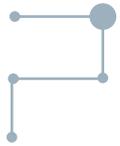
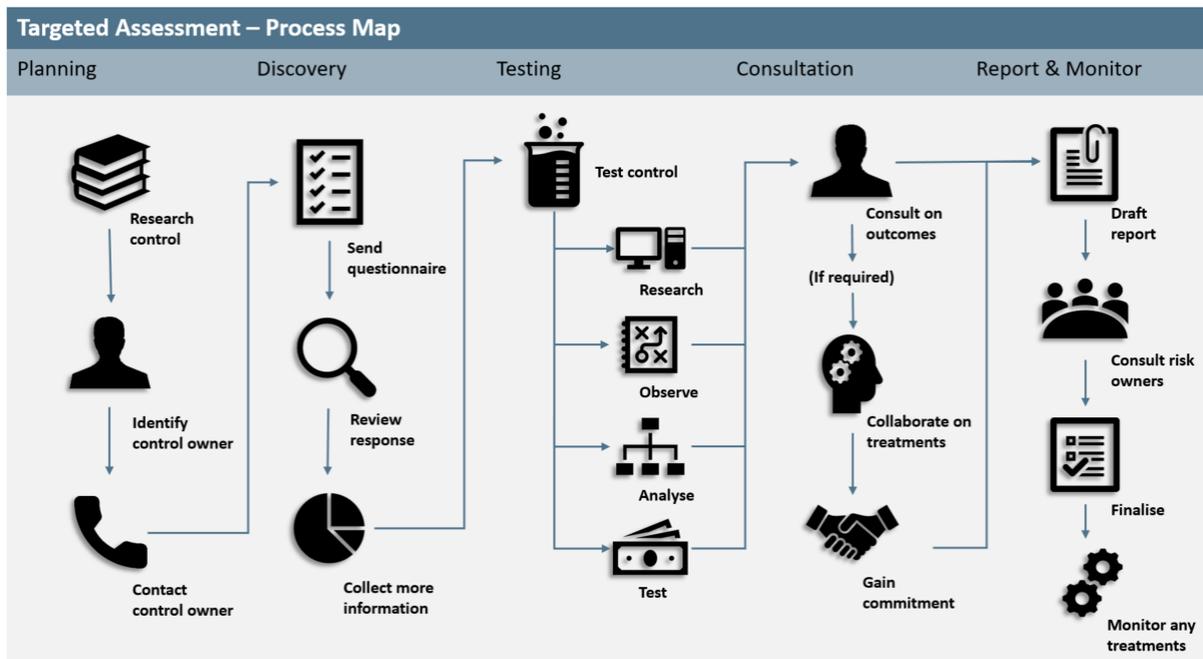


Attachment A – Targeted Assessment Process

Process	Purpose
<p>Targeted Assessment</p> <p>Testing individual countermeasures</p> 	<p>Targeted Assessments help entities test the effectiveness of a single countermeasure or a small number of closely associated countermeasures. These targeted and agile assessments take minimal effort and allow pressure testers to selectively test key countermeasures across a wide range of systems, processes and risks.</p>



How do I decide which countermeasures to target?

Countermeasures selected for tests can be informed by a variety of inputs including:

- ▶ fraud risk assessments and other pressure tests
- ▶ concerns raised by staff or senior officials
- ▶ outcomes from fraud detection programs
- ▶ outcomes of fraud investigations.

Pressure testers may also want to conduct their own research and monitor the media to remain agile, and respond to emerging fraud risks.

This allows entities to maintain a register of countermeasures they would like to pressure test. This register can capture information such as:

- ▶ a description of the countermeasure
- ▶ the relevant fraud risk
- ▶ how this countermeasure was identified
- ▶ the business area responsible for the countermeasure
- ▶ the likely Point of Contact (POC) for the countermeasure.



Tip: You may also want to develop a forward work plan of targeted assessments (a pool of pre-authorised assessments approved by an appropriate senior official). You can then prioritise and allocate these pre-authorised assessments using the [PTP01 - Guide – Priority Assessment Tool](#). This will remove the need to obtain separate approval for each targeted assessment.

Consider recalibrating your work plan regularly to account for changes to team resources, organisational learning and emerging fraud risks.

Once a pressure test has been allocated, pressure testers can track its progress using the [PTP02 - Reporting Template – Pressure Test Tracker](#).

Planning phase



Research topic

When starting a targeted assessment, it's beneficial to research the countermeasure, the fraud risk and possible vulnerabilities. Relevant fraud risk assessments may help. However, these might not always be available or helpful. This research is not expected to be exhaustive but can help effectively plan and scope the pressure test.

Plan activities

Following the research, the next step is to meet with colleagues to plan the approach to testing through a planning meeting or workshop. Pressure testers can use the [PTP03 - Guide – Pressure Test Planning Workshop](#) to make sure the right questions are asked and notes are captured during these meetings or workshops.

Some key questions to consider during planning include:

- ▶ What fraud risks does the countermeasure counter? How might fraud be committed if the countermeasure did not exist or was not fully effective?
- ▶ What assumptions have been made about the impact or effectiveness of the countermeasure?
- ▶ Has this type of fraud been successfully committed in the past or against other entities? If so, how?
- ▶ What kind of benefit might be gained from this type of fraud (money, entitlements, assets, information, influence)?
- ▶ Does the countermeasure change any actor's behaviour? If so, how?
- ▶ Are there other countermeasures (e.g. backup countermeasures or fail-safes) that need to be considered?
- ▶ Could technical or covert testing be applied to test the countermeasure? If so, can a plan be developed now or after the stakeholder has provided more information?
- ▶ What other stakeholders might we want to engage, beyond the initial point of contact, to evaluate the countermeasure?
- ▶ What evidence or data would be useful to obtain? How would we collect this data?
- ▶ What are the potential vulnerabilities we might discover?
- ▶ What are some possible treatments we might need to co-design with stakeholders?



Tip: You can use the [PTP16 - Report Template – Detailed Pressure Test Report \(Targeted Assessments\)](#) to start recording your research findings.

Categorise the countermeasure

The [PTP15 - Catalogue of Fraud Countermeasures](#) can help identify and correctly categorise different countermeasures. This catalogue also provides guidance on how to measure different types of countermeasures.

Identify and contact the owner

Stakeholder engagement for targeted assessments can often be phone-based contact. It is vital to identify the right person to provide the necessary advice and information about the countermeasure. This stakeholder is referred to as the ‘Point of Contact’ or ‘POC’.



Tip: How you identify this POC may vary. However, it is often productive to start with relevant executive officers or coordination teams. Call them to introduce yourself and discuss the process. You can then discuss the countermeasure you are assessing and ask them for advice on who the appropriate contact would be.

Once pressure testers identify the POC, they can call to introduce themselves and discuss the process. This conversation involves a quick discussion about the fraud risks and countermeasure to confirm the appropriate contact has been identified.

Discovery phase



Consult stakeholders

Pressure testers can use the [PTP07 - Email Template – Questionnaire \(Targeted Assessments\)](#) to send the questionnaire to the POC.

The purpose of the [PTP08 - Questionnaire – \(Targeted Assessments\)](#) is to gather advice from the POC about how the countermeasure counters the fraud risk. The questionnaire asks the contact to respond to the following:

- ▶ Confirm that the countermeasure exists.
- ▶ Confirm that the countermeasure counters the fraud risk/s it is recorded against.
- ▶ Describe how the countermeasure works to counter the fraud risk.
- ▶ Explain how they make sure the countermeasure is working (e.g. that the countermeasure is used, followed, enforced, switched on, monitored and tested).
- ▶ What assumptions are there about the operation and effectiveness of the countermeasure?
- ▶ What supporting countermeasure (backup countermeasures or fail-safes) exist? How do the countermeasures work together to counter the fraud risk?
- ▶ If there was an actively thinking adversary who intended to commit fraud, could they find a way around the countermeasure? If so, how would they do it?
- ▶ What are the consequences if the countermeasure did not work as intended?
- ▶ Are there any other issues that influence how effectively the countermeasure works?
- ▶ Are there any ways the fraud countermeasure could be strengthened?
- ▶ Are there any additional fraud risk treatments that could be implemented?

- ▶ Provide any other information, documentation, statistics/data or stakeholder contacts that could help with evaluating the fraud countermeasure.



Tip: To continue the momentum, follow-up with the POC as soon as possible if they do not return the questionnaire by the agreed date.

Review the response

On receiving the response, pressure testers can contact the POC to thank them, ask further questions and explain the next step in the process. This follow-up can occur via email or over the phone. If over the phone, send an 'as discussed' email to the POC to verify the additional information they provided.

Testing phase



Some different ways to test countermeasures:

- ▶ Research such as desktop reviews and looking at case studies.
- ▶ Observation such as process walk-throughs or workshops with stakeholders.
- ▶ Analysis such as sample reviews or data analysis.
- ▶ Testing such as technical testing or covert actions to breach countermeasures.

See Chapter 4 of the Commonwealth Pressure Testing Framework for guidance on testing and evaluating the effectiveness of fraud countermeasures.

See [Attachment C](#) for guidance on technical or covert testing. Pressure testers can use the [PTP12 - Plan Template – Technical and Covert Plan](#) to plan and obtain approval for technical or covert testing.

The [PTP15 - Catalogue of Fraud Countermeasures](#) provides guidance on how to measure different types of countermeasures. The catalogue gives:

- ▶ a summary of each countermeasure
- ▶ specific examples of each countermeasure
- ▶ an explanation of the purpose of each countermeasure
- ▶ suggested ways of measuring the effectiveness of each countermeasure
- ▶ vulnerabilities to consider for each countermeasure
- ▶ dependencies links to other countermeasures that can be considered within a broader control environment.

Pressure testers can use the [PTP16 - Report Template – Detailed Pressure Test Report \(Targeted Assessments\)](#) to record evaluation results and preliminary findings.

See Chapter 4 of the Commonwealth Pressure Testing Framework for guidance on determining the effectiveness of countermeasures.

Consultation phase



Further consultation on preliminary findings

On completing the evaluation, pressure testers can contact the POC to discuss the preliminary findings. The method of this contact depends on the findings:

- ▶ If the countermeasure is **fully effective** – email the POC to thank them for their help and inform them of the preliminary findings. Pressure testers can use the [PTP18 - Email Template – POC report consultation if countermeasure is effective \(Targeted Assessments\)](#) to provide this information. The email should also provide advice on the next step in the process.
- ▶ If the countermeasure is **not fully effective** – call the POC to discuss the preliminary findings. This call allows the POC to comment on the findings and provide further advice or information that might help in the final evaluation. It also gives the opportunity to collaborate with the POC on potential treatments. Pressure testers may also need to consult with other stakeholders at this stage about potential treatments.

Co-designing treatments for vulnerabilities

Pressure testers can use the table under Appendix 2 of the [PTP16 - Report Template – Detailed Pressure Test Report \(Targeted Assessments\)](#) to record treatment ideas for identified vulnerabilities.

This table helps consult with stakeholders on the following:

- ▶ The purpose of the treatment - what fraud risks will the treatment mitigate, what vulnerabilities will it address, and what will it do?
- ▶ Who the treatment owner and implementer will be.
- ▶ The implementation process - what steps will be involved.
- ▶ The estimated cost of the treatment.
- ▶ The expected outcome - will it achieve the purpose and how can this be measured?
- ▶ The expected timeframe.



Tip: It is crucial that you consult with relevant stakeholders (including treatment implementers) prior to finishing your report. This will help you co-design appropriate and cost-effective treatments and increase the likelihood they will be approved by senior officials. You can use the [PTP19 - Meeting Template - POC collaboration on findings and treatments](#) to facilitate this consultation.

Report and monitor phase



Drafting the Executive Pressure Test Report

At this point in the process pressure testers will have drafted the detailed pressure test report and consulted with relevant stakeholders about the outcomes and treatment ideas.

Pressure testers will now need to present the pressure test findings to relevant senior officials and seek their approval to implement the proposed treatments (if required). Pressure testers can use the [PTP21 - Report Template - Executive Pressure Test Report \(Targeted Assessments\)](#) to help:

- ▶ communicate this information in a clear and precise way
- ▶ document advice and approvals from treatment owners.

The Executive Pressure Test Report is based on the detailed report but is much more concise. If the above template is not used, consider including the following in the report:

- ▶ A cover page that includes a summary of the countermeasure that was assessed, the results of the assessment, the number of treatments (if required) and the residual risk rating.
- ▶ A short summary of the countermeasure.
- ▶ A list of key findings.
- ▶ An evaluation of the countermeasure's effectiveness.
- ▶ Recommended treatments (if required).
- ▶ An evaluation of the fraud risk and a risk assessment table.
- ▶ Key stakeholders and their relationship to the countermeasure or treatments.

The [PTP24 - Guide – Writing an Executive Pressure Test Report](#) can help drafting a clear and compelling report.



Tip: The more you know about a subject, the harder it is to write for an uninformed reader. This is a natural cognitive bias called '[the curse of knowledge bias](#)'. It results in communication that assumes the reader possesses a similar level of knowledge to you which they may not actually possess.

To overcome this, assume the reader knows hardly anything about the subject. This doesn't mean providing even more information. It instead requires only the *necessary* information written in a well-ordered way to support your conclusions.

Report consultation and approvals

Pressure testers can use the [PTP22 - Email Template – SES stakeholder results collaboration \(Targeted Assessments\)](#) to facilitate this consultation. This email will allow the executive pressure test report to be shared with relevant decision-makers such as risk and treatment owners, and also seek their agreement on any proposed treatments (if required).

Finalising the pressure test

The report may need to be amended following feedback from relevant senior officials. If so, the [PTP22 - Email Template – SES stakeholder results collaboration \(Targeted Assessments\)](#) can be modified to seek further endorsement of the amended report.

Monitoring the implementation of treatments

It is recommended to develop a process for recording and monitoring the implementation of agreed treatments. The [PTP02 - Reporting Template – Pressure Test Tracker](#) can help keep track of these and follow up if required.