Getting Real about Artificial Intelligence for Due Diligence
What Works and What Doesn't

Speakers

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Cognitive
AI helps you to filter spam, navigate traffic, find plagiarism, deposit checks from your phone, and more.

It has a big role to play in finding adverse information on people and companies. AI has proven highly effective at identifying corruption, fraud, environmental as part of due diligence for ABAC, AML and other types of risk management programs. But there are certain things that AI cannot do, things that we need people for.

What are those things and how is AI changing the future for researchers, investigators and risk professionals?

There are a few key forces driving AI in due diligence. The primary ingredient has been access to information.
Today:

Approximately 2 million new news articles published
4.4 million blog posts created

During the last minute:

456,000 tweets, 208,000 Facebook photos,
4.1 million Youtube videos watched

More stuff to research means less time to review and understand each article, tweet, regulatory release etc.
People simply do not have the time to read and understand all this information:

- Manually searching Web
- Manually searching regulatory sources
- Reading regulatory sources
- Reviewing news articles
- Reviewing Social media

The Effort Gap

- It would take one full time employee 117 years just to enter the number of open web searches conducted by Exiger in 2019. Hundreds of sources are searched for each subject

How much time can AI save in due diligence?

- It would take 99,166 years for one full time employee to read all the articles consumed and analyzed by Exiger in 2019.
Now sit back and let AI do all the work.

Just Kidding.

Don't do that.

and let AI do all the work.
AI Techniques

Natural Language Processing

Supervised Learning

Unsupervised Learning

Helps:

- Manually searching
- Web
- Manually searching regulatory sources
- Reading regulatory sources
- Reviewing news articles
- Reviewing social media

Machine Learning:

- Helps
- Solves

Limitations of NLP
It's Gullible.
It will believe anything it reads

It doesn't have contextual understanding of the world and facts that happened in the past

The Onion

Aunt Somehow Got Married, Divorced Twice Since Last Time Nephew Saw Her

Study: Being Scared Makes You Do It: Study: Being Scared Makes You Do It

National Office: Stroke Doesn't Mean You've Lost Your Mind

More From The Onion

- The Daily Reckless 'Eat More'
- Presidential Policies Revisiting
- Historically Polite
- Resigned
- Rest In Peace

Fake News

Daily Times

- $0.74 Available balance
- 100 THOUSAND MILLION AND 7 available balance

- 5 BILLION HUNDRED

Hope

my bank account 7 months ago vs. now: thankful for the blessings.

"Aunt Somehow Got Married, Divorced Twice Since Last Time Nephew Saw Her"

"Study: Being Scared Makes You Do It: Study: Being Scared Makes You Do It"

"National Office: Stroke Doesn't Mean You've Lost Your Mind"

"More From The Onion"

- The Daily Reckless 'Eat More'
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"Fake News"

"Daily Times"

"Hope"

"my bank account 7 months ago vs. now: thankful for the blessings."
Limitations of Machine Learning

Supervised Learning relies on the data being correct from the beginning.

Unsupervised Learning produces less accurate results.

AI isn’t meant to be the solution. AI is an instrument to make better informed decisions in less time.
WHERE WILL THE FUTURE OF AI TAKE DUE DILIGENCE?

Q&A
Get in touch

For more information on how Exiger can help transform your third party risk management program, please visit:

exiger.com

To set up an in-depth meeting with an Exiger professional to discuss how we can help you address specific compliance or risk challenges please e-mail us at:

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