

What You Don't Know About an Applicant Can Hurt Your Bottom Line and Your Reputation

The applicant interviewed well, his references were positive and he seems like a good choice. Looks like it's time to make an offer. Not so fast. Have you conducted a thorough background check or made it clear that employment is conditional based on the results of a background check? If not, you're leaving your organization wide open to liability.

Negligent hiring is a legal theory under which employers can be held responsible for injuries caused by their employees, if it can be shown that they failed to make reasonable inquiries into the employee's background and suitability for the position. Our environment of 24/7 news cycles and instant access to information have brought notoriety to negligent hiring lawsuits, accelerating their growth at a rapid pace.

While the most infamous negligent hiring lawsuits deal with incidents of workplace violence, the scope is much larger. Plaintiffs have won numerous lawsuits against companies, including cases of harassment, identity theft and fraud.

Organizations tempted to forgo the thorough background screening process due to cost may want to consider that the average settlement of a negligent hiring lawsuit is nearly \$1 million, according to a report released by Human Resources Management. While some organizations see performing background screening on all employees as cost prohibitive, neglecting to perform due diligence and consequently inviting a negligent hiring lawsuit just isn't worth the risk.

It's also important to conduct background checks that are commensurate with the risk of the position and level of access to facilities and people. For example, particular attention should be focused on positions that deal with sensitive groups, such as children, the elderly, or the disabled, or positions that could potentially have unsupervised access

While there are no completely foolproof systems to identify a potentially dangerous employee, an organization's first line of defense is to eliminate high-risk applicants with a thorough pre-employment background check. In the end an employer will ultimately be judged by the public, and possibly in a courtroom, on what steps it should have taken to protect its employees and the public using available information.



Strategic Screening Solutions for High-Performance HR Organizations

To learn more about how to protect your organization from negligent hiring lawsuits, or any screening solutions, please contact an Accutrace screening specialist.