



# You Manage It! 2: Ethics/Social Responsibility

## What a Fraud!

The economy is tight, and there is competition among applicants to land jobs. This setting is expected to lead to an increase in the number of applicants who will misrepresent their background and credentials. The hope, of course, is that this bit of fudging will help them get the job. The misrepresentations might involve a change in the date of birth, shifting a college major, or maybe even the fabrication of a degree. There may also be lies about criminal records. The fact of the matter is that these misrepresentations, whether “little white lies” or major fabrications, are fraud. It is expected that fraud will be engaged in by approximately 30 percent of job applicants.

## Critical Thinking Questions

- 5-14. Do you think fraud on resumes and job applications is an important issue for organizations? Why or why not?
- 5-15. Sometimes qualifications and credentials are important. For example, do you think it is important that your professors actually have the required qualifications (e.g., a PhD) to teach university-level classes? Is it important that your doctor have the qualifications that the medical board indicates are needed? Why?
- 5-16. If a fraudulent imposter can perform the job, what's the harm?

## Team Exercise

- 5-17. With your team members, identify how companies try to detect fraud. Do you think it is worth the cost? What could be the cost if it wasn't done?

## Experiential Team Exercise

- 5-18. With your teammates, consider various jobs and the potential liability for each. For example, a cable installer would have access to private property, and teachers would work with children. Some jobs may have high stress, and some jobs involve driving vehicles. With your team, identify as many of the potential liability areas as you can, and list each as a row in a matrix or spreadsheet.

For the columns in your matrix, identify the types of characteristics or backgrounds that should be checked. For example, propensity for violence, driving record, and criminal record could be some of your major columns.

Mark the cells in the matrix to indicate where a check should occur. Are there some checks that appear more important than others? Describe. How can an organization use the type of matrix you developed?

*Sources:* Based on Guthrie, J. (2009, March 5). Beware the risky business of resume fraud. *Financial Times*, London, 15; Levashina, J., and Campion, M. A. (2009). Expected practices in background checking: Review of the human resource management literature. *Employee Responsibilities and Rights Journal*, 21, 231–249; Patel, P. (2009). Experts expect resume fraud to rise. *IEEE Spectrum*, 46, 24.