



Is your business protected from fraud?

Assess your current strategy and find solutions to shore up potential weaknesses.

No one wants to believe their business could fall victim to fraud, but the unfortunate truth is that companies of all sizes, in all industries, are at risk from malicious actors. In 2023 alone, 80% of organizations were targets of an actual or attempted payments fraud act — a significant jump from 65% in 2022.¹

Beyond stolen funds and lost revenue, these attacks can also leave businesses vulnerable to legal action. Reputational damage is another risk, as a majority of companies say they would stop working with an organization that lost its payment due to payment fraud.²

While the rise in payment fraud is alarming, there are concrete steps you can take to build a comprehensive, proactive strategy to protect your business.

As you build or strengthen your strategy, focusing on four foundational areas can help ensure key fraud prevention measures are incorporated across your organization.

**“Fraudsters only need to be right once.
Businesses have to be right every time.”**

**— Nancy McDonnell,
Texas Capital, Managing Director and Head of Treasury Solutions**



4 ways to protect your business from payment fraud



Establish clear policies and procedures.

Creating consistent practices for your finance and accounting teams to follow is the first step to preventing fraud. Policies like minimizing checks where possible and having a documented response plan can reduce risk and help your business identify fraudulent activity early on.



Lower risk with employee education.

People can be just as vulnerable as technology, whether they unknowingly give a fraudster sensitive information, leave their laptop unsecured or open a malicious email. Employee training can lower loss rates related to fraud³ and give team members the knowledge to make smart decisions and keep sensitive business information secure.



Define account purposes.

Creating account structure helps businesses more easily monitor inflows and outflows, set controls and detect fraud early, which is key to recovery. A more secure approach can look like establishing accounts solely for paying credits or collecting debits.

41% of organizations were able to recover at least 75% of funds lost to fraud.¹



Adopt automated treasury solutions.

As fraudsters become more sophisticated, staying up to date with modern fraud prevention tools is critical. Work with your treasury solutions expert to automate processes with solutions like positive pay and check debit blocks. These safeguards create a protective foundation that safeguards your business.

More than 90% of businesses have implemented positive pay.¹

Assess your payment fraud risk. Does your business:

- Have a verification process for changes to existing invoices, bank deposit information and contact information?
- Minimize the use of checks where possible?
- Have a documented response plan that your team is trained to follow?
- Know the security practices of your vendors?
- Train employees at least annually on phishing attempts and other fraudulent communications?
- Have a secure workspace to prevent access from unauthorized individuals?
- Assign responsible teams to track trends in fraud types and solutions?
- Hold quarterly meetings to inform your team about new threats and vulnerabilities?
- Designate accounts for specific purposes, such as credits or debits only?
- Have inventory accounts, signers and payment paths?
- Reconcile account activity daily?
- Utilize positive pay and filters/blocks for checks and ACH?
- Have alerts set up with your banking partner to quickly notify you of unexpected activity?
- Leverage security solutions (e.g., multifactor authentication) to protect your payment system from breaches?
- Automatically run and update antivirus software daily?

Let's build a proactive strategy together

If you answered "no" to any of the assessment questions above, it could indicate a weak link in your fraud prevention chain.

"Fraud has changed dramatically and the sophistication of those attempts has changed as well," said Robert Garrett, Managing Director and Head of Treasury Sales at Texas Capital. "It takes a combination of both process and tools working together to combat fraud, and we set up our tools with that in mind."



Texas Capital provides fraud protection solutions designed for today's world, including ACH blocks and filters, check positive pay, positive pay payee verification and more. To learn more or speak with a fraud expert, [click here](#).



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¹AFP® [Payments Fraud and Control Survey Report](#), 2024

²TrustPair, [Fraud in the Cyber Era: 2024 Fraud Trends and Insights](#), 2024

³Coupa, [Payment Fraud: Assessing and Responding to an Escalating Threat](#), 2020