



2024 Investigative Case Management Benchmark Report from Case IQ

ETHICS & COMPLIANCE

Case IQ

Executive Summary

Benchmarking data is critical to the improvement of any organizational process, and investigators can benefit from understanding what their peers in other organizations are experiencing. How does your volume of cases compare to peer organizations? What percentage of cases are substantiated? What is the outcome of those substantiated cases? How do peer organizations resource the investigation function? How do they view their use of case management systems? To what extent are peer organizations leveraging AI in investigations?

This report will provide useful data to help investigators benchmark their organizations against other, similar organizations. In this report, you'll see that:

Adding more intake channels leads to greater levels of incident reporting and transparency.

Organizations currently offer multiple intake methods and support a mix of employee and non-employee reporters but are not optimizing their intake methods to the fullest degree. Demand is high for adding further intake channels, as the survey results show investigation and substantiation rates improve as more intake channels are offered. Adopting under-utilized automated reporting channels will help meet organizations' needs for greater efficiency, speed and transparency.

Investigators are cautiously adopting AI into their investigation processes, adding value to intake, case management, and reporting/analytics.

Currently, integrating AI into the investigative process improves intake, case management, and reporting/analytics, but respondents are mindful of privacy concerns, leadership buy-in, and trust in the output of AI-driven tools.

Case management systems (CMS) contribute positively to organizational effectiveness, most strongly in the areas of case management efficiency and risk avoidance.

An opportunity still exists to improve the impact of CMS on employee sentiment and morale.

Overall, increased reporting channels, better automation in systems, and artificial intelligence (AI) integration are key needs for organizations.

Introduction

OVERVIEW:

Case IQ, in collaboration with Phase 5 Consulting Group Inc., conducted an in-depth benchmarking study involving over 400 North American professionals working in HR, compliance, fraud, security, and other investigative roles in the first half of 2024. By partnering with a third-party research firm, Case IQ provides an unbiased and methodologically sound approach to collecting, analyzing, and reporting this study's findings.

This comprehensive study focuses on understanding workplace investigation statistics and processes, aiming to provide actionable insights for investigators. The findings from this study offer a detailed look into current practices and suggest improvements that can enhance investigative outcomes and efficiency.



METHODOLOGY:

Online survey of 405 respondents who were recruited via a specialty online B2B research panel.

Respondents were screened to ensure they met specific criteria, including:

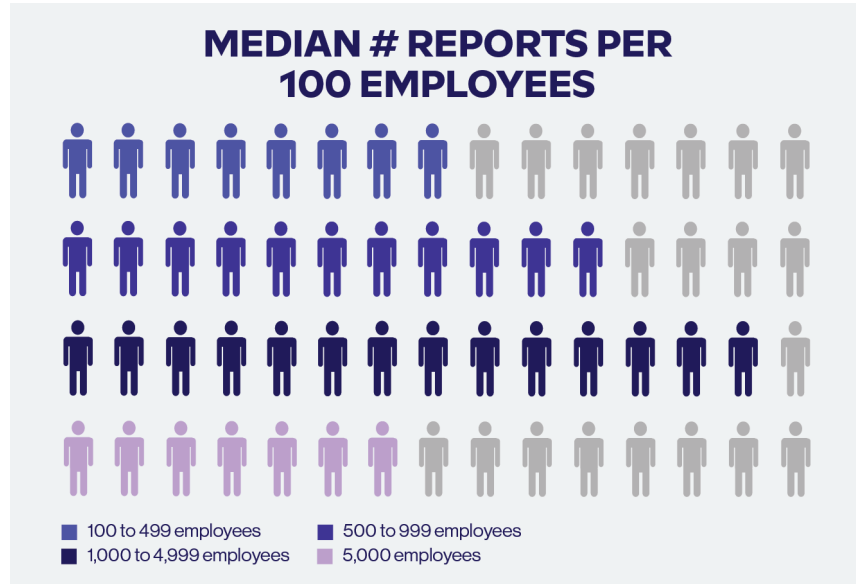
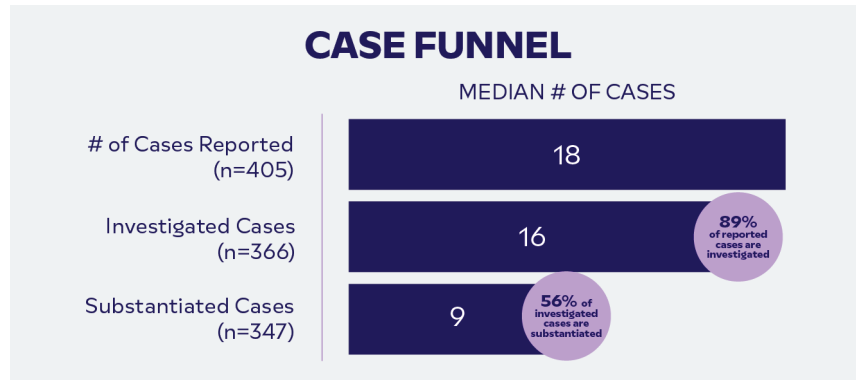
- + Located in the US [n=364] or Canada [n=41]
- + Role involves responsibilities for case reports, investigations and management related to at least one incident type (see table)
- + Have and be familiar with the process for reporting / investigating reports (i.e., purchased solution or internal process for at least one relevant incident type)
- + Have 100+ employees both globally and in North America

Respondents who could provide data for multiple incident types were asked to answer for only one incident type, based on the area for which they could provide the most comprehensive information.

Case Volumes and Rates

KEY NUMBERS:

- Organizations see a median of two reports per 100 potential reporters and 4.3 reports per 100 employees.
- Approximately 33 percent of cases are reported anonymously.



IMPLICATIONS FOR INVESTIGATORS:

The study indicates that organizations offering more intake methods experience higher rates of anonymous and non-employee reporting. Most reports include the reporter's name, regardless of the intake method used. The majority of reported cases are investigated, and around two-thirds of these are substantiated. Lower case volumes per investigator and higher rates of anonymous reporting are associated with more and higher-quality investigations. Additionally, substantiation rates tend to improve when more intake methods are offered.

Encouraging anonymous reporting can increase the likelihood of uncovering issues that might otherwise remain hidden. Offering a diverse range of intake methods streamlines the process for reporters and ensures a higher rate of investigation and substantiation. Monitoring and managing case volumes per investigator is necessary to maintain high investigation and substantiation rates.

Intake Methods and Reports Supported

OVERVIEW:

The study indicates that organizations typically offer a median of 4 intake methods, which provide support to a median of 486 employee reporters and 250 non-employee reporters. Organizations that provide 4 or 5 intake channels receive 52 percent more reports than those offering two or three. Email, web portals and direct contact are methods used by the majority of respondents, with SMS, mobile apps and live answer hotlines the next most popular channels offered.

WHAT INTAKE CHANNELS DO ORGANIZATIONS OFFER?

| Intake Methods | % Offer |
|----------------------|---------|
| Email | 83% |
| Web Portal | 73% |
| Direct Contact | 60% |
| Live-Person SMS-Chat | 35% |
| Mobile App | 33% |
| Live Answer Hotline | 30% |
| Text Messenger | 28% |
| Virtual Hotline | 28% |
| Chatbot | 25% |



IMPLICATIONS FOR INVESTIGATORS:

The most prevalent intake methods are email, web portals, and direct contact to the investigator (email, phone, walk-in). Channels that facilitate direct communication or form-based reporting are utilized more frequently. Although there is a high level of satisfaction with current intake methods, there is a significant need to increase the number of available reporting channels and to implement greater automation in reporting processes. Survey respondents agree - 87 percent of them said they plan to increase the number of intake channels they use.

To accommodate different preferences and needs of reporters, including both employees and non-employees, it is vital to increase the variety of intake methods. Implementing automated reporting channels can significantly improve reporting efficiency and overall satisfaction with the process. Regularly assessing and optimizing the mix of intake methods ensures they meet the needs of all reporters.

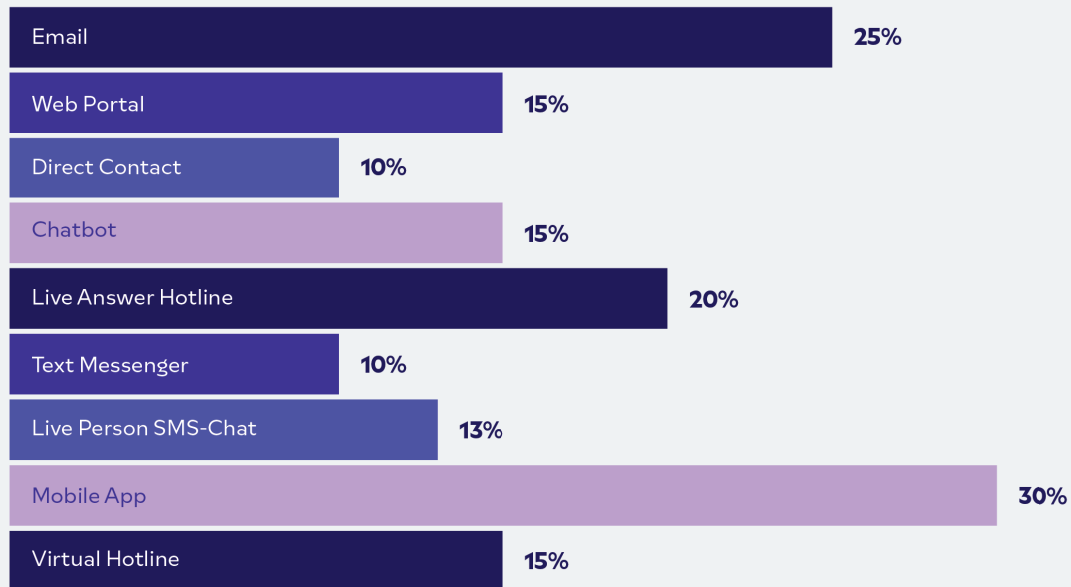
Anonymity

OVERVIEW:

Around one-third of case reports are made anonymously, with higher rates of anonymity through digital channels. Most reports include the reporter's name, regardless of the intake method used.

% OF REPORTS MADE ANONYMOUSLY

MEDIAN OVERALL & BY INCIDENT CHANNEL



IMPLICATIONS FOR INVESTIGATORS:

Offering a diverse range of intake methods, including those that offer confidentiality, increases reporter confidence and ensures a higher rate of reporting, investigation, and substantiation. Investigators should encourage the use of anonymous channels while ensuring robust mechanisms are in place to protect the identity of reporters.

Substantiation Rates

OVERVIEW:

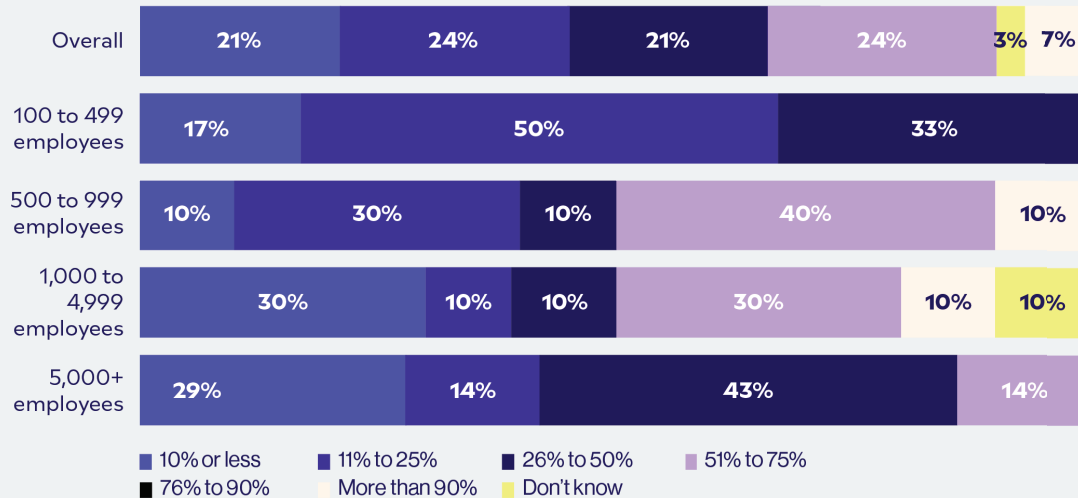
Survey respondents reported a median incident substantiation rate of 35 percent. Substantiation rates were higher among larger organizations with 500+ North American employees and those better resourced to investigate cases. Organizations with smaller caseloads per investigator and more resources have higher substantiation rates.

IMPLICATIONS FOR INVESTIGATORS:

Smaller organizations or those with smaller investigative teams should evaluate their intake and triage processes to ensure they are substantiating cases properly. A lack of resources could lead investigators to overlook or deprioritize certain reports, which could negatively impact organizational trust and employee morale.

% OF REPORTS THAT WERE SUBSTANTIATED

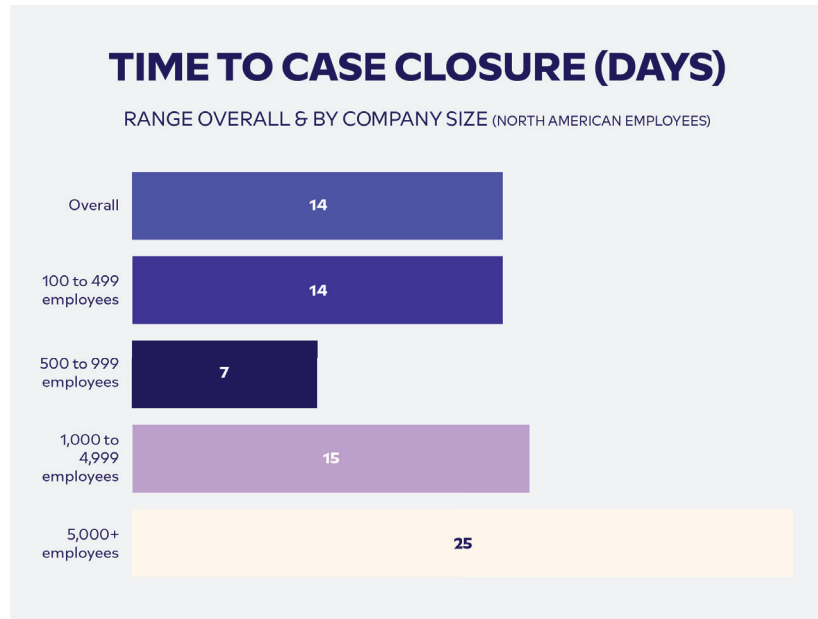
RANGE OVERALL & BY COMPANY SIZE (NORTH AMERICAN EMPLOYEES)



Case Closure Times

OVERVIEW:

Organizations close cases in a median timeframe of 14 days, regardless of organization size. The largest organizations tend to have slightly longer closure times due to increased complexity and volume.



| | Overall in Use Case | Allegations | Conflict of Interest, Self-Disclosure | Other |
|---|---------------------|-------------|---------------------------------------|------------|
| Median # of Days to Close a Case | 14 | 14 | 10 | 10 |
| 1-7 Days | 33% | 26% | 38% | 33% |
| 8-14 Days | 23% | 36% | 31% | 33% |
| 15-28 Days | 13% | 15% | 13% | 18% |
| 29-42 Days | 23% | 15% | 13% | 15% |
| 43+ Days | 5% | 8% | 5% | 0% |
| Don't Know | 3% | 0% | 0% | 0% |

IMPLICATIONS FOR INVESTIGATORS:

Maintaining efficient case closure times is essential for upholding organizational trust. Investigators should leverage technology, standardize processes, and ensure adequate resources to keep closure times within a reasonable timeframe. Addressing challenges specific to larger organizations, such as streamlining workflows and reducing bureaucratic delays, can further enhance efficiency.

Investigation Outcomes

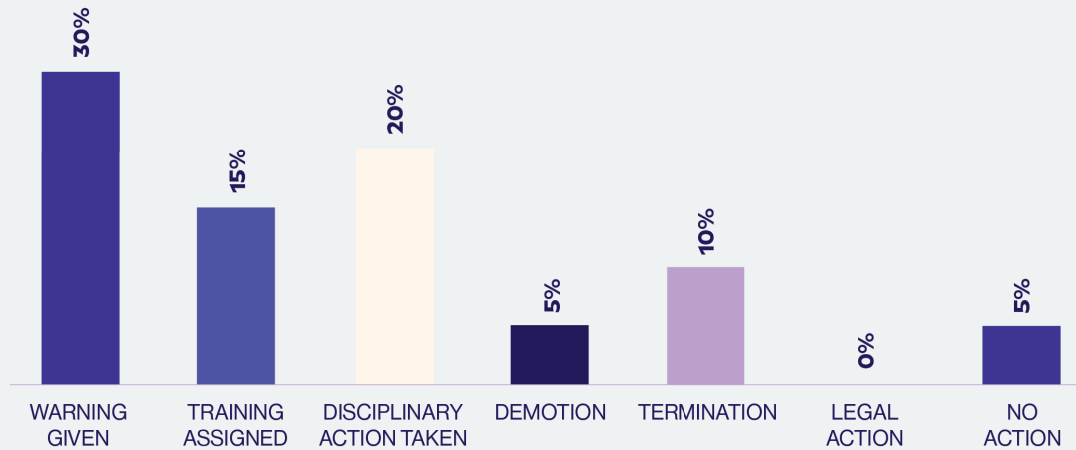
OVERVIEW:

The majority of substantiated cases (95 percent) resulted in some form of corrective action being taken, with warnings being the most common outcome at 30% of the time. Respondents did not report legal action ever being taken, and demotions are rare. The severity of outcomes varies by incident type, with fraud and corporate security cases often leading to more severe consequences such as demotion or legal action.



% OF SUBSTANTIATED REPORTS RESULTING IN OUTCOMES

MEDIAN OVERALL BY EMPLOYEE SIZE



IMPLICATIONS FOR INVESTIGATORS:

Ensuring consistency and fairness in the outcomes of substantiated cases is crucial. Investigators should apply a consistent framework for evaluating the severity of infractions and determining appropriate actions. Proper documentation and reporting of outcomes are essential for transparency, accountability, and future audits.

Investigation Processes




OVERVIEW:

Organizations typically have 0.5 investigators per 100 reporters and one investigator per 100 employees. Investigators manage an average of 5 cases at a time across all organization size bands. Investigation processes are generally standardized and collaborative, with regular training sessions reinforcing these practices.

INVESTIGATION STRUCTURES ARE:

-  **70%** Standardized
-  **78%** Collaborative
-  **97%** Reinforced with training annually or more often

CASES ARE ASSIGNED PRIMARILY BASED ON:

-  **63%** Case Type
-  **56%** Severity / Complexity
-  **69%** Subject Matter

NUMBER OF ACTIVE CASES PER INVESTIGATOR

MEDIAN OVERALL & BY COMPANY SIZE

| | |
|--------------------------|---|
| Overall | 5 |
| 100 to 499 employees | 2 |
| 500 to 999 employees | 5 |
| 1,000 to 4,999 employees | 5 |
| 5,000+ employees | 5 |

Across All Use Cases

| | |
|---|-----|
| # of Investigators / 100 Reporters | 1 |
| # of Investigators / 100 Employee Reporters | 0.5 |

| # of Cases per Investigator | Median Substantiation Rate | Median # of days to close a case |
|-----------------------------|----------------------------|----------------------------------|
| 1 - 5 | 50% | 7 |
| 6 - 25 | 40% | 7.5 |
| 26+ | 35% | 10 |

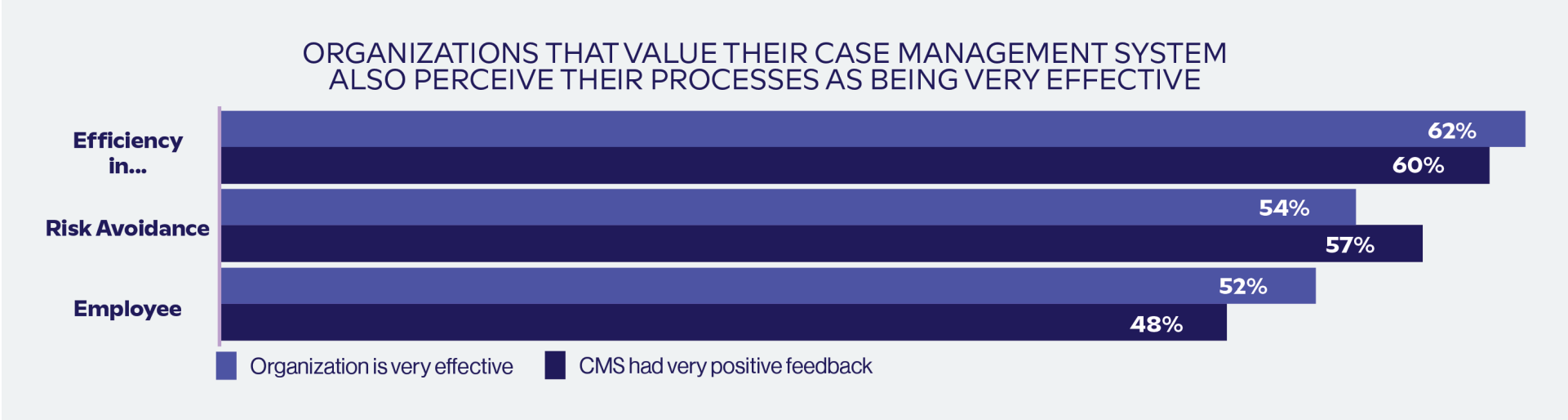
IMPLICATIONS FOR INVESTIGATORS:

Investing in comprehensive training programs and resources for investigation teams can significantly improve case closure times and substantiation rates. Standardizing investigation processes ensures consistency, efficiency, and effectiveness in handling cases. Regularly reviewing resource allocation can help ensure that all departments have the necessary support to manage cases effectively.

Impact of Case Management Systems (CMS) on Organizational Effectiveness

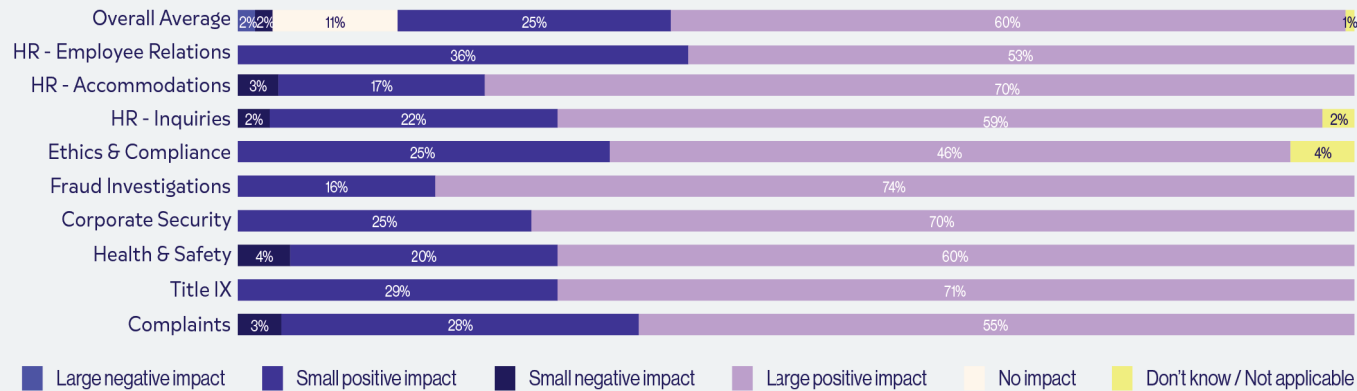
OVERVIEW:

The average tenure of CMS in organizations is between three to five years. Seventy-two percent of organizations use vendor-based CMS, and there is a 93 percent satisfaction rate with CMS among users. Organizations that say their CMS has had a very positive impact see their overall investigation processes as being very effective, particularly in terms of efficiency and risk avoidance.



Impact of Case Management Systems (CMS) on Organizational Effectiveness (continued)

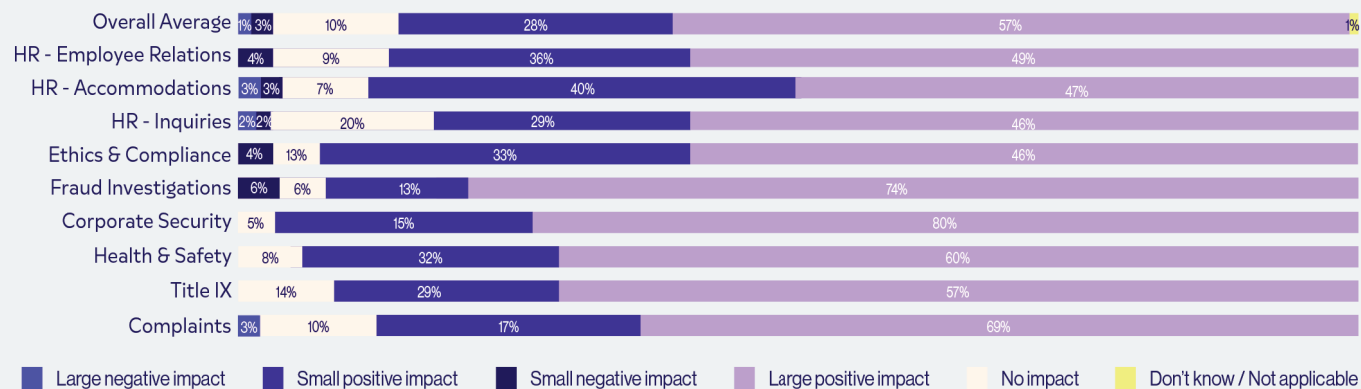
IMPACT ON EFFICIENCY IN CASE MANAGEMENT



IMPLICATIONS FOR INVESTIGATORS:

Case management systems significantly enhance case management efficiency and help in avoiding risks. Regularly updating and enhancing CMS features helps maintain high levels of user satisfaction and operational efficiency. Highlighting the benefits of CMS in improving risk management and organizational effectiveness can secure continued investment and support for these systems.

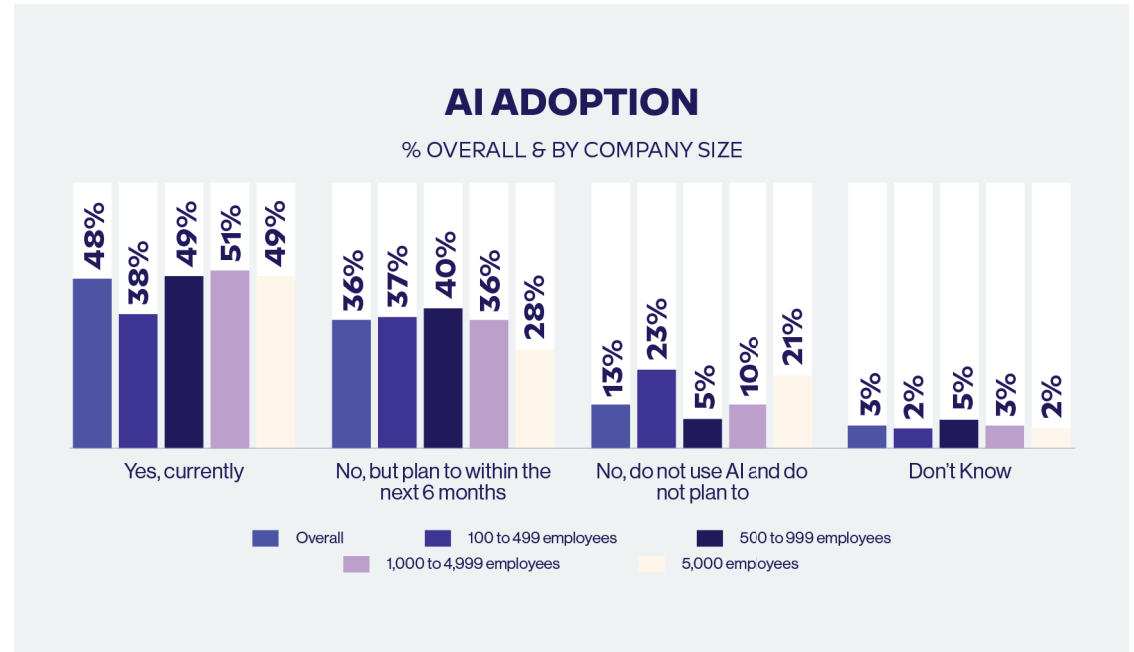
IMPACT OF CMS ON RISK AVOIDANCE



The Future of Incident Reporting and Management

OVERVIEW:

Forty-eight percent of organizations are currently using AI in investigations, and 36 percent are planning to use AI in investigations within the next six months.



IMPLICATIONS FOR INVESTIGATORS:

There is a strong need for better automation in incident reporting and management systems. AI integration can significantly enhance case management and reporting processes. However, concerns about privacy, leadership support, and potential false outcomes remain barriers to AI adoption. Advocating for AI integration while addressing these concerns is crucial for the future of investigative processes.

Conclusion

The benchmarking study conducted by Case IQ provides valuable insights into current ethics and compliance investigation practices and highlights key areas for improvement. By leveraging these findings and recommendations, compliance teams can enhance their investigation processes, improve case outcomes, and ensure a more effective and efficient approach to managing ethical breaches. Embracing technological advancements, optimizing intake methods, and investing in training and resources are vital steps towards achieving these goals.



To receive a personalized review of this benchmarking data, and to see how Case IQ can help your organization improve its case management process, please go to www.caseiq.com/request-a-demo.