THE IMPACT OF PRIVATIZATION OF FIELD INVESTIGATIONS ON CLEARANCE RATES

Article

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Sacramento, California
September 2004

36-0712

Imagine your department bettering its case clearance rate by successfully investigating a greater number of criminal cases. Imagine providing a time management resource to your detectives that will not only reduce the amount of investigative hours needed to conduct an investigation, but will also offer a means to complete the most effective and efficient criminal packages suitable for prosecution. Imagine being part of the department's leadership that employs this resource and implements this change. It is possible, if your department is willing to accept that traditional methods for investigating crimes may have reached its peak and an innovative approach may be the answer to investigating crimes in the future.

The changing business climate of the 1990s found many companies looking for ways to provide improved quality in their products, improved service to their customers, reduced production time, reduced inventories and reduced costs. In the fast changing environment, businesses began to question whether owning all the factors involved in production was the best way to achieve competitive advantage. The concept of moving production and information systems out of the company by contracting with specialized providers promised a means to improve products and services and the company bottom line. This transfer of business activity outside the company became known as outsourcing.[1]

The law enforcement climate has also been changing over the past decade in many of the same ways. With the changing generational outlook, advancements in technology, and societal expectations, police agencies are also examining optional methods to overcome in these challenges. A vital function in the police industry is the completion of successful criminal investigations, which often necessitates costly resources. The city of El Segundo Police Department, a mid-sized police organizations consisting of 69 sworn personnel, has enjoyed moderate success in the area of criminal investigations for reasons including low crime rates,

good training and up-to-date equipment. Criminal investigations have always been conducted by sworn police officers who are assigned to a division responsible for investigating crimes. This functional staffing method of investigating crimes has also succeeded because over the past decade there have been few real tests of the public's confidence in the way the department operated. There is no doubt the departments were good under the traditional model; the question is whether or not the departments are improving their investigative abilities as the criminals enhance their ability to commit crime. Additionally, recent statistics show a rising trend in the number of white-collar cases that involve extensive investigative work. As an indicator of the increasing numbers of identifies theft and fraud related cases, the Federal Trade Commission received more than half a million consumer complaints (516,740) during calendar year 2003, up from 404,000 in 2002. These include 301,835 complaints about fraud and 214,905 identity theft reports.[2] Under this changing climate, demands for improved public services and police protection have caused many police agencies to look at alternative structures for providing public safety. In addition to the demands for improved services, budgetary issues have directed some departments to move toward outsourcing or privatizing of particular police services.

In the past, outsourcing police services typically involved smaller municipalities contracting with county level governments. This allowed a smaller city to capitalize on the economies of scale enjoyed by a larger county.[3] Today however, numerous police departments have successfully built upon this concept and contracted various tasks and responsibilities to the private sector. Some of these functions include police dispatching, inmate housing, parking enforcement, animal control duties, and the maintenance of traffic citation or records management data systems.

Further, some agencies utilized a private firm to perform various types of administrative investigations including personnel backgrounds and internal affairs investigations. Although the list of outsourced opportunities is long, the performance of criminal investigations in California has traditionally remained a function for the sworn members of the law enforcement agency.

The idea of California law enforcement agencies contracting with private firms to provide criminal investigative services was conceived out of a growing concern that mid-sized police organizations are fighting an uphill battle against the demands for completing successful criminal investigations. Three issues have been identified as catalysts for considering contracting.

First, the sheer number of white-collar crimes, specifically identity theft and fraud, has been increasing exponentially. Unless police departments intend on increasing their staffing levels, this tremendous increase in criminal offenses alone is cause for law enforcement agencies to explore the potential assistance that can be gained from the private sector.

The second concern is the need for specialized training and certified personnel to successfully investigate white-collar activity. With this increase in white-collar crimes, it is evident that future law enforcement generations will need the knowledge to investigate and prosecute suspects who victimize their communities.

Police departments have been very slow to respond to white-collar crime issues in that the investigators lack the computer shrewdness and often have a fear of technology, or "technophobia." [4]

Compounding the problem is insufficient training that law enforcement personnel receive on either computer usage or computer crime. Very few departments currently train recruits on high-technology issues. Any computer training which does occur is generally only on how to use proprietary law enforcement and criminal database systems for the purposes of checking for

warrants and stolen vehicles. At best, these are rudimentary skills that do not prepare police officers to combat computer-related crime. According to a 1995 University of California study, 40% of police professionals receive no formal training on computers.[5] An additional 20% of police professionals receive no more than 2 hours of computer instruction.

This by no means suggests that police officers as a whole are incapable of learning these skills; rather, it illustrates how far they have to go before they will be prepared to tackle sophisticated white collar crimes. Obtaining the knowledge needed through training and formal education is a costly line item as indicated in the training and education budget for the El Segundo Police Department, which exceeds $150,000. The issue of operational budgets and funding is the basis of the third identified concern.

Adequate funding within the police department is vital to maintaining success as an investigative division. If training costs were not enough to discourage the average police chief from investigating white collar and digital crime, the cost of equipment and infrastructure must be considered as well. The specialized hardware and software required for the forensic examination of computers can easily run to tens of thousands of dollars.[6] In addition to training and equipment expenses, operational funding encompasses capital improvements, supplies, staffing and overtime, and all fringe benefits. In an effort to overcome these concerns, breaking tradition and implementing a private criminal investigative system may certainly be an option worth considering.

For most investigative units, success is achieved and measured by solving criminal cases by executing arrests or by other clearance means. This system of measurement is referred to as the case clearance rate, which is equated by dividing the total number of cases by the number of cases, cleared. It is therefore important to understand and monitor any agency's case clearance

rate prior to, and following the implementation of a creative system of investigation. By analyzing these case clearance rates, the impact of private criminal investigators, either positive or negative, can be systematically determined.

There are various approaches that can be implemented into the overall structure of a police investigative unit when utilizing contracted criminal investigators. The approaches often vary in terms of scope of services and level of control. These distinguishing factors are negotiated and documented within a professional service agreement or contract.

Notably, the most effective and efficient way for an agency to utilize private criminal investigators is to employ a system that exploits the training, expertise and proficiency of contracted personnel, while maintaining control over the case and reducing expenses. Since costs are often the final determining factor when considering change, the fees for contracted services must be advantageous to the police agency.

As stated, it is important that an agency implement a contracted system in the most advantageous manner. To accomplish this, the agency must first make use of a private investigative firm to perform tasks needing specific expertise that will enhance the outcome of a criminal case. Second, the agency must evaluate and compare both hard and soft costs involved with the utilization of a private investigator. Finally, a complete evaluation should be conducted to evaluate whether or not the use of a private criminal investigative system was beneficial.

As an example, once a case has been assigned to a sworn detective, that detective should outsource specific functions of the investigation to contracted personnel who are qualified to perform the tasks. These tasks may include forensic examinations and technological analyses, surveillances, or legal research. The time needed, as well as the fees for these services, must be valuable from the department's point or view. This means that the quality of service performed

by the private investigator is of high quality and the fee for this scope of service is lower than the cost of performing the same function in-house. This method for use of a private investigator maintains the highest level of control within the police organization, while taking advantage of the training, expertise and cost efficiency of the private sector. Additionally, by authorizing the sworn investigator to use private investigators as needed, the detective may opt to outsource all the tasks necessary to solve the crime including interviews, search or arrest warrant preparation and final reports.

When making the decision to privatize any or all responsibilities of a criminal case, the detective must give considerable thought to not only the levels of expertise needed, but also any time issues and related fees for private services.

As mentioned, a number of potential side effects can harm an agency following the implementation of an outsourced investigative system. The strongest opposition to privatization comes from public employees and unions representing public employees, stemming essentially from a fear that public sector jobs will be lost. For this reason, managing the transition from the traditional method to a system employing contracted resources is a delicate mission in itself. A complete organizational restructuring is not necessary to start the ball rolling and incremental change may be appropriate. For example, the use of technical consultants may be a method to expose police investigators to the idea of outsourcing certain tasks. Technical consultants are experts in their fields who usually work for a company or corporation and can offer limited time to assist law enforcement with specific tasks. Because technical consultants can only offer a minimal amount of time and assistance, they are not able to perform in the capacity of a contracted private investigator. This limited exposure, however, can assist the opponents of the

privatization concept to recognize the value and potential benefits that can be gained through an outsource system.

Once a sense of benefit is established and the threat of job loss is reduced, additional steps can be taken to further the development of a strategic plan for successful implementation. Open and honest communication between management and the rank and file is key to this transition. Further, a well negotiated and written contract outlining a clear understanding of the scope of services, as well as the fees, and qualifications and backgrounds of the contracted personnel is essential to the success of the change. It is equally important to disseminate any pertinent information regarding the service dynamics and/or hired help to the public safety employees.

Privatization is a way to bring the advantages of competition and flexibility to the delivery of public services. These advantages include greater efficiency, increased responsiveness to the needs of the community, and encouraging innovation. While there is clear potential for improved efficiency, privatization also involves risk and requires careful management on the part of the police agency. Effectiveness tends to be very situational and depend on the implementation of the contracting process, the contract itself, scope of services, and ongoing monitoring.

To achieve the potential benefits of privatization, police departments will need to clearly specify the roles of contractors, determine appropriate costs, and develop performance criteria within the scope of services that are tailored to the situations being addressed. Further, police agencies will need to modify their own structures, change from the traditional mold, and tenderly manage the change.

Implementing the use of contracted criminal investigators, or any change for that matter, may certainly present difficulties for any department. Several of these obstacles have been identified and discussed. However, the potential cost savings, enhanced quality and specialization, as well as the ability to maintain case control may outweigh these presumed difficulties. Following the transition to an outsourced investigative system, continual and future monitoring of the privatization model is vital in order to assure cost effectiveness and quality in the delivery of criminal investigative services. This future monitoring will further enable the police agency to verify just how much of an influence the use of a privatize criminal investigative system has impacted case clearance rates.

NOTES

[1] Outsourcing in Higher Education [essay on-line]; available from http://arda.matrixgroup.net/pro_development/Outsourcing_Paper.pdf. Internet: accessed April 26, 2004.

[2] National and State Trends in Fraud and Identity Theft [essay on-line]; available from http://www.consumer.gov/sentinel/pubs/Top10Fraud2003.pdf. Internet: accessed April 2, 2004.

[3] Privatizing the Long Arm of the Law [essay on-line]; available from http://www.mackinac.org/print.asp?ID=796. Internet: accessed April 7, 2004.

[4] Why the Police Don't Care About Computer Crime [essay on-line]; available from http://jolt.law.harvard.edu/articles/10hjolt465.html. Internet: accessed June 14, 2004.

[5] Ibid.

[6] Ibid.

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Why the Police Don't Care About Computer Crime [essay on-line]. Available from http://jolt.law.harvard.edu/articles/10hjolt465.html. Internet: accessed June 14, 2004.