Joining the dots . . . taking commercial forensic investigations into the future

HELENA POTGIETER

Delivery of professional services is often a challenging prospect. Recently the work of forensic accountants has come under increasing scrutiny. This, over a period where there has been an explosion in growth of the number of operators calling themselves forensic investigators (accountants) and against the backdrop of varying standards (or the lack thereof), methodologies and little, if any, regulation. However, at this time, business and the public sector rely, with varying expectations, on the results of forensic investigations. They also expect forensic investigators to be pro-active in the development of delivery models in a changing world, with technology and data analysis at the forefront.

Investigations, as they were known and feared in the past, were driven by seasoned and trained officials who had time and the law on their side, and were supported by forensic investigators providing their expert input.

Over the years, especially since the early 1990s, law enforcement agents, accountants, technology experts, data analysts and lawyers have gravitated towards and have set up forensic practices. Some offered the full range of forensic skills while others offered limited services; all under the banner of “forensic accountant” or “forensic investigator”. In some cases, teams of personnel with different levels of skills are assembled, guided by the less than critical input of leadership, in the hope that following carefully designed procedures would deliver the answer.

Leadership skills (the experts) were spread across these various teams, geared primarily towards the profitability of the organisations they worked for. The result, in some cases, was that the services of a specialist forensic investigator became commoditised, which created its own problems. A point was reached when users of forensic services expected services could be acquired, regardless of the level of experience, complexity and expertise required, at the same rates as commodity services.

Over the past 25 years the environment has changed dramatically; fraud and misconduct have escalated and increasing demands on skills and application of expertise faces many practitioners. The position and role of the authorities has been impeded by the limited availability of budget and resources created by the proliferation of traditional fraud and theft as well as the “modern” crimes of corruption (an age-old culture recognised as a crime in recent years), racketeering, money laundering, cybercrime and so many more. The speed at which criminals invent and mutate is faster than the speed of response by business and law enforcement agencies.

Is it time for forensic investigators to break away and be different? How often are forensic investigations conducted without success, sometimes due to budgetary constraints placed on authorities and, in many instances, due to a lack of real willingness to resolve the issues. And how often are forensic reports produced but never implemented?
A recent forensic client commented that “…we need our forensic investigators to do the thinking, be pro-active and innovative in joining the dots”. This means a model with fewer “foot soldiers” at the bottom, and more experience and expertise at the top to facilitate a dramatic increase in the delivery of the right answers to questions posed to forensic investigators. It means acquiring, developing and retaining the talent. It means a clear distinction between specialist forensic investigation services and those services requiring low level skills that can be commoditised. It means a shift from the old school investigation techniques, which are time consuming and procedure bound, and often unsuccessful to an era where the real forensic investigators are those who can join the dots using technology, skills and expertise.

Investigators are no longer required to remember what they read in the last 1 000 documents, or even the last document, read and can now rely on technology to do just that. They can rather apply their skills and talent to joining the dots. Joining the dots does not mean automated investigations overseen by a lone forensic investigator but rather using technology to harness all data and information available – it means using the investigator’s eye and experience to see and train the machine to remember and prioritise.

With the advent of advanced analytics and sophisticated machine learning, the skilled investigator can focus attention on joining the dots whilst technology reduces cost and time and enhances coverage of the vast amount of electronic data that generally requires review.

Due to the increased demands placed on forensic investigators and the availability of much improved technology we are better placed to match the criminals. There is an old saying “…you need a crook to catch a crook”, which is true but, in today’s world, it is more challenging. Criminals have access to the best technology and skills while business is exposed to risk in order to operate. The really talented investigators are those who can move and shift (joining) to meet the demands created by criminals and to respond ahead of time in anticipation (the dots), while still allowing business to continue as usual (an improvement in service) and still being effective (use of technology).

*Potgieter is a Senior Director, FTI Consulting (South Africa).*