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Bring them on: Working effectively during investigations

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Let's be honest. Every company is at risk of facing an investigation. Investigations can be triggered by an internal complaint, a report, a problem, a suspicion, or even at the request of an authority. And it is highly probable that the compliance team will participate. The reason: They need to know what is going on in order to protect the company from any potential damage to its reputation.

Therefore, conducting an investigation is a must for any compliance team. It is also important that they know how they can work effectively with other departments. In some companies, depending on size, there is a person dedicated to investigations while in other companies, compliance conducts investigations on its own or with support from human resources or the legal area. But one thing is for sure: Compliance always needs to work with other departments in order to get what is needed. So, how can they do it? Keep in mind that every investigation is unique. Even if there are two investigations for the same issue, the circumstances and people involved will differ. Therefore, this article will tell you what to do, in general terms.

The purpose of an investigation

Let's start from scratch. In general terms, the purpose of an investigation is to find out the truth of something, gathering the facts and evidence as to what really happened. Therefore, the first thing to think about is whether or not that complaint, report, problem, or suspicion warrants an investigation. To reach a conclusion, evaluate whether the issue is delicate, if it has been reported before, or if there have been similar cases, and finally, ask whether or not the complaint maker is anonymous. In my experience, most people are afraid to reveal their names when submitting a report or complaint, especially in cases of fraud, money laundering, harassment, discrimination, and/or retaliation. But when someone is really fed up with a situation, they usually are no longer afraid to reveal their name. The situation is so unbearable that it gives them the courage to report it. In this case an investigation should be carried out immediately without hesitation.

Keep in mind that time is key when there are delicate issues involved. Why? The complaint maker might think that the company won't do anything, the subject of the investigation could erase information (evidence), or the witnesses could forget details. Sometimes people overreact, or are prejudiced, and jump to conclusions immediately. Don't allow this to happen. Without proper analysis of the situation and decision-making, these premature conclusions can harm the company rather than solve the issue.

It can also help to consider any potential legal breaches. Could the company be damaged or sanctioned? Ask yourself, if the media finds out about this case, what could the consequences be?

One thing is for sure: Whatever the decision is, document it. Even if you do not conduct an investigation, document the report or complaint. It is prudent to keep a file with the reasons for not conducting an investigation; just make sure the reasons are valid and defensible. In case another similar issue is raised, you already have a precedent.