

A background check investigates a person's business, criminal, and (in certain situations)financial records, as well as their previous employment history. Typically, an employer will hire a background check specialist from a third-party service to do the background investigation.

The background check company will review the candidates' records to determine whether or not they are who they claim to be and any red flags in their personal or professional history.

In some places, these data may include criminal background checks, employment histories, credit histories, driving records, and even medical information, depending on legal restrictions.

#### The need to conduct background checks





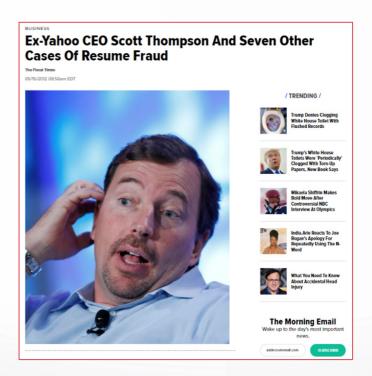
An essential purpose for performing background checks is to avoid fraud.

This is best reflected in the new Netflix documentary 'Tinder Swindler'. In case you haven't watched it (spoilers ahead), it documents the true story of probably the most well-known love scam in history.

Most of the victims fell head over heels with the scam artist. Many may have simply avoided the dire consequence if they merely googled his name (he used the same and actual name throughout his scam).

According to HR Thought Leader Dr John Sullivan's opinion piece for ERE, as many as 80% of resumes make false claims. And on average, 53% of them are lies (The biggest offenders are undergrads, where 92% admit to lying on their resume).





People will likely move forward with this false information because references aren't usually checked until the very end of the hiring process.

A lack of thorough screening of potential employees might harm your company's bottom line. In addition, you can forget about performance delivery since they are just making things up about their job experience.

A mis-hire can cost a company a fortune, accounting for not just the salaries, training, and, most importantly, opportunity costs since the right person couldn't have started in the first place.

Does it mean one could just do a quick online and social media check to tick this checkbox?

Not so fast, Sherlock.

According to experts, social media evaluation should not be the sole factor in recruiting decisions. Instead, the screening process should be tailored to your company's industry and the positions you seek to fill.

This is why it is crucial to put these in the hands of a professional background check company.

Here are five substantial reasons why every employer should perform a comprehensive background check on employees and applicants.

## 1. Maintain the safety of your workplace and employees.

### Car rental firm Ethoz Group will investigate sexually explicit emails sent by employees







There are numerous stories out there regarding predators in the workplace. The most recent comes in Ethoz Group - a car rental company.

Leaked emails and messages show lewd messages made amongst former employees of female job applicants.

The victims are restricted to the job applicants, but every other professional who did no wrong is still working for Ethoz.

Background checks might have weeded those former employees since they have shown such behaviour in their history.

#### 2. Ensure good quality hire

You can learn about intangibles that aren't listed on your resume through a personal or professional reference. Confirm the candidate's education and licensing to ensure that they are qualified. Look for personnel who have a proven track record of staying with the company. These tactics will assist you in your quest for high-quality employees.

#### 3. Avoid negative publicity

BY Nurhuda Syed / 07 Mar 2019 / Share

A manager in Singapore was jailed two years and 11 months and fined \$1,600 for committing multiple cases of resume fraud.

From 2013 to 2017, Chin Ming Lik got civil engineering jobs at 38 companies with a forged National University of Singapore (NUS) degree, certs from Ministry of Manpower (MOM) as well as several other qualifications. His highest qualification is the Primary School Leaving Examination.

He also lied about having 16 years of industry experience. He managed to get gigs which paid up to \$9,000 monthly.



Bad publicity can harm your company's reputation. Job applicants may also avoid a company with bad press.

A good reputation is built from the ground up by the individuals you hire, who will unavoidably represent your company and its brand.

#### 4. Reduce losses

A former accounts clerk embezzled S\$46 million over seven years to feed an extravagant gambling habit that often saw him bet more than S\$100,000 at Singapore Pools every week.

He accomplished this by creating fictitious payment vouchers and convincing authorised signatories to sign off on blank cheques for fictitious company transactions.

#### 5. Ensure trust from day one

Trust is the glue of life. It's the most essential ingredient in effective communication. It's the foundational principle that holds all relationships.

Any ongoing suspicion about new employees will make work collaboration impossible and create unnecessary angst between the employees and the supervisors.

Having that trust cemented by a solid background checks process and a report will be crucial.



In the end, employers should always be thorough during the pre-employment screening process, and background checks allow them to do so. You can foster a positive work environment staffed with qualified employees by conducting background checks.

# veremark.

Automated Screening. Effective Hiring. Trusted Service.

Add simplicity and confidence to your hiring process with Veremark.

Want to know more?

Reach out to our team for personalised advise by dropping us an email to marketing@veremark.com

Or visit www.veremark.com