



# Why Do Background Checks?

**Author:** Bob Fisher, Vice President, Public Sector at Employee Relations, Inc.

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Time and again, the value of conducting a background check on an individual to whom you have made a conditional job offer is demonstrated. Unfortunately, the stories generally highlight the consequences of not performing due diligence on a potential employee.

Consider the story of the state, which for political correctness shall remain nameless, that had three separate state departments hire the same convicted embezzler for accounting and payroll duties. Each time the employee was discovered stealing, she was arrested and booked into jail. Pending trial, she was released on bail. Needing to pay her rent and other bills she went looking for another job at a different department in the same state. Due to her qualifications, experience and charisma she was hired. Once at work she immediately gave herself a hefty raise.

Had any of the departments run even a minimal background check they would have learned of her criminal past (including previous convictions for theft) and could have avoided their financial losses, which to date appears to be in the hundreds of thousands of dollars. Those losses may turn out to be secondary should, as some observers predict, the taxpayer's union sue the state for negligent hire.

When asked why she repeatedly sought employment at the state, the woman responded that she was pretty sure they weren't going to do a background check.

Public entities, by virtue of the fact they are stewards of tax dollars, are held to a higher level of performance. Employers that assume that theft is just a part of doing business and that mechanisms to safeguard against such activities would simply be cost prohibitive have not heard the one about the county, that again for political correctness shall remain nameless, also hired a convicted embezzler. No cursory background check was performed before putting this person in charge of Medicare funds. When the accounting "discrepancies" started to surface, the FBI was called in. The FBI determined that the county could have easily avoided hiring this person had they (the County) done their due diligence by performing a basic background check. The county was sued by the Federal government who alleged the county was negligent in hiring the employee. The eventual cost to the county was \$20 million.

The moral of these stories is that bad actors (criminals, liars, cheats, drug abusers, etc.) tend to look for work at organizations with poor hiring policies and practices. If your organization isn't conducting pre-employment background investigations you probably ought to give it some thought. Every dollar you spend on these services will save you many more than you spend by keeping these people out of your workplace.

Employee Relations is a provider of Human Resource Risk Management Services and has been providing Pre-Employment Background Investigations (PEBI™), Drug Testing, and Employee Hotline Services to America's private and public sector employers for over a decade.

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