

A new type of risk-sensing

With social media analytics, Deloitte Risk & Financial Advisory's Business Intelligence Services professionals can help to uncover previously unidentifiable connections — often in a matter of minutes. By leveraging a wide range of commercially-available tools and investigative approaches, we can assist you with many types of investigations, including:

Pre-transaction due diligence — conducting background investigations of executives and their companies you may be considering a transaction with, searching for red flags, conflicts of interest, undisclosed business affiliations, financial difficulties, and links to sanctioned parties or other parties of interest.

FCPA and third-party due diligence — performing cost-effective and tailored due diligence on your company's relationships with third parties, such as vendors, suppliers, business partners, licensees, contractors, and service providers. We focus on the risk profile of individuals associated with the target, including key executives, owners, or agents, and on whether these individuals are connected to government officials or hold government positions themselves.

Fraud, threats, and investor or environmental activist investigations — performing background investigations of parties you suspect of wrongdoing, intending to harm your business, conflicts of interest, undisclosed business affiliations, or living beyond their means. We seek to uncover possible direct and circumstantial evidence of criminal or other potentially damaging activity, as well as prior financial, legal, regulatory, or criminal problems, or links to organized crime, extremist networks, or activist organizations. Using advanced link analysis and state-of-the-art visualization tools, our practitioners help “connect the dots” to visually demonstrate the relationships between individuals and entities, the flow of misappropriated funds, or actions that could cause concern for your organization.

Asset searching and tracing — helping identify and locate assets around the world. Deloitte Risk & Financial Advisory has tracked assets to offshore and foreign havens in some of the most prominent commercial fraud investigations in the past 20 years. Using an array of commercial data sources, our team can trace back the ownership of assets to front companies and their facilitators.

Litigation intelligence — investigating the backgrounds of opposing parties to help focus litigation strategy. Our team can find facts relevant to claims and defenses, as well as identifying and locating witnesses. Traditional public record research, in tandem with social media analytics, can help legal teams to assess the reliability and credibility of a witness, prospective juror, and parties to a case. Such critical information can affect litigation strategy and the scope of the litigation.

Looking for clarity

How does social media sensing work? Using social media platforms, people share ideas and form communities. Our social media analytics professionals algorithmically perform an open-source collection across numerous social media platforms to help identify relationships and commentary that would not likely be uncovered through traditional investigative methods.

More specifically, we use profile and topic queries, along with sentiment analysis, to search use patterns and commentary across platforms, uncovering insights to help identify individuals, groups, and their connections. We analyze those individual and community Web presences to help expose previously unknown connections across multiple social media platforms that we may never have been discovered otherwise.

Once a profile or Web presence is identified, our analysts can analyze each user's activities, including posts, photos, videos, and pages they follow, highlighting potential issues associated with that activity, such as violent or extremist tendencies, sentiment



or support, and potential security or insider threats. We can then connect the dots by identifying other individuals or communities who also may be of concern, based on the profile provided, and by mapping out the network and providing relevant details such as names, contact information, business affiliations, and geographic locations.

Social media sensing in action

Two recent Deloitte Risk & Financial Advisory client engagements illustrate the power of our social media analytics services:

Whistleblower allegations

In a whistleblower case involving two companies in the computer technology industry (Companies A and B), Deloitte Risk & Financial Advisory was asked to profile six individuals and identify connections between them — half of the individuals worked for Company A; the other half worked for Company B, which was a vendor to Company A. The whistleblower alleged that Company A's employees were paying bribes to Company B's in a scheme where Company B officers granted Company A employees “additional discounts and marketing funds, which may have been used to create a credit pool for potential bribes,” which were then kicked back to Company B officers.

Deloitte Risk & Financial Advisory determined that five of the subject individuals were either directly or indirectly connected to one another on social media. The individual identified as Company B's “Chief briber and instigator” maintained direct online connections with two Company A officers. Another Company B officer was

identified as having maintained social media connections with Company A's "Chief bribee" at least three years prior to joining Company B. Company A's "Chief bribee," while not directly connected to the two remaining Company B officers, was revealed to maintain more than 20 mutual connections with the two individuals. A review of the subjects' social media profiles as a group identified 103 mutual connections, 10 of which either currently or previously worked for Company B.

Environmental activism

A major US institutional investment firm was concerned about an environmental activist who was targeting oil and gas companies — one of which the investment firm was considering for a sizeable investment. Deloitte Risk & Financial Advisory analysts used social media analytics tools to conduct a high-level analysis of more than 1,000 relationships the activist had across various blogs, discussion boards, and social and professional networking sites, pinpointing connections that could be of relevance to an investigation. More tailored searches turned up connections with individuals affiliated with specific environmental organizations and other oil and gas companies. The social media analysis, combined with targeted online public record research, provided valuable insights about the activist's relationships and activities.

The Deloitte Risk & Financial Advisory difference

Deloitte Risk & Financial Advisory Business Intelligence Services professionals are pioneering new and innovative uses of analytics tools and techniques on behalf of our clients. We draw from the deep intellectual capital of the 172,000 professionals in 152 countries within the Deloitte Touche Tohmatsu Limited network of member firms, including forensic accounting, computer forensic, data analytics, and industry specialists in countries around the world. Access to these professionals can help your organization respond to issues effectively wherever they may arise.

Contact us to learn how Deloitte Risk & Financial Advisory's social media analytics services can expand the scope and effectiveness of your investigative capabilities.

Contact

John Leonard

Business Intelligence Services Solution Leader | Deloitte Forensic
Deloitte Risk & Financial Advisory
Deloitte Financial Advisory Services LLP
jleonard@deloitte.com
+1 212 436 4292

This article contains general information only and Deloitte Risk and Financial Advisory is not, by means of this article, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This article is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte Risk and Financial Advisory shall not be responsible for any loss sustained by any person who relies on this article.

As used in this document, "Deloitte Risk and Financial Advisory" means Deloitte & Touche LLP, which provides audit and risk advisory services; Deloitte Financial Advisory Services LLP, which provides forensic, dispute, and other consulting services; and its affiliate, Deloitte Transactions and Business Analytics LLP, which provides a wide range of advisory and analytics services. These entities are separate subsidiaries of Deloitte LLP. Please see www.deloitte.com/us/about for a detailed description of our legal structure. Certain services may not be available to attest clients under the rules and regulations of public accounting.