

Energy Company, Philippines



OBJECTIVE:

Stop insider theft of petroleum products

REGION:

Philippines

SOLUTION:

Clearspeed Verbal™

Problem

The largest energy company in the Philippines had an insider theft problem. Some person or group of people inside the company was siphoning off large amounts of the company's petroleum products. The problem cost the company millions of dollars a year, and the theft continued year after year because the company had difficulty identifying the culprit(s). This was, in part, because of the remote location of the facility where they suspected the theft was happening.

Fuel-related fraud is a problem across the Philippines. According to an article in the [Philippines Daily Inquirer](#) newspaper, the country loses as much as \$750 million annually in tax revenue because of problems in the fuel supply chain such as smuggling, adulteration, dilution, and theft.

Stopping insider theft would have a positive impact on the financial health of the company. However, their existing tools for detecting and preventing fraud were not up to the task.

To more easily detect and prevent insider theft, the company searched for an insider vetting process that:

- Operated reliably and affordably in the field
- Provided insights not available through other vetting methods
- Lowered the risk of hiring or retaining personnel involved in insider theft

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[Philippines Daily Inquirer](#)

Solution

The company selected the Clearspeed Verbal™ solution to screen their existing employees at the suspected facility.

Clearspeed Verbal uses voice analytics to identify risk at scale and reduce fraud. The solution identifies the level of an individual's vocal responses through our Clearspeed Remote Risk Assessment (RRA®) technology. RRA is powered by breakthrough AI-enabled technology that leverages cutting-edge and validated voice analytics, powerful algorithms, and large volumes of unique, real-world data.

The solution is based on people answering a simple, brief, and automated phone questionnaire of yes-or-no questions. The verbal questionnaire can be conducted in any language. A sample question might be,

"Do you personally know anyone involved in stealing or diverting company products, resources, or revenues?"

Questionnaire responses were analyzed and a low-to-high risk level was assigned. The results were used as an additional data source to their initial and on-going insider theft vetting processes. People flagged as low or average risk could be cleared through the process much faster unless there were other indicators to the contrary.

Individuals with a high-risk level may have required additional follow up based on the specific question, the risk profile of the company or the role of the employee. The Clearspeed Verbal results allowed the company to focus its scarce investigative resources on the areas of highest risk.

Implementation

One supervisor from the Clearspeed staff managed this project. Before traveling to the Philippines, the supervisor worked with the energy company and a Tagalog linguist in the U.S. to develop the questionnaire.

The Clearspeed supervisor deployed to an isolated, dangerous, and austere location for several days. During several hours spread over two of those days, the supervisor oversaw the employee questionnaires at the facility where the theft was occurring.

With a small pool of employees located in a remote location, the questionnaires could be done using one laptop and one phone.

Because Clearspeed solutions are language agnostic, the automated questionnaires could be conducted in the local Tagalog language without requiring any change to the operation or configuration of the solution.

The questionnaire responses were analyzed through a Clearspeed data center and results were available within 24 hours. Results for the entire group were available 48 hours after the last questionnaire was completed.

\$8 million

Company revenues lost to insider theft of petroleum products over five years

40 Company employees screened by RRA

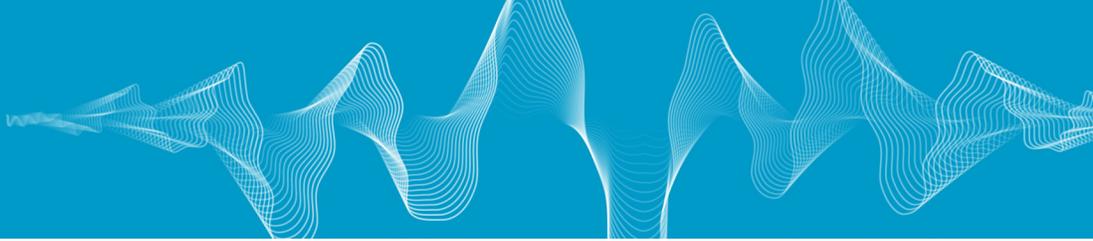
23 Employees flagged as high risk

1 Employee confessed (ring leader) and named 2 other accomplices

24 Hours to deliver RRA results

48 Hours to deliver project analysis

10 Days total Clearspeed team spent in-country implementing solution



Results

In investigating the insider theft problem, Clearspeed screened 40 employees for the energy company. Out of the 40 employees, 23 (more than half) were identified as high risk. Two employees were flagged for potential countermeasures in an effort to thwart the system.

One of the high risk employees, who turned out to be the ring leader, confessed when confronted with their questionnaire results and also named 2 other employees as accomplices. With a confession in hand, the energy company was able to prosecute the ring leader and 9 other high risk employees were relieved of duty with an active investigation pending.

After five years in operation and an estimated \$8 million in losses, the insider theft ring was broken in less than 48 hours.

Next Steps

After solving the insider theft problem, the energy company became an ongoing Clearspeed customer for follow-on screenings to prevent future insider theft of petroleum products, as well as other uses in related companies and subsidiaries.

About Clearspeed

Clearspeed™ voice analytics technology provides unique risk alerts based on an individual's vocal responses. It can be quickly and effectively applied for fraud, security, or safety risk screening to clear the low-risk majority while identifying potential high-risk responses that are often missed. Leading global corporations and government organizations use Clearspeed to build trust in their people and vetting processes in hiring, claims, applications, insider threats, compliance, and workplace safety. www.clearspeed.com

**Learn more about protecting
against insider threats and
building a trusted workforce using
Clearspeed Verbal™**

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Clearspeed was formerly AC Global Risk

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