THE SHIELD AGAINST FINANCIAL FRAUD: SAP Business Integrity Screening

Lane Leskela, SAP Global Business Development Director
Tomás Kong, SAP Global GRC Solution Owner

Session ID #83898
About the Speakers

Lane Leskela
- SAP Global Business Development Director
- 25 years in enterprise software and systems product and channel marketing, market research, advisory and business development – 9 of those at SAP
- Formerly at SafePaas, Oracle and Gartner
- Columbia University and Portland State University Alum
- Lived in China and Hong Kong in the 1990’s and, since 2002, in Greater Seattle
- Scaled both the Desert and Seashore ends of the Great Wall - 5,500 miles apart

Tomás Kong
- SAP Global GRC Solution Owner
- 25 years in enterprise software product management and professional services – 12 of those at SAP
- Formerly at Oracle and KPMG
- Santa Clara University Alum
- Grew up in South America. Long-time resident of San Francisco bay area
- Spent a whole week exploring the salt desert of Uyuni, Bolivia – largest in the world
Our Agenda

• Challenges and Opportunities Driving the Transformation of Risk Management

• What’s Happening with Screening and Anomaly Detection?

• Overview of SAP Business Integrity Screening

• SAP Business Integrity Screening Demo

• SAP Business Integrity Screening in Customer Fraud Mitigation Scenarios

• SAP Business Integrity Screening Summary
Challenges and Opportunities Driving the Transformation of Risk Management
Challenges and opportunities driving global transformation

<table>
<thead>
<tr>
<th>Need for managing increased risk and volatility</th>
<th>Proliferation of new business models and technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rapid onset and diversity of risk events and potential for catastrophic losses</td>
<td>Real-time processes that allow redesign of legacy practices for risk and control monitoring</td>
</tr>
<tr>
<td>Stakeholder pressure for more reliable view of risk</td>
<td>Advances in predictive and machine learning capabilities</td>
</tr>
<tr>
<td>Global reach and complexity of regulatory requirements</td>
<td>Entrance into new markets and new trading partners</td>
</tr>
<tr>
<td>Relentless cyberthreats and need for protecting sensitive information and infrastructure</td>
<td>Collaboration within and beyond the four walls of the organization, which requires controlled information sharing and access</td>
</tr>
</tbody>
</table>
Opportunities for managing risk and compliance
How SAP GRC solutions can help your business

**Drive performance**
Increase predictability and help avoid catastrophic losses with a single view of risk

**Adopt leading practices**
Improve your “three lines of defense” and enable control automation across real-time processes for detection and exception monitoring

**Manage impact of global change**
Grow the business globally while managing the global reach and complexity of regulations and changes to trade, taxes, and business models

**Confront information security threats**
Manage risk associated with cyberthreats, govern access, and protect information

**Embark on compliant digital transformation**
Embed GRC within SAP S/4HANA for the ability to integrate risk management into core processes
Secure your digital transformation
Embed governance, risk and compliance in SAP S/4HANA

- Manage users and identities
- Enable single sign-on
- Automate continuous controls monitoring
- Detect anomalies and potential fraud
- Provide one view of risk
- Manage digital rights to protect applications and data
- Enhance threat monitoring and analysis
- Screen related parties and manage trade compliance
- Leverage free trade agreements and optimize duty rates
What’s Happening with Screening and Anomaly Detection?
Financial Fraud
The challenge is pervasive

Not going down:
the typical organization loses 5% of its revenues to fraud

Going up:
estimated and projected global annual fraud losses

$4 trillion

Source: Annual Report to the Nations on Occupational Fraud and Abuse, Association of Certified Fraud Examiners
Screening

Traditional screening approaches do not fair well in the digital world

- Digital commerce and increased onboarding options lead to massive increases in the number of business partners
- Businesses get more complex with new channels and new systems to be integrated
- Time to value is getting shorter
- Address screening requires more than more hardware to scale

[Graph showing increasing number of business partners on the x-axis and increasing address screening regulations on the y-axis. The graph indicates an upward trend with labels for increased screening complexity and number of false positives and false negatives.]
Fraud Mitigation Challenges

- Revenue loss related to fraud, anomalies, third-party risks, and fines
- Cost/results ratio of dealing with those issues
  - Manual, inefficient, slow, and inaccurate processes
  - Too many false positives and false negatives
  - Not scalable or adaptable
- Volume of transactions
- Complex and evolving patterns
- Screening and investigations impact on the business
Overview of SAP Business Integrity Screening
SAP Business Integrity Screening: key benefits
Anomaly, fraud, third-party risk detection and investigation protect your business

- Detect anomalies earlier to reduce financial loss
  - Leverage the power and speed of SAP HANA
  - Integration into business processes
  - Alert notification and management

- Improve the accuracy of detection at less cost
  - Minimize false positives with real-time simulations
  - Handle ultra-high volumes of data by leveraging SAP HANA

- Better predict and prevent future occurrence
  - Detection based on rules and predictive analytics to adapt to changing patterns
  - Identification of control enhancement needs

Detect anomalies earlier to reduce financial loss

Improve the accuracy of detection at less cost

Better predict and prevent future occurrence

Detect anomalies earlier to reduce financial loss

Improve the accuracy of detection at less cost

Better predict and prevent future occurrence
SAP Business Integrity Screening
Anomaly, fraud, third-party risk detection, and investigation to protect your business

- **Analyze performance**
  Monitor key performance indicators and create management reports

- **Design**
  Determine screening lists, analyze patterns, and define detection rules and models

- **Setup**
  Define detection strategy through simulation and calibration

- **Detect**
  Execute mass and real-time detection and stop anomalies or irregular transactions

- **Investigate**
  Manage alert workload with efficient evaluation, qualification, and remediation of issues

**Enterprise risk and compliance**
SAP Business Integrity Screening

Analyze patterns and define screening and detection rules/models

- High-performance application architecture
- Predictive insight and more intuitive design
High-performance application architecture
A flexible and powerful environment to increase process efficiency

High-performance processing of very large data volumes

Key benefits

Powerful data integration from SAP and non-SAP operational systems

Flexible modeling of screening and detection rules

Optionally provide feedback on status to external processing of operational business events (for example, suspend a suspicious or erroneous payment)
Broad range of lists to screen business partners

Leveraging SAP’s worldwide partner ecosystem

• Screening lists are provided and updated by specialized data providers
• You have the ability to create and upload your own lists
• You can use SAP Data Services to upload the lists
• The system provides the ability to define user-defined list types and groups and manage multiple data providers
Enable detection rules
Predelivered content examples

Vendor and service provider
- Frequent changes in the master data of a vendor
- Vendor located in high-risk country

Payments
- Smurfing on outgoing payments (split invoices)
- Irregularities in payments to vendors

Customer
- Customer located in high-risk country
- Bank account and address in different countries
- List screening (for example, PEP lists)

Accounting
- Accounting documents posted on exceptional dates

Purchasing
- Address screening
- Conflicts of interest
- Irregularities in purchase orders

Invoices
- Irregularities in invoices
- High-value keyword search

Travel expenses
- Irregularities in travel expenses

Compliance
- Foreign Corrupt Practices Act
- International Anti-Bribery Act
SAP Business Integrity Screening
Rules and predictive algorithms to cover the full spectrum of anomaly detection

<table>
<thead>
<tr>
<th>Known behaviors</th>
<th>Unusual behaviors</th>
<th>Similar, but different from known behaviors</th>
<th>Unknown behaviors</th>
</tr>
</thead>
</table>

Hybrid combination of rules and predictive algorithms to detect irregularities
SAP Business Integrity Screening
Customer Example

1. Using customer rules
   - Investigation Effort: 20,507 cases out of 40,000

2. Customer rules optimized in BIS
   - Investigation Effort: 6,104 cases out of 40,000

3. BIS + Predictive Analytics
   - Investigation Effort: 2,970 cases out of 40,000

Number of fraud cases within the full data set: 1307

- False positive reduced by 90%
- Nearly no missed fraud case
- 85% Reduction of investigation effort
SAP Business Integrity Screening
Define detection and screening strategies using simulations and calibration

- Define detection strategies based on fine granular criteria
- Define screening strategies for business partners
- Use real-time simulations and calibration of strategies
Detection strategy

Define detection strategies based on fine granular criteria

Uses individual weight factors and thresholds

Key benefits

Alignment to new patterns and quick adaptation to changing behavior

Reduced effort from users to set up and calibrate detection strategies

Lighter need or no need for IT involvement
Simulation and calibration

Real-time simulation and calibration of detection strategies

Key benefits

- Transparent, real-time information on the impacts of new or changed strategies
- No misinterpretations of patterns thanks to comprehensive ranges of sample data
- Reduced false positives and streamlined detection
SAP Business Integrity Screening
Execute mass and real-time detection, and stop exception-related transactions

- Mass screening and detection in real-time leveraging SAP HANA technology
- Fully integrated bidirectional exception processing
Mass detection
High-volume and real-time processing leveraging SAP HANA technology

Detect irregularities as early and as precisely as possible to avoid damages, without manual work

Key benefits

Earlier detection of problems to reduce financial losses and other damages

Highly automated screening and detection processes, reducing manual work and errors

Early identification of potential irregularities, enabling business users to gather more data for their investigation
Real-time alerting and option to hold problematic transactions in business systems to avoid damages

Fully integrated bidirectional processing
Advanced alert management

Key benefits

Track exceptions as early as possible before transactions are further processed

Improve the efficacy of investigation teams and increase ROI of the screening system

Gain faster exception processing to avoid blocking a transaction longer than needed
SAP Business Integrity Screening

Manage alert workload with efficient evaluation, qualification, and remediation

Investigate

- Comprehensive alert management with advanced inquiry and analysis features
- Collaborative and faster investigation and intuitive capture of findings
- One-click resolution for simpler screening alerts (business partners)
- Effective remediation of irregularities – leverage the integration with SAP Process Control (optional)
Comprehensive alert management
Leverage advanced inquiry and analysis features

Full insight into all relevant information at your fingertips

Key benefits

Improved accuracy of detection with reduced false positives and negative detections

Avoidance of double work through availability of comprehensive and up-to-date information in investigation

Increased investigation ROI by focusing on high-score and high-value cases
Collaborative and faster investigation
More intuitive investigation of cases and documentation of findings

Take advantage of calibration of existing strategies with weight factors and threshold to reduce false positives

Key benefits

Gain faster treatment of irregularities and comprehensive documentation, providing for better remediation

Improve investigation efficiency and reduce exception processing expenses

Reduce business disruption through faster processing of alerts, which avoids blocking transactions longer than needed
Effective remediation
Possibility to leverage the integration with SAP Process Control

Cases of significant irregularities can be uploaded to leverage SAP Process Control comprehensive issue management

Key benefits

- Comprehensive remediation of irregularities to minimize impact and prevent recurrence
- Optimized synergies between solutions and increased return on your GRC investments
- Increased longer-term protection against irregularities using other SAP Process Control capabilities such as ad-hoc controls and policies
SAP Business Integrity Screening
Monitor key performance indicators and create management reports

**Analyze performance**

- Use real-time performance analytics and management reporting for better-informed decisions and timely action
- Monitor and optimize the quality of investigations
Real-time performance analytics mgmt reporting
Monitor and optimize the quality of investigation

Measure performance, monitor and optimize the quality of investigation

Key benefits

Enable clearer insight into the effectiveness of screening rules and detection strategies

Provide accurate, consistent, and transparent data for informed business decisions, anytime and anywhere

Adapt faster to changing patterns and improve detection effectiveness
Business Integrity Screening Demo

• Integrated embargo and high-risk-country check during payment run of SAP S/4HANA
• Payment process stopped and alert is confirmed
• One detection strategy combining screening and other methods
  • Bank in high-risk country
  • Business partner in high-risk country
  • Address screening
BIS-S/4 PAYMENT INTEGRATION

Submit Payment Proposal – S/4
<table>
<thead>
<tr>
<th>Supplier</th>
<th>Document</th>
<th>Blocked</th>
<th>Reference</th>
<th>Posting Date</th>
<th>Document Type</th>
<th>Debit or Credit</th>
<th>Amount in Foreign Currency</th>
<th>Amount in Local Currency</th>
<th>Attachment</th>
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<tbody>
<tr>
<td>DESUFRA...</td>
<td>19000001</td>
<td>Blocked for payment</td>
<td></td>
<td>01.08.2017</td>
<td>Vendor Invoice</td>
<td>Credit</td>
<td>-18,900.00 EUR</td>
<td>-18,900.00 EUR</td>
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High Risk Countries
### Global high risk countries

**GLOBAL_HIGH**

28.07.2017

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<th>Rank</th>
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<td><strong>SY</strong></td>
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<tr>
<td>Afghanistan</td>
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<tr>
<td><strong>AF</strong></td>
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<td>Iran</td>
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<td><strong>IR</strong></td>
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<td>North Korea</td>
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<tr>
<td><strong>KP</strong></td>
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<td>Egypt</td>
<td>5</td>
</tr>
<tr>
<td><strong>EG</strong></td>
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Address Screening Lists
<table>
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<tr>
<th>List</th>
<th>Description</th>
<th>Provider</th>
<th>Entities</th>
<th>Last Changed On</th>
<th>Creation Mode</th>
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<tr>
<td>Thomson Reuters Demo</td>
<td>Thomson Reuters SAP Demo List</td>
<td>WORLD CHECK</td>
<td>43</td>
<td>18.08.2017, 03:53:41</td>
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Excluded Terms
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<th>Assigned List Type Groups</th>
<th>Authorization Group</th>
<th>Last Changed On</th>
<th>Last Changed By</th>
<th>Number of Terms</th>
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<tr>
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<td>Generally excluded terms for address screening</td>
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<td></td>
<td>28.07.2017, 03:10:38</td>
<td>Michael Ross</td>
<td>7 (7 Active)</td>
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## Generally excluded terms for address screening

**Authorization Group:** Active

**Assigned List Type Groups:** All List Types, Allegation, Law and Regulatory Enforcements, Medium Risk Screening (e.g. PEP, Adv. Media), Political Party, My PEP Lists, Sanction, Politically Exposed Persons

### Excluded Terms (7)

<table>
<thead>
<tr>
<th>Active</th>
<th>Term</th>
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<tbody>
<tr>
<td>✔️</td>
<td>Dr</td>
</tr>
<tr>
<td>✔️</td>
<td>Frau</td>
</tr>
<tr>
<td>✔️</td>
<td>Herr</td>
</tr>
<tr>
<td>✔️</td>
<td>Mr</td>
</tr>
<tr>
<td>✔️</td>
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<td>Ms</td>
</tr>
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<td>✔️</td>
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</table>
Term Mappings
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<th>Authorization Group</th>
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<th>Last Changed By</th>
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</thead>
<tbody>
<tr>
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<td></td>
<td>28.07.2017, 03:08:24</td>
<td>Michael Ross</td>
<td>5 (5 Active)</td>
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</tbody>
</table>
# Sections Term Mapping

### Authorization Group:
- Active

### Assigned List Type Groups: Sanction

#### Mapped Terms (5)

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<tr>
<th>Active</th>
<th>Term</th>
<th>Active Aliases</th>
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<tbody>
<tr>
<td></td>
<td>Corporation</td>
<td>Corp, Corp.</td>
</tr>
<tr>
<td></td>
<td>Incorporated</td>
<td>Inc, Inc.</td>
</tr>
<tr>
<td></td>
<td>Jalan</td>
<td>Jl, Ji.</td>
</tr>
<tr>
<td></td>
<td>Road</td>
<td>Rd, Rd.</td>
</tr>
<tr>
<td></td>
<td>Street</td>
<td>St, St.</td>
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<tr>
<td>User</td>
<td>MROSS</td>
<td></td>
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<td>-------</td>
<td></td>
</tr>
<tr>
<td>Password</td>
<td>.......</td>
<td></td>
</tr>
<tr>
<td>Language</td>
<td>EN - English</td>
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Log On
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<tr>
<th>Alert</th>
<th>Risk Rating</th>
<th>Person Responsible</th>
<th>Due Date</th>
<th>Alert Lifecycle</th>
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<td>22.01.2018</td>
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<td>1000</td>
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<td>800</td>
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<td>Michael Ross</td>
<td>16.12.2017</td>
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### Alert: 1000

**Accounting Document Line Item 1010**

- **Alert Lifecycle:** Not Started
- **Business Partner (generic):** DESUFRA090
- **Business Partner Name (generic):** Muhammad Ibrahim
- **Account Type (Customer, Vendor...):** K
- **Country:** Egypt (EG)
- **Document Date:** 30.07.2017

**Risk Value:** 18,900.00 USD

**Risk Rating:** 🟢🟢🟢🟢

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#### Screening Hits (2)

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<th>Name</th>
<th>Address</th>
<th>Country</th>
<th>Score</th>
<th>List Classification</th>
<th>Hit Status</th>
<th>Remark</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Muhammad Ibrahim</td>
<td>150 El-Gaish Rd 21131 Alexandria</td>
<td>Egypt</td>
<td>0.95</td>
<td>Sanction</td>
<td>Undecided</td>
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<tr>
<td>2</td>
<td>Muhammed Naif Ibrahim</td>
<td>El-Gaish Road 160 22131 Alexandria</td>
<td>Egypt</td>
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</table>
Alert: 1000  Accounting Document Line Item 1010

Alert Lifecycle: Not Started
Business Partner (generic): DESUFRA090
Business Partner Name (generic): Muhamad Ibraim
Account Type (Customer, Vendor...): K
Country: Egypt (EG)
Document Date: 30.07.2017

Risk Value: 18.900,00 usd
Risk Rating: ⚠⚠⚠⚠⚠

Alert Items (1)

<table>
<thead>
<tr>
<th>Alert Item</th>
<th>Detection Object</th>
<th>Detection Strategy</th>
<th>Execution</th>
<th>Risk Score</th>
<th>Threshold</th>
<th>Risk Value</th>
<th>Detection Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Payment Proposal Item for Payment Run Int. (1)</td>
<td>Check S4 payment proposal for embargo</td>
<td>08.02.2018, 17.39.02</td>
<td>142</td>
<td>50</td>
<td>USD 18.90...</td>
<td>Check Business Partners for Sanctions / Embargo... and 2 more</td>
</tr>
</tbody>
</table>
# Check S4 payment proposal for embargo

**DS_S4_EMBARGO_CHECK / 2**

| Execution Date: 08.02.2016, 17:39:02 | Threshold: 50 | Risk Score: 142 | Risk Value: USD 18,900,00 |

## Detection Method Details

<table>
<thead>
<tr>
<th>Detection Method</th>
<th>Result</th>
<th>Parameters</th>
<th>Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Check Business Partners for Sanctions / Embargo</strong></td>
<td>Risk Score: 100</td>
<td>Address Screening Type: A List Type Group: SANCTION Use Name Initials: Y Use Excluded Terms: Y Include Term Mappings: Y Percentage of Matching Words: 60 Minimum Score: 50 Exactness: 70</td>
<td>Partner DESUFRA090 matches the screening entities Partner name: Muhammad Ibraim ...more</td>
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<tr>
<td><strong>(DM_EMBARGOSCREENING)</strong></td>
<td>Contribution: 70,4 %</td>
<td>Risk Value: 0,00</td>
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<tr>
<td><strong>Payment to High-Risk Country</strong></td>
<td>Risk Score: 21</td>
<td>Bottom N Ranks: 5 High Risk Country List: GLOBAL_HIGH</td>
<td>Business Partner Muhammad Ibraim: payment to high-risk country EG</td>
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<tr>
<td><strong>(DM_PAY HR_COUNTRY)</strong></td>
<td>Contribution: 14,7 %</td>
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<tr>
<td><strong>Bank Account in High-Risk Country</strong></td>
<td>Risk Score: 21</td>
<td>Bottom N Ranks: 5 High Risk Country List: GLOBAL_HIGH</td>
<td>Business partner Muhammad Ibraim has bank account 135848758455 in the high-risk country AF</td>
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Close
Alert: 1000  Accounting Document Line Item 1010

Person Responsible: Michael Ross
Michael.Ross@demo.sap.com

Alert Lifecycle: In Process

Business Partner (generic): DESUFA090
Business Partner Name (generic): Muhamad Ibrahim
Account Type (Customer, Vendor...): K
Country: Egypt (EG)
Document Date: 30.07.2017

Risk Value: 18,900.00 USD
Risk Rating: ⭐⭐⭐⭐⭐

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<td>2</td>
<td>20001144 Muhamed Naif Ibrahim</td>
<td>El-Gaish Road 250 Alexandria</td>
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Alert: 1000

Person Responsible:
Michael Ross
Michael.Ross@demo.sap.com

Alert Lifecycle: In Process

Business Partner (generic): DESUFRA090
Business Partner Name (generic): Muhamad Ibraim
Account Type (Customer, Vendor...): K

Risk Value: 18,900,00 USD
Risk Rating: 🆘Appealing

Screening Hits (2)

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<td>Undecided</td>
<td></td>
</tr>
</tbody>
</table>

Set Hit Status

Status:
Undecided
Undecided
Confirmed
Rejected
Alert: 1000  Accounting Document Line Item 1010

Person Responsible: Michael Ross
Michael.Ross@demo.sap.com

Alert Lifecycle: In Process
Business Partner (generic): DESUFR4090
Business Partner Name (generic): Muhamad Ibrahim
Account Type (Customer, Vendor...): K

Risk Value: 18,900.00 USD
Risk Rating: 🟦 🟦 🟦 🟦 🟦

Screening Hits (2)

<table>
<thead>
<tr>
<th>ID</th>
<th>Name</th>
<th>Classification</th>
<th>Hit Status</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>20000355</td>
<td></td>
<td>Undecided</td>
<td>Hit is confirmed. No doubts</td>
</tr>
<tr>
<td>2</td>
<td>20001144</td>
<td></td>
<td>Undecided</td>
<td></td>
</tr>
</tbody>
</table>

Set Hit Status

Status:
Confirmed

Remark:
Hit is confirmed. No doubts

Save  Cancel
### Screening Hits (2)

<table>
<thead>
<tr>
<th>ID</th>
<th>Name</th>
<th>Address</th>
<th>Country</th>
<th>Score</th>
<th>List Classification</th>
<th>Hit Status</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Muhammad Ibrahim</td>
<td>El-Gaish Road 150 22131 Alexandria</td>
<td>Egypt</td>
<td>0.95</td>
<td>Sanction</td>
<td>Confirmed</td>
<td>Hit is confirmed. No doubts</td>
</tr>
<tr>
<td>2</td>
<td>Muhamed Nafi Ibram</td>
<td>El-Gaish Road 250 2581 Alexandria</td>
<td>Egypt</td>
<td>0.80</td>
<td>Sanction</td>
<td>Undecided</td>
<td></td>
</tr>
</tbody>
</table>
### Screening Hits (2)

<table>
<thead>
<tr>
<th>ID</th>
<th>Name</th>
<th>Address</th>
<th>Country</th>
<th>Score</th>
<th>List Classification</th>
<th>Hit Status</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Muhammad Ibrahim</td>
<td>El-Gaish Road 150 22231 Alexandria</td>
<td>Egypt</td>
<td>0,95</td>
<td>Sanction</td>
<td>Confirmed</td>
<td>Hit is confirmed. No doubts</td>
</tr>
<tr>
<td>2</td>
<td>Muhammed Nafi Ibram</td>
<td>El-Gaish Road 250 Alexandria</td>
<td>Egypt</td>
<td>0,80</td>
<td>Sanction</td>
<td>Rejected</td>
<td></td>
</tr>
</tbody>
</table>
Alert: 1000  Accounting Document Line Item 1010

Person Responsible
Michael Ross
Michael.Ross@demo.sap.com

Alert Lifecycle: In Process
Business Partner (generic): DESUFRA090
Business Partner Name (generic): Muhamad Ibraim
Account Type (Customer, Vendor...): K
Country: Egypt (EG)
Document Date: 30.07.2017

Risk Value 18,900,00 USD
Risk Rating 🟢🟢🟢🟢🟢

Address Screening Hits
Info
Detection
Network Analysis
Documentation
Activity
Decision

Filter User
Filter Events
Descending Order

Michael Ross Entity 20000365 of list Thomson Reuters Demo was confirmed as hit
Today at 18:58
Show More

Michael Ross Alert 1000 has been set in process
Today at 18:56
Show More

Michael Ross Alert 1000 has been assigned to Michael Ross (MROSS)
Today at 18:56
Show More
## Alert: 1000

### Accounting Document Line Item 1010

**Person Responsible**
Michael Ross  
Michael.Ross@demo.sap.com

**Alert Lifecycle:** In Process

**Business Partner (generic):** DESUFRA090

**Business Partner Name (generic):** Muhamad Ibraim

**Account Type (Customer, Vendor...):** K

**Country:** Egypt (EG)

**Document Date:** 30.07.2017

**Risk Value:** 18,900.00 USD

**Risk Rating:** 🌟🌟🌟🌟🌟

### Alert Items (1)

<table>
<thead>
<tr>
<th>Alert Item</th>
<th>History</th>
<th>Detection Object</th>
<th>Finding</th>
<th>Reason</th>
<th>Summary</th>
<th>Financial Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Process</td>
<td></td>
<td>Show History</td>
<td>Payment Proposal Item for Payment Run Int.</td>
<td></td>
<td></td>
<td>0,00 USD</td>
</tr>
</tbody>
</table>
Alert: 1000  Accounting Document Line Item 1010

Person Responsible: Michael Ross
Michael.Ross@demo.sap.com

Alert Lifecycle: In Process

Business Partner (generic): DESUFR0090
Business Partner Name (generic): Muhammad Ibrahim
Account Type (Customer, Vendor...): K
Country: Egypt (EG)
Document Date: 30.07.2017

Risk Value: 18,900.00 USD
Risk Rating: 5

Alert Items (1)

<table>
<thead>
<tr>
<th>Alert Item</th>
<th>History</th>
<th>Detection Object</th>
<th>Finding</th>
<th>Reason</th>
<th>Summary</th>
<th>Financial Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Process</td>
<td>Show History</td>
<td>Payment Proposal Item for Payment Run Int.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Status</td>
<td>Document Type</td>
<td>Purchase Order</td>
<td>Journal Entry</td>
<td>Open Amount</td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------</td>
<td>---------------------</td>
<td>----------------</td>
<td>---------------</td>
<td>-------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Vendor Invoice</td>
<td>1900000166</td>
<td>-7,899,00 EUR</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Vendor Invoice</td>
<td>1900000167</td>
<td>-5,479,71 EUR</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A - Blocked for payment</td>
<td>Vendor Invoice</td>
<td>1900000169</td>
<td>-18,900,00 EUR</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Block Supplier Account

Payment Block Reason
A - Blocked for payment

Notes
Sanctioned vendor - do not conduct any business with
Muhamad Ibraim

DESUFRA090
150 El-Gaisch Rd / 21131 Alexandria

LKQ (1010)

-32.278.71 EUR

3 items

Account Blocked / A - Blocked for payment

1 | -18.900.00 EUR

Items (3)

<table>
<thead>
<tr>
<th>Status</th>
<th>Document Type</th>
<th>Purchase Order</th>
<th>Journal Entry</th>
<th>Open Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account Blocked / A - Blocked for payment</td>
<td>Vendor Invoice</td>
<td></td>
<td>1900000166</td>
<td>-7.899.00 EUR</td>
</tr>
<tr>
<td>Account Blocked / A - Blocked for payment</td>
<td>Vendor Invoice</td>
<td></td>
<td>1900000167</td>
<td>-5.479.71 EUR</td>
</tr>
<tr>
<td>A - Blocked for payment</td>
<td>Vendor Invoice</td>
<td></td>
<td>1900000169</td>
<td>-18.900.00 EUR</td>
</tr>
</tbody>
</table>
**Alert: 1000**  
*Accounting Document Line Item 1010*

**Person Responsible**  
Michael Ross  
Michael.Ross@demo.sap.com

**Alert Lifecycle:** In Process

**Business Partner (generic):** DESUFRA090
*Business Partner Name (generic):* Muhamad Ibrahim

**Account Type (Customer, Vendor...):** K
**Country:** Egypt (EG)
**Document Date:** 30.07.2017

**Risk Value:** 18,900.00 USD  
**Risk Rating:** 🤔🤔🤔

### Alert Items (1)

<table>
<thead>
<tr>
<th>In Process</th>
<th>History</th>
<th>Detection Object</th>
<th>Finding</th>
<th>Reason</th>
<th>Summary</th>
<th>Financial Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Show History</td>
<td>Payment Proposal Item for Payment Run Int.</td>
<td></td>
<td></td>
<td></td>
<td>0.00 USD</td>
</tr>
</tbody>
</table>

**Complete**
Alert: 1000  Accounting Document Line Item 1010

Person Responsible
Michael Ross
Michael.Ross@demo.sap.com

Alert Lifecycle: In Process
Business Partner (generic): DESUFRA090
Business Partner Name (generic): Muhamad Ibraim
Account Type (Customer, Vendor...): K
Country: Egypt (EG)

Risk Value
18,900,00 USD
Risk Rating

Address Screening Hits  Info  Deletion

Alert Items (1)

<table>
<thead>
<tr>
<th></th>
<th>Alert Item</th>
<th>History</th>
<th>Status</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>Alert Item</td>
<td>history</td>
<td>In Process</td>
<td>Reason</td>
</tr>
</tbody>
</table>

Complete Alert Items

*Summary:
Confirmed that this is an entry on the sanction list

*Finding:
Confirmed

*Reason:
Confirmed

Financial Outcome
32000 USD

Complete
End of Demo
SAP Business Integrity Screening in Customer Fraud Mitigation Scenarios
## SAP Business Integrity Screening Use Cases

### Customer examples

<table>
<thead>
<tr>
<th>Industry</th>
<th>Country</th>
<th>Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Packaged Goods</td>
<td>Switzerland</td>
<td>Unusual business transactions, including master-data-related KRI and SOD across multiple end-to-end processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Journal entries, asset accounting and tax in S/4HANA deployment</td>
</tr>
<tr>
<td></td>
<td>Brazil</td>
<td>Using Business Integrity Screening and Predictive Analytics to identify suspicious transactions in purchase-to-pay and vendor screening</td>
</tr>
<tr>
<td>Insurance</td>
<td>Netherlands</td>
<td>Suspicious insurance claims</td>
</tr>
<tr>
<td>Public Sector</td>
<td>Germany</td>
<td>Unemployment benefits fraud and data quality assurance</td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>Tax-related fraud</td>
</tr>
<tr>
<td>Public Sector</td>
<td>Slovenia</td>
<td>Detection/prevention of undeclared tax on cash-based transactions</td>
</tr>
<tr>
<td>Retail</td>
<td>Switzerland</td>
<td>Point-of-sale suspicious activity</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>UK</td>
<td>Stop fraudulent and suspicious T&amp;E claims and invoices</td>
</tr>
</tbody>
</table>
A Business Integrity Screening Customer View

Leading European Telecom Company pursues comprehensive risk control automation to improve Finance Operations

Customer Situation
• The company wished to implement a three line of defense model for risk management and assurance for their finance organization
• The objective was greater use of standard controls as the basis for business planning, assurance and reporting
• Current solutions had been re-evaluated and were not sufficient to meet these business objectives
• The decision to move from Oracle to SAP and the SAP GRC solutions were an aligned fit

Licensed Solutions
• SAP Three Lines of Defense (SAP Risk Management, SAP Process Control and SAP Audit Management)
• SAP Business Integrity Screening
• SAP Access Control

Current Status
• The company is incorporating risk management and compliance process automation into Financial control operations execution. They are actively working to
  • Reduce the cost of compliance, risk, and audit activities through process automation and resource optimization
  • Reduce overall risk exposure through continual control monitoring, fraud detection and loss source analysis
  • Optimize operational performance with comprehensive, real-time risk and compliance information
  • Improve the return on business initiatives by aligning automated risk measures with global finance strategy
  • Strengthen the global business with continuous monitoring of risks and controls to detect and prevent unexpected losses
# What SAP Business Integrity Screening can do

<table>
<thead>
<tr>
<th></th>
<th>Reduce financial losses with earlier detection</th>
<th>Support multiple scenarios with a flexible platform</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The power of SAP HANA enables ultra-fast detection of irregularities among masses of third-party records and business transactions, so you can take action early and minimize damage to the business.</td>
<td>Different detection strategies can be developed to tackle various types of irregularities such as fraud, errors, waste, and gaps in compliance, but also to adapt to the diversity of your activities and changing needs as the business expands.</td>
</tr>
<tr>
<td>2</td>
<td>Improve the integrity of transactions in key business processes</td>
<td>Better prevent future irregularities and issues</td>
</tr>
<tr>
<td></td>
<td>Scenarios to tackle errors, waste, abuse, and other anomalies can be implemented to increase the reliability of critical business processes and help protect the bottom line.</td>
<td>Performance analysis and KPIs allow you to continuously improve detection quality. You can optionally use SAP Predictive Analytics, integrated with SAP Business Integrity Screening, to identify new fraud patterns or anomalies.</td>
</tr>
<tr>
<td>3</td>
<td>Make investigation teams more efficient and effective</td>
<td>Decrease risk and improve control going forward</td>
</tr>
<tr>
<td></td>
<td>Using simulations to calibrate detection rules, you can reduce false positives and diminish investigators’ workload so that they can focus on real cases.</td>
<td>Leveraging the integration with other SAP GRC solutions like SAP Process Control and SAP Audit Management you can better tackle issues and risks, improve or implement new controls, and strengthen your three lines of defense.</td>
</tr>
</tbody>
</table>
Key points to take home
With SAP Business Integrity Screening

- Detect anomalies earlier to reduce financial loss
- Improve the accuracy of detection at less cost
- Better predict and prevent future occurrence
Take the Session Survey.

We want to hear from you! Be sure to complete the session evaluation on the SAPPHIRE NOW and ASUG Annual Conference mobile app.
Presentation Materials

Access the slides from 2019 ASUG Annual Conference here:

http://info.asug.com/2019-ac-slides
Q&A

For questions after this session, contact us at tomas.kong@sap.com and lane.leskela@sap.com
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