# High Tech Startup —
# Protecting Intellectual Property

**OBJECTIVE:**
Hiring and ongoing vetting of specialized technical personnel to prevent IP theft

**REGION:**
Silicon Valley, US

**SOLUTION:**
Clearspeed Verbal™
for Fraud Identification in Hiring and Insider Threats

## Problem

For startup companies in disruptive and highly technical fields, hiring is a critical activity. Landing the right senior engineer or PhD expert can mean the difference between creating a breakthrough product or floundering in mediocrity.

Hiring in this environment also poses great risk. Bringing someone into your organization who is negligent about safety and compliance, or who has criminal intent regarding the company's intellectual property (IP), can create an existential threat to the organization.

According to a 2020 report from ObserveIT and The Ponemon Institute, the average incident of insider negligence costs an organization $307,000. Though less common, a criminal insider incident costs an organization on average $756,000. If the organization's intellectual property is leaked, or tied up in a court case, that could be the death of an innovative startup.

John Chesson, Chief Security Officer for a high tech startup in Silicon Valley, knows the risk of insider threat all too well. He rates insider threat as probably the most difficult situation he's encountered in his decades of security work, first as an FBI special investigator and then as a corporate security executive.

To improve vetting employees and candidates, he searched for a process that
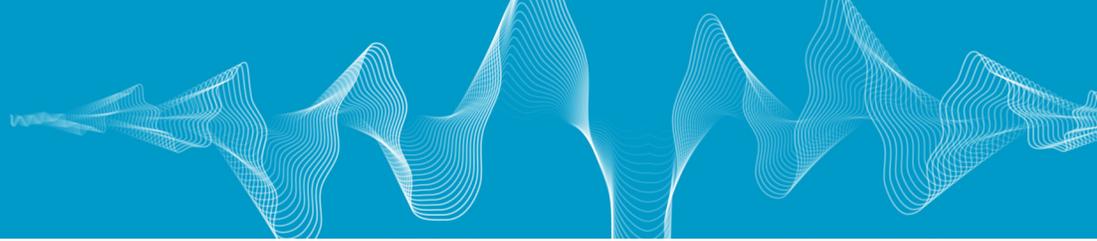- is efficient and effective in vetting employees and candidates,
- provides additional insights not available through other vetting methods, and
- lowers the risk of IP theft.

**$307k** Average cost of insider negligence incident

**$756k** Average cost of insider criminal incident

**300%** Employee growth rate over 2 years

**80** Employees vetted with Clearspeed Verbal

## Solution

The company selected the Clearspeed Verbal™ solution to screen their existing employees and new employee candidates.

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 Remote Risk Assessment (RRA®) technology. RRA is an AI-enabled technology that uses validated voice analytics, proprietary technical processing, and large volumes of unique, real-world data – none of which are available elsewhere in the market today.

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 plan to share our company's intellectual property with any unauthorized individual?"

Questionnaire responses were analyzed and a low-to-high risk level was assigned. The results are used as an additional data source to the company's initial and on-going insider threat vetting processes. People flagged as low or average risk could be cleared through the process much faster and at scale.

Individuals with a high-risk level may require additional follow up based on the question, the specific role the employee would perform, and the overall risk profile of the company. This allowed the company to focus their scarce investigative resources on the areas of highest risk.

> "Insider threat is the most difficult issue to tackle. Using Clearspeed is the first time I've had the comfort of knowing that I have an objective view of whether or not a person poses a risk. I don't think that I could live without it now."
>
> **John Chesson, Chief Security Officer and Former FBI Speical Agent**

## Implementation

John was hired as Chief Security Officer of a startup materials research company when the staff numbered 20 employees. That might not sound like many people. However, the process of researching, interviewing, documenting, and just getting to know 20 people is time consuming.

Because the company is a startup, John also had responsibility for Facilities, Safety, and IT. With such a full schedule, it would be easy for him to let employee and candidate vetting sink to a low priority.

John used Clearspeed to quickly establish a risk level for each employee and the staff overall. The process entailed emailing each person with the instructions for the automated questionnaire including details to prepare themselves for the call. Each person would then call the phone number provided and complete the automated questionnaire within a 24-hour period. John would receive the results quickly, usually the next day. With that information, he could focus on the areas of highest risk first with the confidence that he wasn't overlooking a significant risk.

As their company continued to grow, Clearspeed provided the ability to ask very direct questions of each potential new hire and receive objective analysis of the responses. This was usually the last stage before sending out an offer letter to new employees.

If the questionnaire responses identified an unexpected risk, John could discuss it with HR and the hiring manager. Together, they could decide how to proceed. Interview results were never the sole basis for hiring decisions, but when combined with other data and observations, the Clearspeed analysis provided a more complete picture for making a sound hiring decision.
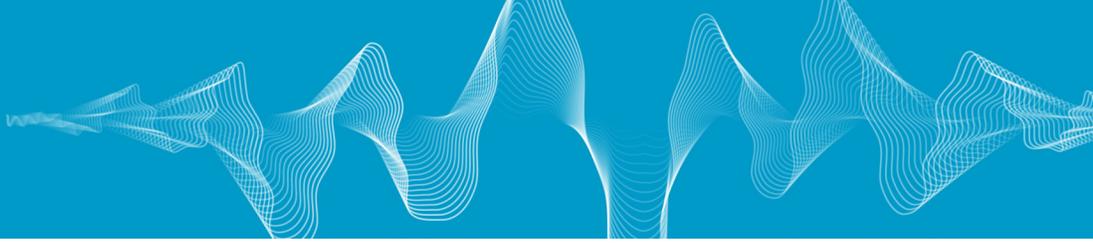
## Results

In less than two years, John was able to help the company grow from 20 to 80 employees without compromising security. Supporting such a fast growth rate is challenging. John kept pace with the company's hiring needs without dropping the ball on his team's other responsibilities.

Since all their employees have completed the Clearspeed Verbal questionnaire, there is now a culture of security throughout the company. New and existing employees know that everyone around them is serious about security.

## Next Steps

With Clearspeed now an accepted part of the company culture and process, John finds it's easier to introduce new questions into the questionnaire. He is actively looking at expanding ways to use the solution.

One possibility is using the automated questionnaire as a preliminary drug screening tool. Because the company is a government contractor, maintaining a drug-free environment is important, especially for people who are specifically working on those contracts. Company employees also operate potentially dangerous equipment, which provides another reason for a drug-free workplace.

A Clearspeed Verbal questionnaire costs less per person to administer compared to a lab test and returns results quickly. With each questionnaire, the company can clear the majority of people who don't warrant a lab test and focus their money and time on the few that need more investigation.

## 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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