By Debra Lupien

Meet the 'Fraud Educator'

Oswego resident travels the country and the world educating financial institutions and the public how to protect themselves against fraud and theft

For Barry Thompson, founder and managing partner of Thompson Consulting Group LLC, creating his dream job was as simple recognizing a niche — and then doing everything he could to set himself up to fill it.

Thompson is a certified regulatory compliance manager — or CRCM — and one of only a handful in the nation who can also boast 22 years experience as a security officer.

Having worked in the financial services industry for more than three decades, Thompson travels the country and the world educating financial institutions and the public how to protect themselves against fraud and theft.

But Thompson's journey did not start in a financial institution. After graduating from SUNY Oswego

with a degree in accounting, he went straight to work as an accountant at Price Waterhouse in Syracuse.

"But I discovered how boring accounting was to me," he said.

As a result, Thompson went to work in a small local bank with plans to enter law school. But after being involved in a couple of court cases early on while at the bank, he quickly changed his mind. Instead, he remained at the bank, holding the positions of security officer, compliance officer, treasurer, executive vice president and senior vice president before retiring in 2000.

Thompson said it was in 1992 when he suddenly recognized a niche that was opening up in financial institutions

and immediately began positioning himself to fill it.

This niche — a security risk management compliance component — was evolving, he realized, as the threat against financial institutions began to change, moving from physical bank robberies to virtual crimes.

"Financial institutions were going to be requiring specialists in that field. I recognized that most of the experts were phasing out and there were not a lot of new people entering that [newer] niche," Thompson noted.

Immediately focusing his education goals to obtain the needed credentials, he also started attending conferences, developing professional contacts in the field and setting up meetings with experts for some guidance. He said what happened next, although coincidental, was instrumental in helping him define what he would do with his newly learned skills.

"In the early 1990s, I attended a three-day conference where, unfortu-

Barry Thompson, founder and managing partner of Thompson Consulting Group LLC, said he handled more than 900 security cases, including embezzlement, identity fraud and criminal incidents against financial institutions. He has been interviewed by Newsweek, Computer World and other national and regional publications.
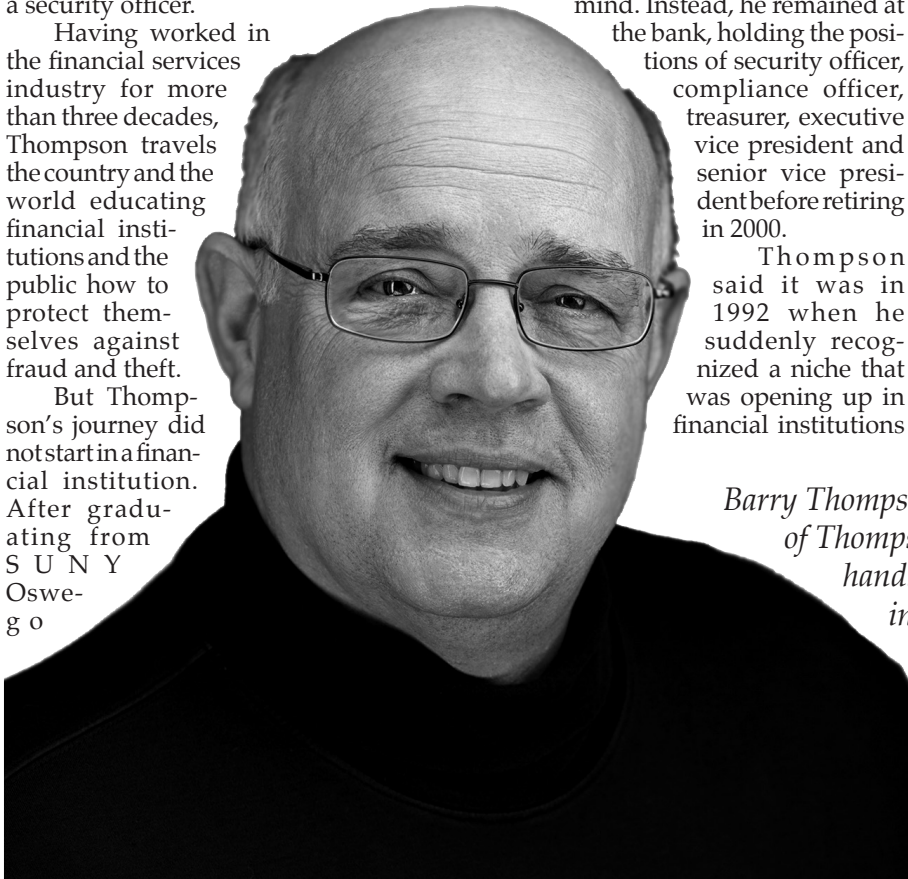
nately, the head speaker had a heart attack," he recalled. Thompson, who had been asked to help out as the moderator for the program, was then asked if he could speak for at least 20 minutes.

He said he spoke easily for 30 minutes and enjoyed it, appreciative of the audience's warm response.

"That was easier than any day I had inside the banks," Thompson noted. "That was really what got me going."

The next year, America's Community Bankers asked him to be on their national committee to design conferences. By 2000, he was chairman of the committee and America's Community Bankers wanted to retain him as their security specialist and financial consultant for their institutions across the country. They requested he set up his own firm, which he did, founding Thompson Consulting Group LLC that year.

"The very day I went into business, CUNA [Credit Union National Association], which is one of the largest training outfits in the country, asked me if I would teach at their security institute, which I did for more than 10 years." Today, Thompson continues to teach webinars and onsite conferences for CUNA.

Being the only fraud educator in the industry who has worked in senior management positions gives Thompson a unique insight into financial institutions and most of the time he said he is able to answer a bank's or credit union's question about a problem over the phone for no charge.

"But if I can't, then I have to go there to investigate," he said. "The great part is, I always wanted to travel and now I have been to every state except Alaska."

Thompson estimates he has taught more than 26,000 people in financial institutions and presented to nearly 100 countries, including Canada, the Bahamas and some in Europe. He has made presentations in Brussels, Belgium to European bankers; at the United Nations on identity theft; and to Japanese Bankers on bank security.

"Topics we instruct regularly are internal fraud, robbery awareness, physical security, fraud social engineering and emerging trends," he said. "Our alliances allow us to offer penetration testing, computer forensics, account takeover analysis and workplace violence. But it is important to know the culture of where you are speaking to

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correctly address their needs."

The four main components of his work include professional speaking, webinars, in-house training and addressing the public through discussions, radio shows, etc.

For conferences and speaking events, Thompson works with a speaker's bureau and provides anything from a half-day session to a three-day conference. He has developed approximately 35 programs designed for four levels of audiences — board of directors, middle management, front-line staff and the public — which can be customized to suit their needs.

Also hired as a conference facilitator for many of the large conferences across the country, Thompson develops the agenda, creates the manuals and hires appropriate speakers.

"I have a handful of speakers who work with me who are educated, trained to the problem, interesting and have a good time, which is important," he said. "But more important to me, they are ethical."

Thompson saw a major change in his business in 2008 when the recession hit as more of his clients began hosting

webinars rather than seminars.

"Before that I was on the road easily 130 days a year ...now I have reduced my travel to less than 100 days a year."

Thompson works solo out of his home office, which is set up to provide the webinars and although he has a virtual secretary, he chooses to answer his own phone.

Thompson said two of the largest scams today are identity theft and elder fraud. He estimated elder fraud will be the fastest growing fraud in the next 10 years because, according to AARP, 70 percent of the wealth in the United States is controlled by people over the age of 50.

As for identity theft, he said computers have given rise to a new con game — social engineering.

"There are two ways I can hack into your computer. I can try to get through your firewall or virus protection, or I can just call you on the telephone and have you give me your password. That's social engineering."

Thompson's job is to show people what a thief needs to steal your identity so, when speaking, he will call up a member of his audience to talk and, using social engineering, will demonstrate how he can finesse crucial information out of them through normal conversation. He admitted he often practices this technique on flights by striking up a conversation with his seatmate.

"It's a game I play — I practice social engineering techniques and will steal their identity before we land," he said.

On the flip side, Thompson's expertise in social engineering helps him to recognize when someone is trying to use it on him. He said he gets calls periodically from people he knows have criminal intentions and are trying to pry useful information out of him. For this reason, he said, he needs to be careful about what he teaches. For instance, when showing a client an illegal site that can be used to hack their computer or an account, he will use one that is not being used anymore.

"I want to teach people how to protect themselves, but not teach them how to do it. My goal is not to create new crooks," he said with a laugh. "My line of work definitely gives me a different way of looking at life, but it is fun."

For more information about Thompson Consulting Group, LLC, call 342-5931 or visit www.tgrouponline.com.