

Prevention Recommendation Checklist



UK and European law has become tougher on privacy protection and limits what companies can do when checking the background of potential new employees. Background checks can often be completed with the candidate's permission, but if this isn't an option, alternative procedures should be considered.

If a company is able to perform background checks, the following fraud prevention checklist may be of use:

CRIMINAL RECORDS

- ✓ Check a candidate's criminal record or obtain confirmation that the person has not been convicted for fraud or any similar offence.

EDUCATION

- ✓ Verify a new hire's education. Today, false diplomas or certificates are easy to acquire. Obtaining the original documents might be a guarantee, but confirming with the school or university is often a better option.

EMPLOYMENT HISTORY

- ✓ Confirm a candidate's employment history.
 - Obtain references from past employers and the last employer should not be forgotten. This latter check can only be done once the candidate is on board.
 - While most organisations will not disclose negative information regarding a former employee, sometimes the tone may be indicative.
- ✓ A thorough review of the résumé is necessary as some candidates 'arrange' dates to hide a period of unemployment period or in some instances imprisonment.

DUE DILIGENCE FOR SENIOR HIRES

- ✓ Integrity due diligence should be conducted when senior management are hired. This should entail more in-depth screening and investigation, depending on what local laws permit. Senior staff often have greater autonomy, responsibility and access so rigorous checks are certainly worth the time involved.

CREDIT CHECKS

- ✓ Depending on local laws, other verification such as credit checks can be considered. It can be of benefit to understand if candidates have any financial difficulties and this is particularly true for financial institutions. It is important to note that a poor credit history in isolation should not influence a hiring decision.