Corporate fraud and misconduct continue to remain a constant threat, irrespective of the size of the organisation and nature of its business.

No industry or sector is immune to fraud and the problem is further compounded by the sheer complexity involved in detecting fraud. Historically, we have seen varied fraud schemes emanating from areas ranging from personal motivation of employees seeking financial gains, to collusion among vendors within the marketplace, to employees wishing to achieve their allotted KPIs.

Traditional approach of fraud detection

Fraud detection primarily relies on structured data within the organisation to unearth any evidence of malpractice. Traditionally, the approach to fraud detection was to link and analyse multiple data streams using varied business intelligence tools and identify potential anomalies. This method of identifying irregularity or red flags is not only complex, but also time consuming and reactive in nature. Due to the time and complexity involved, majority of the frauds go undetected, which leaves the organisations in a precarious situation.
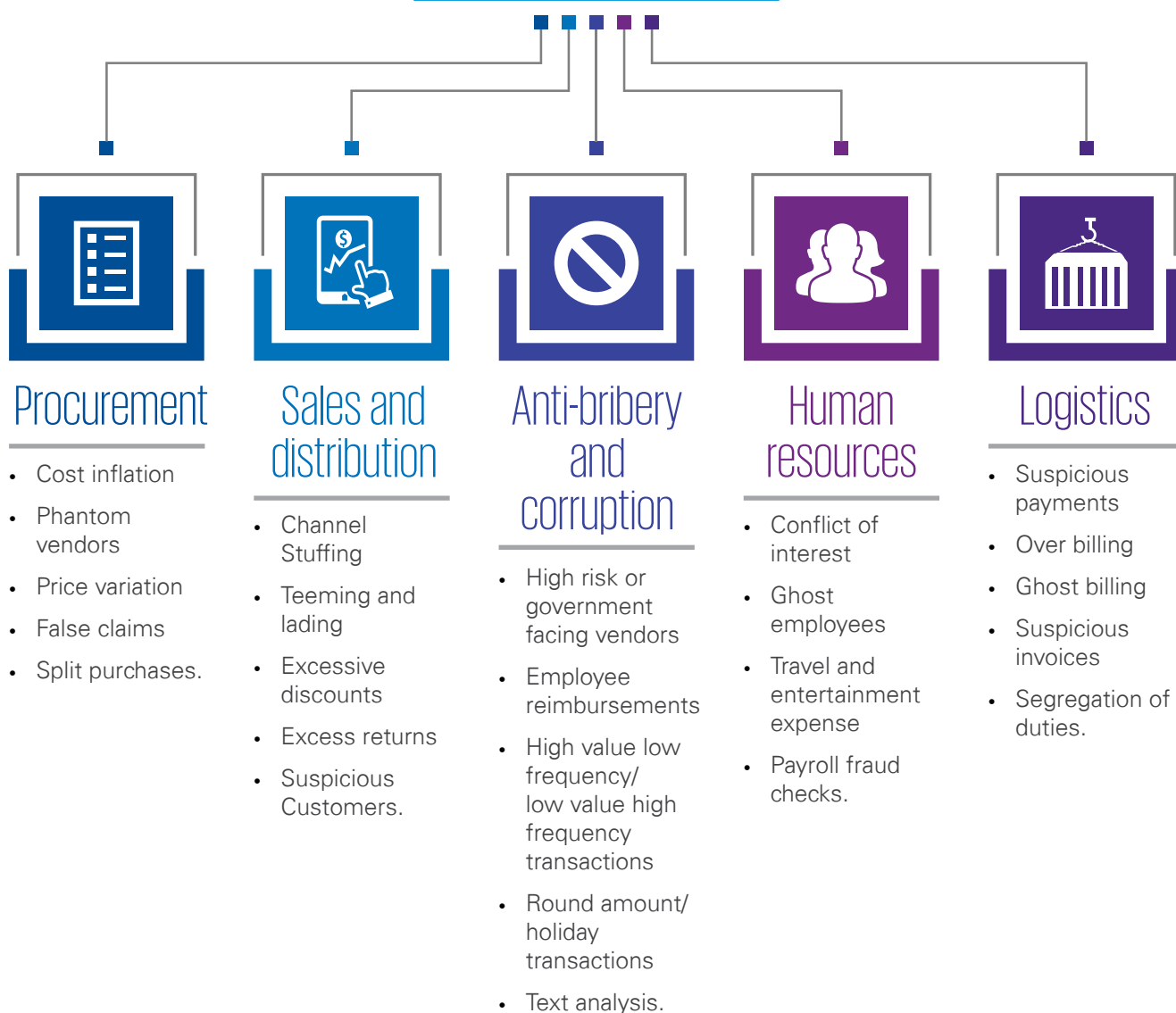
Our Solution

KPMG Fraud Intelligence Platform is a progressive feature rich solution, which includes integration with many of the existing ERPs, an in-built data analytics engine tuned to detect and alert organisations about suspicious and fraudulent behaviour, a multi-user review platform, visualisations and reporting. The solution helps in preventing potentially fraudulent transactions before they could move further in the value chain, thereby helping organisations avoid financial or reputational loss. It is a process and sector agnostic solution that can be customised and implemented across business verticals, such as sales, procurement, finance, human resources, logistics etc.
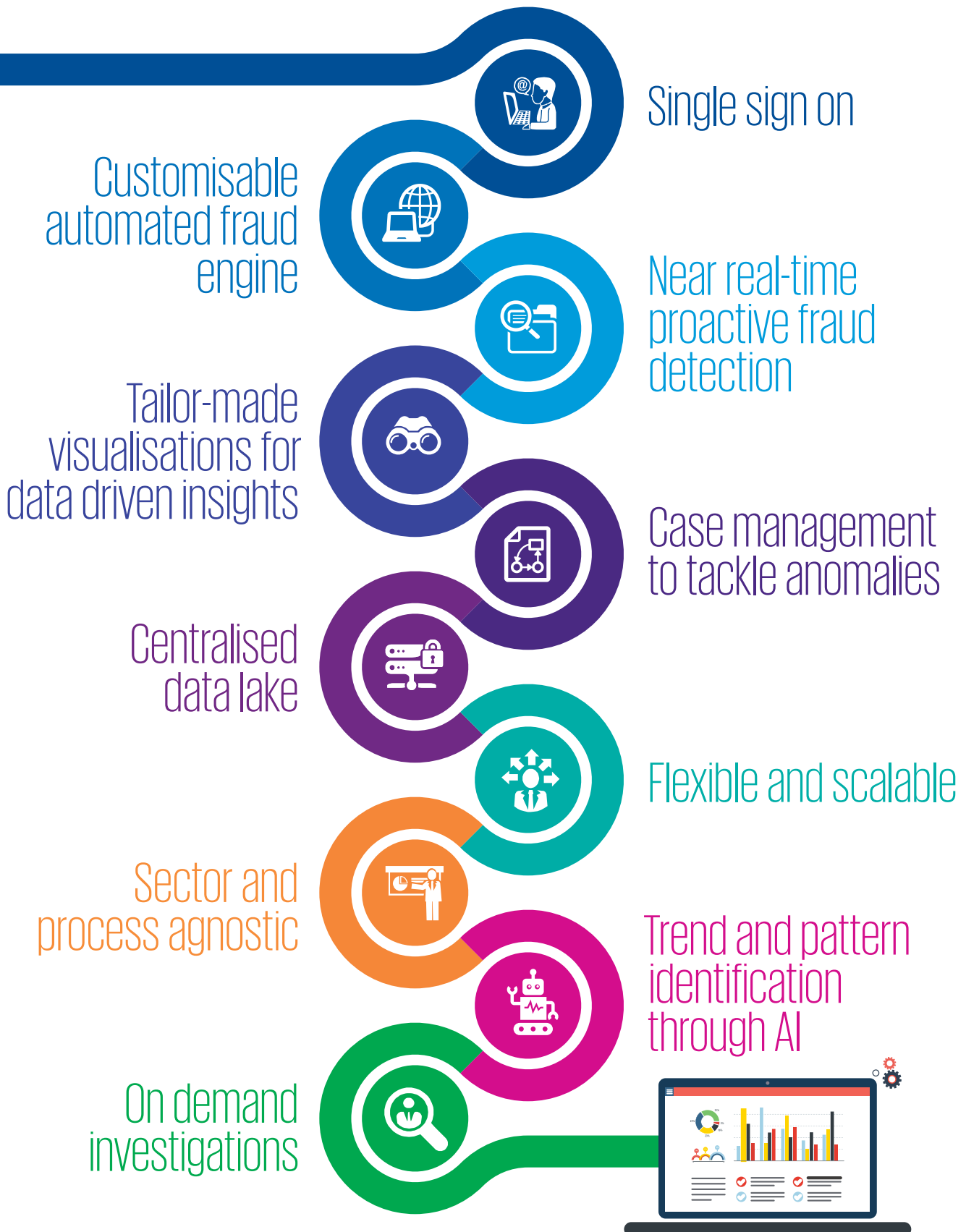
Functional coverage

Key integral business processes, such as accounting and finance, procurement to pay, order to cash, human resource etc. have been incorporated in the fraud intelligence platform. The solution has been developed with an inbuilt data analytics engine that is tuned to detect various fraud scenarios and test hypothesis on data. The solution can be customised to include other specialised business areas, such as anti-bribery and corruption compliance, travel and entertainment expense etc. The image below captures key functional areas covered by the solution.
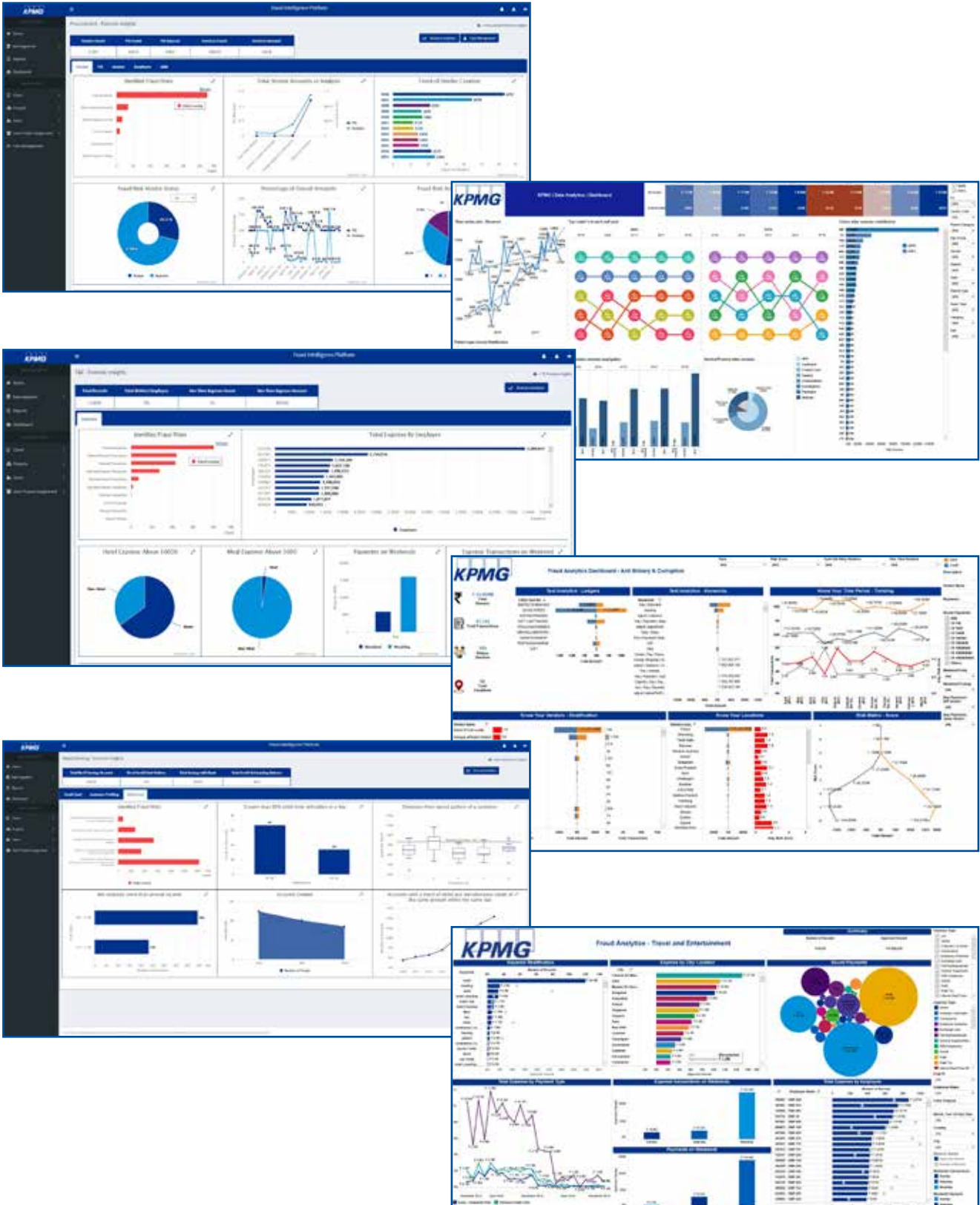
Procurement

- Cost inflation
- Phantom vendors
- Price variation
- False claims
- Split purchases.

Sales and distribution

- Channel Stuffing
- Teeming and lading
- Excessive discounts
- Excess returns
- Suspicious Customers.

Anti-bribery and corruption

- High risk or government facing vendors
- Employee reimbursements
- High value low frequency/ low value high frequency transactions
- Round amount/ holiday transactions
- Text analysis.

Human resources

- Conflict of interest
- Ghost employees
- Travel and entertainment expense
- Payroll fraud checks.

Logistics

- Suspicious payments
- Over billing
- Ghost billing
- Suspicious invoices
- Segregation of duties.

Our value proposition

Single sign on

Customisable automated fraud engine

Near real-time proactive fraud detection

Tailor-made visualisations for data driven insights

Case management to tackle anomalies

Centralised data lake

Flexible and scalable

Sector and process agnostic

Trend and pattern identification through AI

On demand investigations

Visualisation

A sample snapshot of a bird's eye view of high fraud risk indicators is captured below

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