

Cybercrime – huge and getting bigger (but then why wouldn't it!)

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A unique partnership...



- Collaborative working
- Collective experience
- Cross-market intelligence
- Global reach



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It's all about the human...



What is Cybercrime...?



- Criminal activity done using computers and the Internet. Three main categories:
 - those that use the computer as a weapon;
 - those that use the computer as an accessory to a crime;
 - those that make the computer a target of a crime.
- Most crimes are traditional in nature and use a computer or the Internet to break the law.
- Cybercrime is an international challenge, depriving online users of billions of dollars a year. It demands an international response.



What is Cybercrime...?

- Spam
- Fraud
- Cyber-bullying/cyber stalking
- Cyber-terrorism
- Piracy
- Identity theft
- Electronic funds transfer fraud
- Illegal interception of telecommunications
- 'Stranded Traveller' and other scams
- Phishing
- Pharming
- Credit card fraud
- Pornography/Dissemination of offensive materials
- Electronic money laundering and tax evasion
- Online payment and banking fraud
- Electronic vandalism
- ...and many more



The cost of cybercrime



How do you calculate the real cost of cyber crime?

- Financial losses to individuals and organizations (figures rarely made public)
- Expense of security software and personnel
- Damage to brand image

In truth, no-one really knows.

A new study by the University of Cambridge (2012) concludes that cybercriminals – often only a small number of gangs – are pulling in a few tens of pounds from every citizen per year, but the indirect costs to those citizens, either in protective measures such as antivirus or in cleaning up infected PCs, is at least ten times as much...



The cost of cybercrime

The true cost of cybercrime depends on what is counted:

- Within the welfare and tax systems – increasingly performed in the ‘cyber’ world – cybercrime costs each citizen a few hundred pounds a year on average.
- Fraud associated with payment cards and online banking costs just a few tens of pounds a year.
- The fear of fraud by businesses and consumers is leading some to avoid online transactions, imposing an indirect cost on the economy that is several times higher.
- By contrast, true ‘cybercrime’ – the new scams that completely depend on the internet – are only costing citizens an average of a few tens of pence per year directly. However the indirect costs, such as the money spent on anti-virus software, can be a hundred times that.



Fighting cybercrime



1. It is vital for the credibility of the fraud and security functions to maintain a line of sight to the requirements of your business.
2. You must take conscious steps to illustrate how you are able to add to the bottom line.
3. There is no competition in the back office, we must share information on trends, methods, individuals, crimes, attempts...
4. Real problem here is fear – the fear of change



Your barriers

- Too little knowledge of technology and too much reliance on “what we know”
- Too much focus on technology as a solution provider
- Senior managers don’t see the threat
- Culture
- HR
- Fragmented reporting processes
- Not my problem...



Why do cars have brakes?



Senior management support?



People, process and technology



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Looking at cybercrime in isolation is a risk in itself...

A suggested response:

- Bringing people together
- Staying ahead of the attackers
- Work with your business leaders
- Work with your competitors
- Prioritise the risks
- Educate your workforce



How big is your fraud department?



Working together...



Security and fraud prevention leaders need to challenge their way of thinking by committing to these five key areas:

1. Developing a deeper understanding of other security functions.
2. Building professionalism and increasing capability within each security function.
3. Willingly sharing information, integrating processes and streamlining reporting (including measurements).
4. Accepting when other risk priorities come above one's own responsibility.
5. Educating your workforce, contractors and customers in how to prevent, recognise and report cybercrime.



Is this the response of your staff?



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The importance of awareness



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“Problems are never solved at the same level of awareness that created them...”

Albert Einstein

The human factor is the final part of the jigsaw, the key to better security and fraud prevention. Good communication is the vital oil that will make our security management and fraud prevention systems run smoothly.



But I haven't got any budget...



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Measurement



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1. You must work to measurable targets, agreed at the outset, to demonstrate **Return On Investment (ROI)**.
2. If you're not measuring, you're only practising...
3. The definition of gain and loss.

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Actually, people want to help...



- There is an enormous willingness amongst workforces to follow good practice.
- The vast majority of your workforce is intelligent, honest, hardworking and sensible. They are there to help in the fight against fraud.
- To win their support, we just need to tell them what it is we want them to do in language they can understand.
- We must explain the benefits of their support - “What’s in it for me?”



The elephant in the room



1. The “Mark 1 Human Being” remains the greatest and continuing weakness in the entire fraud prevention regime, but at the same time can be our greatest supporter in the fight against crime.
2. Often it is the breach of *trust* that we must fear, not the breach of *security*.



Trust vs security...



Thank you...



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