

MIS 5208 – Lecture 09 – Inquiry Methods

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Learning Objectives

1. Understand the interviewing process.
2. Plan and conduct an interview.
3. Understand the nature of admission-seeking interviews.
4. Describe the different deceptions and lies used by perpetrators.
5. Describe the different types of honesty testing.
6. Prepare a fraud report.

The Interviewing Process

- The most common technique used to investigate and resolve fraud
- A question-and-answer session designed to elicit information
- Structured (not free-form) conversation that has a purpose
- The systematic questioning of individuals who have knowledge of events, people, and evidence of a case

Planning an Interview

General Preparation

- Follow a plan or outline to meet your objectives
- Review relevant documents to gather as much information as possible
- Conduct interviews at the interviewee's office (except for hostile interviewees)
- Set up an appointment
- Plan sufficient (even excess) time for the interview

Physiology of Deception

- Verbal Cues
 - Longer Pauses and Increased Rate of Speaking
 - More Negative Statements or Complaints
 - Specific Denials
 - Stories That Sound Too Good to Be True
 - Oaths
 - Character Testimony
 - Overuse of Respect
 - Repetition of the Question
 - Fewer Ordinary Imperfections

Physiology of Deception

Nonverbal Cues

- Anatomical Physical Responses
- Facial Expressions Showing More Unpleasantness
- Lip Movements
- Decreased Eye Contact and Foot and Leg Movements
- Raised Chin

Admission-Seeking Interviews

- These interviews make statements and accuse directly
- The goal is to elicit confessions from perpetrators
- Should happen only when a reasonably high probability exists that the respondent has committed the act
- Culpability can be based on verbal and nonverbal responses to interview questions, documents, and/or physical evidence

Admission-Seeking Interviews

- **Accuse directly...**

“ Our investigation has clearly established that you

- made a false entry (avoid “fraud”)
- took company assets without permission (avoid using “theft,” “embezzlement,” or “stealing”)
- took money from a vendor (avoid “bribe” or “kickback”)
- have not told the complete truth (avoid “lie” or “fraud”)

Honesty Testing

STOP & THINK *How do you choose between traditional tests, graphology, voice stress analysis, and polygraphs? When is each method best used?*

- The most common inquiry method is the interview.
- Three other methods exist:
 - Pencil-and-paper tests
 - Graphology
 - Voice stress analysis and polygraphs

The Fraud Report

- **Includes:**
 - Findings
 - Conclusions
 - Recommendations
 - Corrective actions taken
- **Should be:**
 - Objective
 - Factual
 - Unbiased
 - Free from distortion

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Thank you