

Casefiles: "The Director"

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TRUE STORY. The true tale of "The Director", starts with a successful company with numerous offices and locations that required extensive subcontracted services including travel agencies, trucking firms, catering, hotel and conference/ trade show sites, limousines, etc. The selection and coordination of the various services and subcontractors were part of the responsibilities of a "Director of Operations" – in this case, not a particularly honest Director of Operations. Let's call this Director – "Dale". We'll call Dale's employer, The "WAWLOA" Company (for "Why Are We Losing Our Assets"?).

SUBCONTRACTORS. Due to their success, the Wawloa company kept their subcontractors quite busy. Dale was always attending to one major venue or another, ensuring that the required services were all properly scheduled and that every needed service was being properly attended to by the responsible subcontractor. Dale was also ensuring that Dale - was being properly attended to as well! Dale you see was receiving special "favours" from many of the subcontractors – for the privilege of their being selected to do business with the Wawloa company. This was strictly Dale's idea. The company had no idea that this special and secretive arrangement between many of the subcontractors and Wawloa existed!

Depending on the size and worth of the awarded contract, the subcontractors would have had to come up with a percentage of the profits, or something of equal value like perhaps an island vacation, a cruise, an all expense paid vacation at some exclusive resort, golf outing, etc. The range of Dale's "benefits" even included such sundries as fancy barbecue grills and even term leases for expensive sports cars – all at the subcontractor's expense of course. Indirectly though, Wawloa was ultimately footing the bill as Dale would approve the subcontractors inflated invoices – which would cover Dale's "benefit package". Thus Wawloa, was actually paying much more for the subcontracted services than they were worth! Dale however didn't at all mind paying the subcontractors inflated invoices, after all it wasn't his money. Over time, Wawloa was steadily paying increasingly higher prices for its subcontracted services and Dale was of course growing much fonder of his job - as he enjoyed being "pampered" by his vendors.

ELECTRONIC EAVESDROPPING DEVICES. Dale also had an "insurance policy", against anyone becoming suspicious of his special perks program. Dale over time established himself as a forgetful and somewhat absent-minded type of executive, as was demonstrated by his constantly misplacing his briefcases. Dale had a small selection of briefcases (he claimed they were gifts from family and friends), that he would use interchangeably around the office – and always would leave them in other executives offices, conference rooms, etc., that he had visited. It was not unusual then, for Dale to have a couple of briefcases scattered about the executive suite. Like Dale however – his briefcases also had their own special secrets!

What was only known to Dale, was that each of his briefcases contained a concealed bugging transmitter, that relayed all of the conversations in the area of each briefcase – to Dale's office! Dale had a small portable receiver system that received the transmitted signals from each of his briefcases (each briefcase transmitter was set to a different frequency), and recorded every word that was said in the room and general area of each of his briefcase "spies". Dale could choose to listen in on each conversation individually and "live" while in his office, or simply let the recorders tape the conversations for him to review later – usually at home.

Needless to say, Dale quickly amassed a wealth of office information with his system, even when he was not present during the discussions or meetings. This then was how he would find out if anyone ever voiced any suspicions about his profitable arrangement with the subcontractors. Never the less, things eventually began to slowly unravel for Dale.

COSTS SOARING. The soaring operating costs eventually caught the attention of management and they began inquiring as to why Wawloa was paying what appeared to be unreasonably high, fees for many of their subcontracted services. Meetings were held (both with and without Dale in attendance), and discussions about the excessively high costs became more frequent. When Dale as the Director of Operations was approached with questions about the matter, he would always have answers ready that appeared to almost sound reasonable – but not quite.

Management began also to notice that Dale seemed to always know when someone was involved in meetings or discussions relating to the subcontractor's fees – even when he was not included in the deliberations. This started to become even more evident as an irate Dale began approaching more of the executives who were investigating the matter, as he attempted to get them to stop what he eventually labeled as their “unreasonable and needless” concern for business matters that were HIS responsibility – and not theirs. His growing irritability and apparent all knowing insight of office activity, only served to generate more concerns and suspicions among the senior executive staff.

Dale's final and big mistake came when he chose to get away from the office pressures and take a relaxing two-week vacation (another “freebie” courtesy of one of his special arrangements). While he was absent (and unable to eavesdrop on office conversations), senior management decided to confirm or disprove one of their suspicions – that Dale may be using “bugs” to stay covertly informed about the discussions and activities in the executive office areas. This seemed to be the only logical way that they could explain how Dale seemed to always know about discussions and activities which were confidential in nature, and that had not been shared with him. The decision was made to call for a complete and thorough Sweep Survey of the executive suite, before Dale's return.

ELECTRONIC SWEEP. Arriving at the appointed time, the Sweep Survey was begun and included a complete Spectrum Scan (to detect illicit transmitter signals – such as from concealed bugging devices), of the offices, phones, and conference rooms, as well as the inclusion of a full Physical Analysis (for the identification of non-radiating devices such as “hardwired” microphones, tape recorders, etc.). Shortly after the start of the Sweep Survey – Dale's secret was no more!

The briefcase transmitters were quickly detected and localized by the Spectrum Scan, and the Physical Analysis soon turned up the receiving equipment – with the recorders running! Dale had elected to leave the recorders running (they like the transmitters, would only activate when conversation was detected – to conserve battery power), to later provide him with a complete account of all conversations in the “bugged” executive suite - transpiring during his absence. To say that there was a surprise awaiting Dale when he returned from his vacation – was an understatement!

THE RECKONING. The new “package” awaiting Dale's return (and this time assembled by Wawloa's attorneys), consisted of multiple parts. In a nutshell, the subsequent investigative interviews with the subcontractors bore fruit, as many gave Dale up and disclosed the “shakedown” tactics he used against vendors wishing to win any of Wawloa's many profitable service contracts. Management's discovery of Dale's well-planned electronic eavesdropping program, simply added that much more fuel to the already well fanned fires!

Wawloa would give Dale the choice of; [a] having charges brought against him for his extensive, felonious actions which included theft and fraud against the company, and be prosecuted for his crimes, or [b] he could choose the option of paying full restitution for the theft and losses – and be allowed to “resign” from the company (without any of the usual departure benefits and perks, and the forfeiture of his profit sharing package). Dale naturally considered himself lucky by being given the opportunity for opting for plan “B”, and took the smarter, less costly way out – though his career and reputation were now completely ruined. Dale had never figured on the potential for his employer having a Sweep Survey performed – but then, they rarely ever do!

EPILOGUE. Wawloa eventually recovered from its losses and continued its successful business operations, replacing Dale with a properly screened and trustworthy individual. Much wiser from the experience, Wawloa also instituted a comprehensive program of regular discreet Sweep Surveys of their executive suite, as advanced insurance against any future technical assaults against their operations.

Rumors had it that Dale moved out of state where he eventually obtained a position with a new company. It is unclear if he ever changed his proclivity for “special treatment”, and his fondness for miniature transmitters – but that would be a matter for another story!

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