Corporate investigations have been revolutionized over the past 40 years, and the rate of change is accelerating. Like many professions, investigators have adapted to changes in economic, social and legal conditions. The industry saw its most important period of transformation in the 1970s, as forward-thinking professionals (the most prominent of these was Jules Kroll) founded sophisticated firms dedicated to corporate investigations and security. These investigators, often former federal agents, prosecutors and police detectives, tackled external and internal investigations by applying the techniques they had learned in government, including cultivating sources, conducting surveillance and occasionally searching the rudimentary databases of the day. Many combined field investigations and research projects, with intelligence from different sources that come together into polished, professional reports.

The 1990s and 2000s saw two broad revolutionary types of changes that shaped the investigations industry. First, new laws, and more strict enforcement of existing ones, made the demand for investigations explode. Corporate investigators helped companies address these new mandates, often in partnership with large corporate law firms whose own lawyers were tasked with handling large internal investigations.

Examples of these laws include the 2002 Sarbanes-Oxley Act, which often required thorough investigation to supplement the required work of auditors and accountants. And although both the Foreign Corrupt Practices Act (FCPA) and the International Emergency Economic Powers Act (IEEPA, which established the Office of Foreign Assets Control sanctions program that has become so crucial to U.S. foreign policy) were passed in 1977, enforcement did not kick into high gear until much later. Investigations firms began to hire forensic accountants familiar with fraud, corruption, and the government investigative process, and their work exploded.

The second advance of this era was the ubiquitous use of personal computers for word processing and email, which led to the emergence of e-discovery and computer forensics. In litigation, e-discovery produced both headaches and opportunities, but in investigations, the ability to sift through thousands of electronic communications quickly supercharged corporate inquiries. Whereas investigators of the 1970s and earlier would be thrilled to get their hands on a single letter or telegram between people of interest, now they were able to analyze hundreds or thousands of such communications. As such, these techniques became an increasingly central part of any investigation.

As we head into 2020, it is clear that a new revolution is upon us. Tomorrow’s firm will not only
be tasked with collecting information but critically sorting through massive amounts for the relevant kernels that clients need. Along with emails, video and audio, an incredible variety and complexity of media sources in multiple forms and languages all around the world must also be analyzed. It is impossibly expensive to use humans to sort through all this information, and even e-discovery is not enough. Today, data analytics professionals versed in artificial intelligence, teamed with lawyers, investigators and CPAs, are crucial to analyze countless gigabytes of data.

While investigations may vary in terms of the specific capabilities and industry knowledge required, the modern corporate investigation practice must include several key capabilities if it is to serve clients and their lawyers effectively:

1. **Interdisciplinary teams:** Regardless of whether a corporate investigations practice is part of a larger firm or is an exclusively-investigative firm, it should have a multi-disciplinary professional team. Effective firms will build a diverse lineup that will include young computer whizzes and researchers, former federal agents and police detectives, former prosecutors, and forensic accountants with Big Four and other relevant experience.

2. **International reach:** It is rare for an investigation these days to be confined to one jurisdiction. While corporate investigations practices don’t need to have offices all over the world, it is crucial that they maintain a network of trusted investigative and research personnel that they can assign client tasks at a moment’s notice.

3. **Data analytics and machine learning:** Technology allows businesses to easily capture and store structured and unstructured data such as financial records, customer information, and communications through a broad spectrum of tools. In investigations, this creates the challenge of sifting through the “white noise” of emails, invoices, and payments, to identify relevant information efficiently and accurately. To meet this challenge, modern investigative firms should be able to deploy machine learning technology to identify relevant content quickly, drastically reducing the cost of an investigation. Data analysts should be able to visualize data, detect statistical anomalies, and identify patterns to turn information into intelligence, evidence, and investigation leads.

4. **Computer forensics:** It is crucial for corporate investigators to harvest, forensically preserve, and analyze electronic evidence, including computer media, cellphones, tablets, and data from servers. This is a basic function that is necessary to investigate and respond to all kinds of malfeasance.

5. **Forensic accounting:** From accounting fraud to large-scale transnational bribery investigations, forensic accounting is an essential function of any corporate investigations firm. A strong forensic accounting function will not only unravel fraudulent schemes, it will also assist clients in implementing controls to prevent future breaches.

6. **Investigative due diligence:** The volume of available public records increases each year. An investigative firm is crucial in sifting through the myriad sources that are available in databases, on the open web, and on the deep web. Researchers should be able to conduct thorough and efficient investigative due diligence that goes beyond a prescriptive, rules-based “check the box” approach. It is critical that the approach can be customized to meet the specific needs of the client, ensuring that the resulting intelligence adds value to the client’s particular needs.

7. **Traditional investigative techniques and surveillance:** Despite the growing need for technology solutions in investigations, traditional investigative techniques will not be obsolete in 2020. Specifically, corporate investigators must maintain experienced professionals to conduct field and office interviews that build on the intelligence gathered through electronic means and using effective and appropriate interview techniques that can only be honed from years of experience. Other techniques, such as physical surveillance and consensual recordings, may also be appropriate, depending on the case.

Today, an unprecedented level of scrutiny—such as physical surveillance and consensual recordings, may also be appropriate, depending on the case.

**Mike Cherkasky** is executive chairman of Exiger and was formerly the CEO of Marsh & McLennan and Kroll Inc. **Roy Pollitt**, a veteran of the FBI’s New York office, is the Americas Head of Exiger’s corporate investigations practice.