Our Perspective

Information versus Intelligence: the evaluation and analysis gap

April 2015's Dow Jones Risk & Compliance survey results show that, whilst 'confidence is increasing in due diligence information', compliance professionals still face challenges in 'accessing information and evaluating its credibility'.

If intelligence can be defined as information to which something has been added[1], how do we access and evaluate raw data and turn it into intelligence that can inform our clients' business decisions?

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OSINT v HUMINT - considerations for access

At the outset of any assignment we first consider what sources we will use.

Depending on the subject of our inquiry, some of these sources will be classified as 'open source', and others as 'human source' intelligence.

Open source intelligence (OSINT) includes publicly available information, such as that kept on public record, information from the local, national and specialist press, and of course social media (user-generated content)[2]. Each will have its limitations in terms of access. Consider for example records of births, deaths and marriages in England & Wales (UK). These are all kept electronically and can be relatively easy to access, however not all back-dated records have been added to the current electronic system since its inception, and its predecessor still holds some data that hasn't been transferred over. Add to that the older, solely manual records that are still kept in registers held in each individual registration district, and you can see that it helps to know the local systems and culture when accessing information.

The term human intelligence (HUMINT) refers to

"not only the intelligence derived from human sources but also reflects a specific type of collection activity whereby information is passed from one individual to another either directly or indirectly."[3]

This statement refers to HUMINT gathered by the principal agencies within the US Government intelligence community, but the use of human source intelligence can be equally valuable in a corporate investigations environment. Again, limitations and risks apply, the most obvious of which are the subjective interpretation of a situation by any individual with information pertaining to it, or bias, and the risk that any exchange of information will get back to the subject under investigation.

Evaluation and analysis

As with access, local and industry knowledge are invaluable when evaluating the accuracy of publicly held open source information, and this is also true for its interpretation.

Some questions (among others) to consider for evaluation:

- What information is in the public domain in the country concerned?
- What criteria can be used for a public search? (Are you asking the right questions to get what you need?)
- How long is information kept on record?
- What reputation does the national/local government have for accuracy and ethics?
- What are the filing regulations for that particular register?

If we can't get what you need from desktop/public record searches, then human source information is

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[1] Anacapa methodology, Anacapa Sciences, Inc.

[2] See Our Perspective, issue 7 (April 2015), The use of social media in intelligence. http://www.kasalana.com/april-2015-our-perspective-the-use-of-social-media-intelligence

[3] William Costanza, https://www.academia.edu/3995342/Human_Intelligence_HUMINT_

often the next stage. As with open source information, our source must be evaluated in terms of job role, connection to the subject, knowledge of the industry (if applicable) and reputation.

Corroboration of our material assists with our evaluation, so getting answers that fit together from a variety of different sources is the ideal. Confidence in the accuracy of the data comes from cultural interpretation, understanding the value of the information based on where it has come from, and multiple endorsements by more than one source.

Moving on to interpretation, it is vital to look at the big picture by 'mapping' the data, or trying to fit it all together to see the whole story.

Depending on its source, we can make some inferences about the information under interpretation - the press, user-generated content online and human source intelligence will all have some social and political leanings, even if the source is trying to be objective. It is also important to base interpretation on factual, rather than circumstantial, evidence. A well-formatted, well designed and grammatically accurate article published online is more likely to give the impression of imparting facts, however just because something looks good, it doesn't mean it is correct!

This subject is explored in more depth in our White Paper 3: How accurate is our information? The issues around reporting due diligence data, available in August 2015.

Why we do what we do

At Kasalana we have a client-centric approach to intelligence and believe in giving our clients what they need. The information we supply is openly asked for and freely given, and all our work is overseen by senior consultants with many years' experience in their field. With an ethical approach to investigation, we support improvements in global business practices and security.

All our intelligence is individually sourced and produced at the time of commissioning to answer the specific needs of our clients. We work honestly and transparently using a global network of resources to provide timely and accurate information to international clients. To read case studies, please go to www.kasalana.com.

Consultation meetings

If you would like a free consultation with Kasalana, please email info@kasalana.com quoting reference OP8C.

Who we are

Formed in 2005, Kasalana is a specialist corporate intelligence company that conducts investigations globally on behalf of clients from industries including automotive, aviation, construction, consumer products, defence, energy, engineering, financial services, insurance, legal, manufacturing, media, medical, mining, retail, services, technology and telecommunications. We are experts in enhanced due diligence, background checks and legal support services including asset tracing & litigation support, corporate fraud investigations, merger & acquisition support and strategic & market intelligence. Our clients include FTSE-100, FTSE-250 and Fortune 500 corporations, global financial institutions, major law firms and leading private equity houses.

Prior to forming Kasalana Sam Pope was Head of Business Intelligence, Deputy Director of Corporate Investigations and EMEA Director of Fraud & Forensic Services for a leading global security risk management company, where he led a team of 40+ investigators. A former defence journalist, Sam has extensive experience of investigating fraudulent activity including asset misappropriation, bribery and corruption, intellectual property fraud, false accounting, securities and investment fraud, regulatory and anti-trust violations. He frequently works in close collaboration with clients' other professional advisers. He is a member of the *American Society for Industrial Security* and the *Association of Certified Fraud Examiners.*

Gareth Crooker joined Kasalana in 2010 after working as Director of Corporate Investigations, South-East Asia, for a leading global security risk management company. He has been a business risk consultant for more than 20 years and specialises in pre-investment and compliance-driven due diligence and business intelligence. Gareth has also conducted bespoke research and analysis into the political, commercial and security risk environment in Europe and the Former Soviet Union. As well as his native English, Gareth has near-fluent French and Spanish, together with basic Italian and Dutch.