

## Interviewing vs. Interrogation

"If you're going to interview, interview. If you're going to interrogate, interrogate."

**There are two important parts of this lesson.** The first is that there are significant procedural differences between interviewing and interrogation. The second is that if these procedures are intermingled, the investigator will often be ineffective in accomplishing the goals of either one.

### An Interview

An interview is a non-accusatory question and answer session with a suspect, victim or witness.

#### Goal of the Interview

The goal of an interview is to gather information and/or make an assessment of the subject's credibility. Examples of gathering information include, "how could these cash memos be generated?"

Some of this information will be investigative in nature. Examples of investigative questions include, "What are your duties and responsibilities?"; "Do you have access to master data file?"; "Do you know who Mr. D Shah is?" Other interview questions are specifically designed to elicit behavioral responses from a subject

#### Demeanor of the investigator

It is important that the investigator maintain a non-accusatory tone and demeanor during an interview. This is so even when he knows that the subject has lied to an investigative question or exhibits clear indications of deception to a question designed to evoke behavioral responses. Under this circumstance if the investigator becomes accusatory or challenging the subject will become guarded and reluctant to offer information.

A subject will offer much more meaningful information if he does not feel threatened or intimidated. In short an investigator should allow, and in some cases, even invite subjects to lie during an interview. As long as the subject continues to answer the investigator's question information is being learned.

#### Who should do how much talking?

During an interview the **investigator should talk about 20% of the time and the person being interviewed 80%.**

To accomplish this balance, the investigator should keep his questions brief and, whenever possible, elicit a narrative response from the subject (known as close ended questions).

Too often, investigators reveal so much information through their questions that following an interview the subject has learned much more about the investigation than what the investigator has learned about the suspect's possible involvement in the

crime such as, “Tell me about your Manager Mr.AD.I have heard that his brother is running a parallel franchisee business of the competitor and there are lot of other employees of the company who is involved with Mr. AD in this scam”.

## Important Points

Based on the terms of reference with the appointing authority, the fraud examiner may start his examination with the preliminary round of interview with the employees who have been listed for assistance, whistle blowers if any, who have reported wrongdoings, outside agency providing services to the company E.g: internal and/statutory auditors, consultants, external security guards etc

This interview can be a starting point towards investigating the fraud. Care has to be taken to maintain objectivity towards these employees because possibility of fraud perpetuated by these employees cannot be ruled out.

Through the preliminary round of interview, culture of the organization, work flow, document flow, unwritten policies and practices, any past event having a bearing on the investigation and other inside information about employees etc are revealed which is used for evaluating future course of action.

The above procedure is also applicable when the assignment has to be carried out covertly. The only difference is the knowledge of investigation is not revealed to any one.

The next step involves developing and evaluating evidence.

### Developing and evaluating evidence

For this purpose, direct evidence is gathered from detailed examination of documents and records of financial and non-financial data. Here any penetrative audit tests using some kind of yardstick are to be conducted and MIS reports are to be prepared for evaluation of the results

#### **(Case study of Cash theft in a huge retail store)**

- Were there any sales after office hours, before office hours
- was any cashier taking too long to complete his sale
- were any deliveries received after office hours

#### **(Case study of fraud in a complex derivative trade business)**

- **Examining large value trades along with the element of time.**

If it is not possible to conduct test due to complexities of system, experts should be given detailed guidelines of the MIS report which is required for evaluation.

Relevant Records and data needs to be photocopied in case of a hard-copy and stored in case of a soft-copy.

Based on the above audit tests conducted and evidence gathered, data is accumulated, compiled and information is analyzed. Background information on a case is prepared for the possible suspects to be called for a formal interview.

There is a possibility evidence could not be gathered or it was insufficient. In this scenario,

In addition, employees can be stratified E.g. those who have recently joined the organization, who are at a young age and are at the lowest hierarchy, can be interviewed first

### **Planning a Formal Interview**

To conduct an effective interview of the suspects, interview sheet with the key questions written out in abbreviated form followed by sufficient space for taking written notes and analyzed information as obtained above shall be kept ready.

There are a number of benefits to preparing an interview sheet. By writing out key questions in advance, the investigator has the opportunity to think about all of the questions that need to be asked during the interview and the sequence in which different topics should be covered. The interview sheet becomes a road map that keeps the investigator on track and allows him to concentrate on the suspect's behavior symptoms and responses to the interview questions. Finally, the organization of the interview sends a message to the suspect that the investigator is professional, well prepared and competent.

### **Starting the Interview**

It is advisable to call all the employees of the organization and not just the suspects for the interview.

All interviews start with introduction by exchanging pleasantries

### **Initial Questions**

The initial questions asked during an interview are designed to establish rapport, obtain the suspect's behavioral norms within the areas of eye contact, communication style and general nervous tension from the subject and to acclimate(making used to) the suspect to the interview. These are the first couple of minutes of the interview where investigator will ask a question, the suspect will respond to the question and

the investigator will write down the suspect's response. Examples of initial non-threatening background questions include:

"Could you please spell your last name for me?"

"What is your first name?"

"How long have you been with the organization? Where were you working before?"

"What is your educational qualification?"

"What is your current address?"

### **Addressing the Issue Under Investigation**

Most formal interviews will address the following six investigative areas:

#### **Opportunity**

(See how close the suspect will place himself to the fraud of say any theft or pilferage of assets)

"Tell me everything you did on the day of fraud between so and so time and the time you left the organization."

"This shortage occurred on the 2<sup>nd</sup> of last month. Do you remember that day? Tell me everything you did that afternoon."

"Were you inside or in the vicinity of the store last Friday after office hours?"

"Did you handle the deposit at any time yesterday afternoon?"

#### **Procedures**

(Establish normal procedures and identify if they were not followed.

Many frauds are committed because normal procedures were not followed.)

"Tell me about the procedures you follow when you get order from the customer or when you receive cash."

"What normal procedures were not followed on (date of fraud?)

#### **Access**

(Identify what special means or knowledge was required to commit the fraud and ask the suspect about each of them. An innocent suspect is comfortable acknowledging access. Guilty suspects may lie about having access or be reluctant to acknowledge access.)

"Do you know where the keys to the safe is kept in the office and do you have access to it?"

"Do you access to the accounting data/office room?"

"Do you access security on the computer?"

"Do you have a password to change the master data file?"

"Do you have authority to negotiate with the suppliers directly?"

### **Propensity**

(Does the suspect have the psychological makeup to commit the fraud?)

"Have you ever borrowed any money from the company and replaced it later?"

"Has anyone ever approached you asking if you could get some favors of getting the contract for them?"

"When is the last time you've lost your temper?"

### **Motive**

(How strong are the suspect's needs for money, esteem, revenge, power etc.?)

"What unexpected expenses have you recently had to pay?"

"Are you behind on any monthly loan or credit card payments?"

"In the last 2 months have you asked for any cash advances at work?"

"Did you face any tragedy during the past 2 months?"

"In the last 2 months have you had an argument with (the senior)?"

### **Precipitators**

(A precipitator is an event or circumstance that contributes to the suspect's decision to commit the fraud *when* it was committed, *where* it was committed and *the manner* in which it was committed.)

"Have you received any notice of pending legal procedures?"

"Did you miss out your target of sales in the past 4 months?"

### **Guidelines for asking investigative questions**

The following guidelines are offered for asking investigative questions:

1. Completely cover one topic area before moving to a new one. This will help organize the interview and also assist the suspect's memory to focus on one similar area at a time. Skipping back and forth between different areas may cause the investigator to forget to ask important questions within an area and may cause the suspect to become confused and give inaccurate responses.

2. Introduce non-threatening areas before more threatening areas. In most investigations it is less threatening for the suspect to acknowledge having the opportunity to commit the fraud than the motive or propensity to commit it.

2. Try to introduce an area with a broad question that requires a narrative response (open ended questions). Ask follow-up questions to clarify ambiguous, incomplete or contradictory information (close ended questions). For example:

3.

Q: "Tell me about when you came to know that there was a theft in the stores?"

A: "On the day of crime, in the morning at 9.00 am, when I entered the stores area, I saw that the lock was broken. That time I realized that something has gone wrong. I called the manager and we both entered the department. That's what happened."

Following are the follow-up questions that are employed if the above information is not narrated fully.

Q: "Who witnessed this?"

Q: "What time did this happen?"

Q: "When did you decide to inform the seniors?"

Q: "Who do you think could have done it?"

4. Never reveal inside information without first giving the suspect an opportunity to tell the truth. For example, if it is known that a suspect has a prior warning for theft, it would be improper to ask, "I see that you were once caught for pocketing cash. What happened?" Rather, the investigator should give the suspect an opportunity to volunteer to truth, "Has there been any incident where your senior has been upset with you?" An innocent suspect will typically acknowledge the prior incident. On the other hand, a guilty suspect may lie about it.

### **Concluding the Interview**

An interview is summarized after it is concluded

## **An Interrogation**

### **Purpose for an interrogation**

The purpose for an interrogation is to elicit the truth from a person whom the examiner believes to be either guilty of fraud and/or has lied during an interview. It represents, therefore, an effort to persuade the subject to tell the truth.

In addition, logic and rationale arguments based on direct evidence available through records, documents and information from the organization's internal sources may be used to persuade the subject to tell the truth.

In some instances, an innocent person will be interrogated. Under this circumstance interrogation tactics used must not be so persuasive as to elicit a false confession. A particular tactic to avoid is to threaten the subject with inevitable consequences followed by a promise of leniency if the subject confesses.

### **Do's and Don'ts during Interrogation**

1. The interrogation should not consist of accusatory questions for this will only lead to further denials from the subject. Rather, it should consist of a monologue during which the fraud examiner makes statements designed to persuade the subject to tell the truth. The monologue often addresses the circumstances which led up to the subject's commission of the fraud.
2. During an interrogation, the fraud examiner's demeanor should understand toward the subject's fraudulent behavior. It is psychologically much easier for a subject to tell the truth to someone who appears to understand why he committed the fraud. At no time should the fraud examiner remind the subject of the seriousness of his offense or possible punishment for it. Such reminders merely reinforce the subject's effort to avoid consequences through continued denials.
3. If the fraud examiner's persuasive statements have an impact on the subject, the guilty subject often exhibits signs which indicate that he is considering telling the truth. At this point the fraud examiner asks a question which offers the subject two choices concerning some aspect of the crime. For example, "Did you plan this out for months and months in advance or did it pretty much happen on the spur of the moment?" If the subject now acknowledges that the fraud has happened on the spur of the moment or because his immediate senior forced him to do so, this represents his initial admission of guilt.

### **Intermingling Interrogation with Interview**

if the fraud examiner makes no clear distinction between interviewing and interrogation, less information will be learned when questions are asked during the interaction that resembles "interviewing" and the persuasive impact of the "interrogation" stage will be minimized. Of most concern, however, is that the guilty suspect may never truly be persuaded to reach a stage where he is willing to openly talk about his crime (the first admission of guilt). Under this circumstance, often active persuasion is used to extract details of the confession piece by piece. The voluntariness of that confession, and even its trustworthiness, may later be challenged in court.