Solutions for Life Sciences Industry

The Post-Pandemic Landscape of Fraud

The pandemic has made businesses more agile, data-driven, and mindful of risk. As life sciences organizations shift their focus from business continuity back to growth, they must firm up defenses to protect themselves against new vulnerabilities.
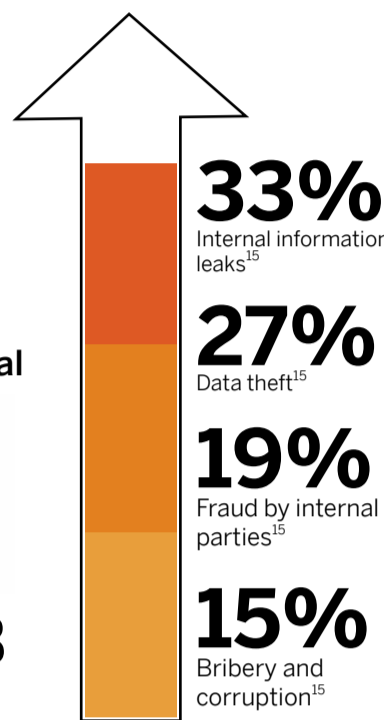

THE INCREASE OF FRAUD

Organizations have seen a rise in fraudulent activity since the start of the pandemic, largely due to a fluctuating economy and a sharp increase of employees working from home.

77%
Of certified fraud examiners observed an increase in the overall level of fraud.[1]

33% Internal information leaks[15]

27% Data theft[15]

19% Fraud by internal parties[15]

15% Bribery and corruption[15]

Mileage
35%
Of employees admitted to inflating their mileage reimbursement.[2]

P-Card
$28.65B
Worldwide amount of payment card fraud losses.[3]

Occupational
$1.5B
Average loss per case of fraud.[4]

THE CHALLENGES OF REMOTE WORK

Supporting a remote workforce means even more risk, especially for life sciences organizations, as they are often the target for attack.

Data Privacy
48% of employees
Are less likely to follow safe data practices while working from home.[5]

Business Continuity
60% of employees
Started working remotely in March 2020.[6]

Home-based Expenses
75% of employees
Now submit home-based expenses, such as internet and "other".[7]

Security
11.6%
Organizations targeted by ransomware attacks are in the healthcare industry.[8]

Ransomware
$220,298
Average ransomware payment increased 43% since the last quarter of 2020.[8]

Phishing
189%
Increase in phishing attacks from December 2020 to February 2021.[9]
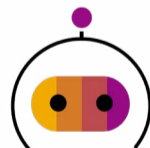
THE PUSH FOR DIGITIZATION

Intelligent crime risk management is characterized by high automation – a lever to move fast, boost efficiency, and optimize resources.

Automation
3%
Life sciences companies that have gone digital.[10]

Artificial Intelligence
43% of life sciences companies
Reported having successfully used AI to make processes more efficient.[11]

Cloud Technology
60%
Of life sciences companies run more than half of their applications on the cloud.[12]

Compliance
66%
Of companies see compliance mandates driving spending, including GDPR and CCPA.[13]

Risk Management
ONLY
16%
Of leaders feel confident in their ability to add meaningful insights on organizational risk.[14]

MITIGATE FRAUD, CONTROL COMPLIANCE

The way your organization defines and enforces its employee spend policy determines its risk for fraud and noncompliance. Leveraging AI and machine learning can help analyze expense reports and speed up the auditing process, so you can resolve issues before your employee reimbursements go out the door.

Get the Fraud eBook

Sources:
[1] ACFE, *Fraud in the Wake of COVID-19*, 2020
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[5] Forbes, *Remote Work Makes Data Loss Prevention Crucial for GDPR Compliance*, 2020
[6] McKinsey & Company, *Reimagining how life sciences work will be done in the next normal*, 2020
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[8] Becker's, *Average ransomware payments spike by 43%*, 2021
[9] Health IT Security, *Pharmacy, Hospital Phishing Attacks Costly*, 2021
[10] TCS, *The Digital Revolution of Life Sciences Companies*, 2020
[11] Deloitte, *Scaling up: AI enables the life sciences value chain*, 2021
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[13] Varonis, *2021 Cybersecurity Trends to Watch For*, 2021
[14] Gartner, *Costs and Compliance: Two Things You Can Still Control*, 2020
[15] Kroll, *Global Fraud and Risk Report, 2019/20*

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