**Risk Monitoring Tips to plan like a pro in 2020**

As we enter 2020, risk management is becoming more challenging with the ever-evolving threats. How can these changing threats affect your organization this year and what do risk managers need to plan to face these challenges?

The fact that cash is being replaced by cards and their usage is growing continuously is still not an old news. So is the excitement about tap-to-pay systems, mobile wallets and QR-based payment systems. These technologies this year will still continue to dominate the market in near future. Though, the long-term future of payment card industry will be subjugated by the impact of Blockchain and Artificial Intelligence and eventually evolve risk management, marketing and financial planning. Hence, for risk managers, it is imperative to plan what is in store for the industry and what will happen in the near future as well as in the longer run.

**Planning and Monitoring Risk**

For any business, risk monitoring involves on the larger part, proactive threat assessment and planning mitigation measures to minimize risk impact on the business. Let’s look at some of the steps businesses can take to plan their risk monitoring like a pro in 2020.

**Train your Employees Regularly**

This cannot be stressed enough. The more regularly your employees are trained, the more likely are they to spot suspicious behavior. Regular trainings are a must because employees tend to forget with time. They also play a big role in countering risk-associated threats. These training workshops should teach the workers to never accept damaged cards from customers, confirm their identities, and never enter a card number manually.

**Use Contactless and EMV – Enabled Terminals**

Ever since the adaptation of EMV-enabled secure terminals, merchants can keep their transactions safe. With the security enhancement in EMV chips, particularly when a transaction uses PIN and EMV security, merchants and customers can be better protected from fraud.

Contactless smartcards such as [Chip and Magnetic Stripe Cards](http://www.cardzgroup.com/ContactLessSmartCard.html) use contactless payment which is another secure way to process transactions. Most of the EMV terminals are also enabled with contactless payment. At such terminals, a fast and secure transaction is possible using Near Field Communication (NFC) or Radio-Frequency Identification (RFID) via smartcard or smartphone. If, as a merchant, you choose to use contactless payment without PIN, you can put a limit to the amount spent on each contactless transaction to further minimize risk.

**Watch out for Uncommon Transactions**

Transactions that involve unusually large purchases could be a red alarm. Such transactions should be looked closely and the identity of the customer be confirmed. Similarly, if a card is making several purchases in a short timeframe, it could indicate that the card is stolen and being used by someone other than the owner.

**Stay Updated with Online Security**

As merchants and consumers shift to contactless and EMV-enabled point of sale terminals, risk has shifted towards online transactions. To mitigate this risk, it is important for online businesses to use Address Verification Service (AVS), which verifies the billing information with the one registered with the card issuer. Furthermore, ask for Card Verification Value 2 (CVV2) to verify that the user has the card in hand at the time of making the order. Another important check is to put a limit on an IP address for the number of cards it can use for online transactions.

**Be Wary of Employee Fraud**

The possibility of employee fraud is always a major concern for risk managers. Always keep an eye on credit card activity, particularly returns, as usually employee theft shows up in fake discounts or returns. Companies should set alerts that set up limits on returns at your stores and alert any time those limits are exceeded.

As a general rule, even with all the risk mitigation measures in place, risk managers should always keep a backup plan in case they get into a risky situation. A good risk monitoring plan must include identifying risk scenarios, potential impact of risk on the business, response to each scenario and contingency planning and recovery.