

FTI Assists Client in Uncovering Employee Fraud in Europe through Mobile Investigations Unit



SITUATION: A GLOBAL LAW FIRM CONTACTED FTI TO ASSIST IN THE INVESTIGATION OF UNUSUAL ACTIVITIES BETWEEN EMPLOYEES IN TWO DIFFERENT EUROPEAN OFFICES.

Data from key custodians needed to be collected, processed and reviewed so that investigators could determine whether fraud was occurring, and if so, who else was involved or knew about it, how much was involved and what legal action could be taken.

Some of the specific challenges of this matter included:

- **Traditional data review AND a forensic accounting investigation:** In addition to collecting and reviewing the materials, the client needed assistance in investigating how the fraud was conducted.
- **European data privacy restrictions on moving data:** Data could not be taken out of one of the European countries, so the collection and review had to be conducted on-site.
- **European data privacy restrictions on personal email:** The custodians emailed back and forth between work and personal email accounts. Since personal emails are protected under European data privacy laws, even though the personal mails were sent on work computers, the team had to piece together the chain of events without the full picture.
- **Short time frame:** The client needed the matter resolved before year-end and quarterly reports to regulators and investors.
- **Low-key presence:** To avoid arousing the suspicion of employees, including those that may have been involved in the fraud, the investigation had to be conducted quickly and discretely.
- **Understanding complex financial information:** Forensic accountants were needed to assist the lawyers in unravelling the mechanics of the financial fraud.

THE SOLUTION

Within a day, FTI's mobile investigations team of six individuals, consisting of three e-discovery experts from its Technology segment, and three forensic investigators from its Forensic and Litigation Consulting segment, was deployed on-site to this major European financial centre.

Key components included:

- **Collecting email and office files from key custodians identified by the company's law firm:** This included pulling data from various laptops and email servers in less than two days.
- **Implementing a mobile processing and review solution:** On the third day of the investigation, the FTI team loaded the industry-leading e-discovery software, Attenex Patterns, onto their laptops. Through processing and devising a series of searches, FTI culled the irrelevant and duplicate data, as well as personal information, out of the data set. This maintained compliance with European data laws, helped reduce the cost of the investigation, and helped the team get to the important information faster.
- **An integrated review and investigation:** In this iterative process, as reviewers came across "hot" documents, they were able to immediately share findings with the investigative team to pursue new leads. And, as investigators came across new information, the review team was able to use the concept clustering capabilities of Attenex Patterns to hone in on supporting documents.
- **Forensic accounting of complex financial data:** Many of the keys to unlocking the fraud were hidden in the details of complex financial spreadsheets. FTI's experienced team of financial investigators was able to unravel the spreadsheets to find supporting information as well as uncover additional fraud details originally missed.
- **Piecing together the mechanics of the fraud:** After combining the investigator's findings as well as the results of the reviewed materials, the FTI team was able to develop a chronology of activities linking individuals in fraudulent activities.

THE RESULTS

Through FTI's global scale, quick deployment, mobile review operations and experienced investigative team, the client was able to quickly and cost-effectively uncover fraudulent activity in its European offices. Using a small team with a strong understanding of the local culture as well as European data privacy requirements, FTI worked discretely under the radar without disrupting the office's normal course of business or "tipping off" employees that an investigation was being performed.

FTI conducted the complete investigation in three weeks and provided evidence and a chronological timeline of how employees were committing fraud and paying off accessories. In the end, clients were extremely satisfied with the results and relieved that the matter was handled so quickly and efficiently.

IMPACT:

RESULTS

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