

RHR Information Services, Inc

SelectSmart News

Editor's Note



The holiday season is here! We want you all to know how happy and thankful we are for your continued business and support.

Having been in business for almost 11 years, we will be celebrating a 10 year anniversary with some of our clients. RHR Information Services, Inc. is proud to have clients like you, especially ones

that have been with us since the beginning!

Many of you have already or will begin to plan your 2006 yearly budgets. We're happy to announce that for the 5th year in a row we expect NOT to increase any pricing structures! One of our biggest goals for 2006 is to continue to improve our efficiencies so that we can continue to provide an outstanding product with fantastic service at a highly competitive rate.

For the second holiday season, RHR will make a donation to the Families Moving Forward organization on behalf of all of our customers. Families Moving Forward

provides temporary emergency shelter, permanent affordable housing and support services to low-income families with children. Last year the donation was for \$5000.

From everyone here at RHR,
Happy Holidays!

Elizabeth Amy

Client Relations Coordinator

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Poor Hires Can Sink a Company

For the last decade or so, there's been a newspaper article floating around the recruitment industry.

For anyone in HR, it is one story worth noting. It states that more than 95% of college students surveyed said they would make at

least one false statement to get a job. And 41% said they'd already done so. It's hard to know how many kids would falsify an entire resume to get a foot in the door, but one shudders to think.

But it's not just college kids. Company executives, final job candi-

dates, current employees — anyone who's looking for work or a promotion — are all willing to claim, and hide, the most incredible things.

Mind you, some of the stories are a
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Product Information: Civil Suit Checks

A civil suit check consists of looking up civil court records, where one party sues another at the state or federal level. These records are available to employers conducting a pre-employment background check.

These cases typically involve monetary issues and may involve a dispute over a contract or a claimed injury. The primary issue with Civil Suit Checks is how to properly use them when

making employment related decisions. Many civil suits will clearly be NOT employment related and thus, unless there is a litigation pattern, should have no bearing on hiring or employment related matters.

There are some cases that will have a direct bearing on employment such as a suit for harassment or another suit that reflects workplace characteristics. This type of information should only

be used where and when it is relevant to job performance. As always, it is advisable to have a legal expert to review policies and standard procedures pertaining to employment practices.



Poor Hires, continued

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little more silly than incredible. Take the recent case of a job candidate an employer was clearly enamored with. The candidate didn't actually possess the university degree he claimed, and when the company that did the background checking told the employer, the employer was enraged. The employer had re-

ceived a copy of the diploma and was certain the report from the background checker was flawed. But the university was able to confirm the job applicant had actually cut and pasted the diploma together (which is in itself a bit laughable because applicants lying about their education normally do so by purchasing the master's degrees of their

choice online).

These lies are no laughing matter when it comes to a company's bottom line. Estimates have put the cost of turnover as high as two or three times an employee's annual salary. Without proper background checks, not only is there a risk in hiring unqualified

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“Applicant lies are no laughing matter when it comes to a company's bottom line.”

Consistent Background Checks

A client recently asked me “How important is consistency in running background checks?” It's an important question that everyone can benefit from learning about. The answer is: It is extremely important to be consistent when running background

checks. To avoid lawsuits a company must set up a screening program that is followed for ALL applicants. In most cases, you should run a criminal background check on all your employees and potential employees or none at all.

Companies should have a written policy on file that describes why you would take any adverse action. Then have a legal expert review said policy.

With a consistent screening program in place most lawsuits can be easily avoided.



Health Care Entities Face New Standards

Effective January 1, 2006 the Joint Commission on Accreditation of Healthcare Organization (JCAHO) will require that hospitals and covered health care entities conduct verifications on all licensed, registered or certified staff. The rule applies to both employees and contract staff, and also applies to the process of tracking license renewals as well. The new standard is contained in HR.1.20.

For hospitals and covered health care organizations, there is a logistical challenge in obtaining, tracking, updating and maintaining an audit trail for all employees who are required to be licensed, registered or certified.

Licenses are typically checked when an employee is first hired, but covered entities must now verify the information from the primary source, track expiration and manage the process of up-

dating records from the primary source in order to be in compliance.

Source: The Background Buzz



Using Criminal Information Correctly

Federal law does not prohibit employers from inquiring into an applicant's past criminal convictions and deny employment based on a conviction if there is a legitimate business reason for doing so that is not a pretext for unlawful discrimination.

Many employers conduct such checks to limit potential liability for negligent hiring or retention. Although conviction inquiries assist employers in ensuring that they are not hiring individuals that may pose a threat to the safety of others, employers should carefully examine federal and state equal opportunity laws prior to conducting checks.

Federal EEO laws do not limit criminal record inquiries to felony convictions only, nor do they provide a specific time limit for the use of conviction data. However, state laws vary greatly on whether employers may make

criminal record inquiries and how such inquiries can be made and used. Before inquiring into an applicant's criminal history or requesting criminal history records, employers should first consult their state laws regarding the use of such records.

An important distinction exists between arrest and conviction records. An employer generally is prohibited from inquiring about an applicant's arrest record. Federal and state EEO laws do not normally allow an employer to base an employment decision on an arrest that does not result in a conviction.

To avoid running afoul of federal and state EEO laws under an adverse impact analysis, employers should have clear job-related reasons for inquiring about criminal convictions and for using them as a basis for an employment decision. When rejecting

an applicant on the basis of a conviction record, an employer should be able to show that a job related reason justified the decision. In establishing those reasons, employers should consider the following:

- The nature and/or severity of the offense.
- The length of time since the conviction.
- The nature of the position being applied for.

In addition to federal and state EEO laws, employers should heed the FCRA. Employers that use consumer reports that contain criminal information are subject to the FCRA's notice and authorization requirements.

Employers should work closely with their legal counsel when using criminal background checks.

Article from HRMagazine Dec. 2005

“Employers that use consumer reports that contain criminal information are subject to the FCRA”



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The Right Path to the Right People.

Disclaimer: This newsletter has been developed for informational purposes only for use by the customers of RHR Information Services, Inc., and should not be relied upon as definitively accurate. Due to the complex nature of employment law, we strongly suggest that you work closely with legal council when making employment related decisions.

Poor Hires, continued

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people but criminal or ethical concerns can go undetected.

In the United States, the Department of Commerce estimates that 30% of business failures are due to poor hiring practices. This claim seems reasonable when one looks at the staggering number of workplace violence incidents, the high jury awards for negligent hiring in the U.S. and how much money is lost to employee fraud.

Any organization can benefit from a background check, whether it's an individual the

organization has never met before or a senior executive who has been in the company for a decade, conducting background checks can reduce an organization's legal bills, retraining costs and expenditures related to hiring efforts.

Source: CHRR, Report on Recruitment & Staffing