



# HR Examiner

*Examining practical HR issues business owners  
and managers encounter every day*

## Background Checks

September 2010

### HR Mastery Groups

2011 is the 5th year that I'm facilitating monthly **HR Mastery Groups**. HR Mastery is your opportunity to learn from your peers as well as from our guest presenters on a wide variety of HR topics and issues you're facing today.

Each group has 8-12 human resource professionals who commit

### It's All in the Detail

Background checks are being utilized more and more as employers attempt to learn more about their prospective employees than is revealed in an interview. As is expected, we have to tread lightly in this sensitive area and be sure we're not discriminating when conducting background checks.

**Step 1:** Know if you are legally required to run background checks on your employees. For example, certain health care providers and facilities as well as residential organizations are required to check various background sources prior to hiring.

**Step 2:** If you're not legally required to run background checks, determine whether you have sensitive positions where a background check would be useful. For example, it may be useful to conduct these checks on money-handling, accounting, security, and merchandise-handling positions.



to a one-year membership of 12 two-hour monthly meetings. There's a wide variety of experience, companies, and industries in each group which enhances your opportunity for learning.

Of course, there's a wide variety of people and personalities in each group, which makes each meeting lots of fun as we confidentially help each other with the unique situations we find ourselves in as HR professionals.

Additionally as part of the membership, each person has access to my HRxpress hotline services and can call or email me with particular HR concerns as they occur. So you don't have to wait for the next meeting for answers to a timely issue.

Also during the month the

**Step 3:** Determine whether you want a “do it yourself” approach or you want to hire an experienced firm to run those checks for you. There are pros and cons to consider – how much time you have to do it yourself, whether you have the budget to outsource, whether you want to create all your own forms and systems to ensure compliance, etc.

**Step 4:** Be sure that whatever you choose, you do it consistently. If you select a certain position to background check, run the check on the final candidate for all your searches for that position, so that you don't appear discriminatory. Make sure you have all the legally required disclaimers and processes. Don't wing it.

**Step 5:** Create a written protocol for how you conduct the checks, on what positions, at what stage of the hiring process, and include what offenses, if any, will result in disqualifying the candidate.

There's so much more to consider than I've included here, but this should be a good starting point to determining whether and/or how to use background checks.

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## Don't be Adverse to Adverse Action

Years ago I met Donna Ploof from Trusted Employees and whenever I'm asked for a background check referral source, she's the person I go to. Here are excerpts from an article she wrote on this important topic.

What do you do when a seemingly great candidate has some kind of negative information on their background report?

Also during the month the members email each other with requests for information, forms, tools, and resources. Typically, another member has already developed that form or has the name of a great resource who can help you.

If you're interested in learning more about this great opportunity to learn from and with your peers, check out the description on my website [HR Mastery Groups](#) or call me at 952-996-0975

Groups will be starting in January, so the sooner you sign up, the sooner we can start planning the 2011 calendar!

## Quick Links...

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Under the Fair Credit Reporting Act (FCRA) when you rely on background reports and are considering withdrawing an offer of employment (known as an "adverse" action) because of negative information you have found on their background report, you are required to send the candidate an Adverse Action letter. While the negative information comes from a county courthouse, there could be a number of reasons why that information could be incorrect. For example, similar names and birth dates can confuse a good candidate with a criminal.

The Adverse Action letter is an easy way to let your applicant know there is something on their report which is inconsistent with your hiring guidelines. Along with the Adverse Action letter, a copy of the report is required to be sent along with the FCRA form, "Your Rights under the FCRA." Through the letter, you give a short period of time for them to respond, usually 5 days. That allows ample time for the applicant to receive, review and respond.

Under the law, if you withdraw your offer of employment based on negative information in the background report, you could be legally liable. Your withdrawal on potentially wrong information without allowing the applicant to respond could be considered discrimination in the courts. So be careful.

Adverse Action letters are a very simple and easy step in the hiring process. They protect both the applicant and the company. While they may add a short period of time to the hiring process, it is time well spent. For more information or to get a copy of a sample adverse action letter, e-mail your request to [dploof@trustedemployees.com](mailto:dploof@trustedemployees.com).

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**If you're not having fun with your human resources, call Arlene today at 952-996-0975**

[Arlene@ArleneVernon.com](mailto:Arlene@ArleneVernon.com)

Arlene has provided HR consulting and management training services to over 300 organizations since starting HRx, Inc. in 1992.

If you're seeking a hands-on, practical HRxpert to assist your organization with employee relations, policy development, strategic HR activities or fun/doable management training, call on Arlene – Your HRxpert.

If you're planning a conference, seminar or special event, Arlene specializes in keynotes, seminars and workshops to meet your talent management needs. And if you're seeking a more lively entertaining activity, Arlene's custom songs and musical-inspirational keynote may be perfect for your organization!

HRx, Inc., Eden Prairie, MN 55344, 952-996-0975, [www.HRxcellence.com](http://www.HRxcellence.com).  
[Arlene@ArleneVernon.com](mailto:Arlene@ArleneVernon.com)

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