

# Background Checks: The First Step to Smart Business Hiring

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## Hiring Challenges for Businesses

Your business may be small, but your responsibilities are big. Finding the right people to fill vital roles from management to customer service is the first step to long-term success. Each position should have its own requirements for hiring, and knowing as much as you legally can about that person is critical to making a good decision. Don't always base hiring decisions on gut instinct or a personality connection. This can be one of the main causes of poor hiring.

## How to find the right person for the job

Whether you are starting a new business or have been in business for a while, finding the right people may be more difficult than you think.

If you've hired poorly in the past, you already know that there's much more to hiring than simply putting a "Help Wanted" sign on the window or an ad in the newspaper. Here are some tips to help you get started on the right track.

1. Create role descriptions for each position
2. Build out requirements for each position
3. Create ads and flyers when seeking out applicants with the job descriptions and requirements clearly outlined.

Take the time to create descriptions and requirements for each position so that the job description and expectations can be clear in your advertisements and for handing out to referrals.

Be as detailed as possible so that the description can also be used as a guide after the applicant you choose is hired. This will prevent confusion about expectations when applying, and it'll help you get the right pool of applicants in the door to choose from.

## Hiring based on criminal histories

Although hiring decisions should not always be based on an applicant's background, consider the type of position you're hiring for when creating your requirements.

For example, if you're hiring for a position that requires money management or cash handling, merchandising or transporting merchandise, you may want to consider the type of crime related to the position when hiring - such as theft. However, make sure the conviction is relevant to the position in order to stay out of the radar when it comes to state and federal hiring laws. According to the United States Chamber of Commerce, "one-third of business bankruptcies are due to employee theft."



# What (and What Not) to Ask

Interviewing applicants can be one of the most difficult challenges for businesses today. If you don't have a human resources professional trained on these guidelines, you may get yourself into a lot of trouble.

## Questions to avoid asking an applicant

When interviewing an applicant, it's sometimes difficult to avoid small talk about home or personal life - such as family, hobbies, interests, etc. However, it's best to keep these conversations very formal and to a minimum to avoid the natural response that may indicate religious affiliations, sexual orientation, and other items that can't be used in hiring decisions. Some topics to avoid discussing include:

- Nationality or immigration status
- Family status
- Age
- Religion
- Sexual orientation
- Disabilities
- Gender
- Associations and memberships
- Criminal history

While it may seem logical to ask questions based on these topics depending on the type of position, the questions need to be crafted in such a way that does not seem discriminatory by the applicant.

# How Background Checks Can Help

Although there are certain questions that should not be asked during an interview, background checks can paint an accurate picture of your applicant's history, and, therefore, help you make better hiring decisions.

## Why background checks are widely used to make hiring decisions

There are good reasons that make background checks necessary in certain industries, and they're used by larger businesses in order to secure the right people for specific positions.

For instance, if you own a home healthcare company, some states require rigorous background checks that include sex offender searches and extensive criminal history checks because these applicants will be working inside the homes of vulnerable individuals.

If you're hiring a high level executive or manager who's required to have a specific degree, you'll want to confirm the applicant's education history.

## Use background checks with caution

Since it's not advisable to ask for criminal history information during an interview, a background check can provide this information as long as it's used for making good hiring decisions and is within legal compliance based on the type of position. It's important to remember that the crime must be relevant to the position.

For more information on EEOC guidelines, view our webinar by EEOC expert and attorney, Scott Paler. There's also a free EEOC guide available to you for training your staff.

## Pre-screening and re-screening

Most employers only conduct one background check prior to hiring an applicant, but some states may require continuous screening, depending on the position. In the case that it's not required, it's still a good idea to periodically re-screen employees to verify no crimes were committed during employment. Be sure to consult an attorney who specializes in employment law prior to making any decisions based on criminal information.

## Background check costs vs. risks

If you're concerned about the costs of background checks, consider the costs of hiring the wrong employee.

1. High turnover rates are typical with businesses that don't pre-screen employees
2. Employee theft can be a primary cause of business bankruptcy
3. Hiring the wrong person could be detrimental to your other employees and customers, putting you at risk for lawsuits

Making any of these mistakes and not doing your due diligence could cost far more than the cost of background checks. In many cases, some businesses have more difficulty recovering from these losses.

As a business owner, you have many responsibilities every day. Background checks can help ease your mind and choosing the right provider can ease the burden that comes with hiring the right people.

## Disclaimer

The contents of this eBook are not to be considered legal advice. Always consult with an employment attorney prior to conducting background checks or implementing a background screening or hiring program for your employees.

## About Pre-employ

Headquartered in Northern California, Pre-employ is a national leader in the screening industry. For more than 20 years, Pre-employ has provided cost-effective solutions that deliver quality employee background screening services, industry best practices, and valuable resources to help minimize risk and enhance the hiring process. For two years in a row, Pre-employ was named to Business News Daily's Best Background Check Services.

For more information, please visit [www.pre-employ.com](http://www.pre-employ.com).

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