

The Good, The Bad and The Ugly.

How to Tell the Difference

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The Good, the Bad, Who has a criminal record?



Your New Employees!



- Everyone else had a criminal record.
Did you guess correctly?

The Costs of Employee Turnover



- **Coca-Cola Retailing Research Council - \$3,637.00**
Estimated total direct and indirect costs of replacing a supermarket cashier earning \$6.50 per hour was at least \$3,637.
- **Workforce Magazine - FAX Facts Survey - \$10,000.00**
45% of responding companies indicated that turnover costs are more than \$10,000 per employee.
- **Louisiana State University Staff Senate - \$25,000.00**
Protective services includes police officers, correction staff, guards, Wildlife and Fisheries employees.



Costs Include:

- Temporary Replacements
- Recruitment Costs
- Training Costs
- Loss of Productivity
- Loss of Sales



Resumes tell you everything?

- Up to 30% of applications contain false material/information
- 40% of the information on résumé is misrepresented
- 45% of potential employees have either a criminal record, bad driving record, worker's compensation claim or a bad credit history.
- Sexual harassment has increased by over 130% from 1991 to 1997, an average of 15% annually.
- 40% of American drivers have a violation on their driving record, while 25% don't have insurance at all.

Background Check vs. Background Investigation



- All Secret Service positions require completion of a full background investigation before appointment. The time frame for completion of a background investigation varies depending on the history of the applicant. Typically, a full background investigation takes approximately six to nine months to complete. During this period, various information is verified, including employment history, police records, credit history, school transcripts, neighborhood references and military records.

What an online search doesn't tell you:



- The source of the records
- How often they update their databases
- How to interpret the information
- Details of the case and/or conviction
- That you have the correct person
- If the case is adjudicated, it isn't always removed. You could be held liable for utilizing that information

Even the government has it's flaws – REALLY!



- Texas DPS spokesperson Tela Mange admits, "We have not received that information from the reporting agencies."
- Those reporting agencies are the state's more than 200 counties who are responsible for reporting to the DPS about crimes in their jurisdiction. "We depend on local agencies", Mange says. "We don't have any control over what's sent to us."

There is NO NATIONAL REPORTING SYSTEM FOR CRIMINAL HISTORIES THAT IS COMPLETE, EVEN FOR THE FBI.

Records vs. Investigation



It's not **JUST** the amount of information you have.

It's how you interpret it that makes the difference.



What can you find in a background investigation?

- Driving records
- Vehicle registration
- Credit records
- Criminal/Sex Offenders
- Social Security No.
- Education records
- Court records
- Workers' comp
- Bankruptcy
- Bankruptcy
- References
- Neighbor interviews
- Medical records
- Property ownership
- Military records
- State licensing records
- Drug testing
- Past employers

Since this is an Investigation.....



- An excellent resource of information is the utilizing the original source – the applicant themselves.

Look your applicant in the “Facebook”



Don't ignore social networking sites

- Facebook
- Twitter
- Myspace
- Yahoo and Google Groups
- Meetup.com
- LinkedIn

- Ask for their personal email address and user names



Personalities Matter

- Research proves when a person fails in their career, more than 90% of the time that failure is directly attributed to some aspect of human behavior. Individuals do not usually fail because of lack of education, experience, training, or skills. They fail because their personality is not compatible to the behavioral requirements of their career.



What Can a Profile Do?

- **Applicant Screening:** Eliminate unqualified applicants early in the selection process.
- **Personnel Selection:** Select the best available applicant for every position in your organization.
- **Personnel Placement:** Place new employees with the most suitable manager and in the most compatible environment.
- **Promotion Decisions:** Identify individuals qualified for advancement.
- **Succession Planning:** Identify individuals to replace those promoted, transferred, retired, or terminated.
- **Reorganization Decisions:** Determine which employees will function most successfully in the reorganized unit.

Make sure you are compliant - FCRA



- The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records).

Knowledge is Power!



The Bottom Line!

You can pay for information in the beginning to make smart hiring decisions or you can pay at the end when you have to fire someone and replace them.

- ❖ Average cost of a background check **is less than 100.00** INCLUDING a personality profile.
- ❖ Average cost of replacing an employee - **\$1750.00.**
(Quick Serve Industry)
- ❖ Savings per employee = \$1650.00
- ❖ **Peace of mind – PRICELESS!**

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