



A STUDY ON EMPLOYEE BACKGROUND CHECK ANALYSIS (WITH REFERENCE TO SELECTED ORGANIZATION IN VISAKHAPATNAM)



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ABSTRACT

Background check or background investigation is the process of looking up and compiling criminal records, commercial records and financial records of an individual or an organization. Background checking is the process of authenticating the information supplied to a potential employer by a job applicant in his or her resume, application, and interviews. In most application processes, lying about background and credentials will keep the employer from hiring the applicant. Background checking ensures the employer that the candidate has the background and experience he or she claims. Background Deals with the management of people in an organization. It is a management function that helps manager's recruit, select, train and develops members for organizations. Background is related to the promotions and transfers from within the organization to jobs for which the existing personnel are suitable. The focus of the current study is to understand the importance of Employee Background Check Process and implementation in the organizations. Through empirical study we analyzed the Employee Background Check in selected organization in Visakhapatnam, Andhra Pradesh. The back bone of the present study is both the secondary and primary data.

KEYWORDS: Employee Background Check, Importance, Need, Objective, Scope, Findings and Suggestions.

INTRODUCTION

Background Verification is basically concerned with having the right types of people available as and when required and improving the performance of existing people to make them to work more effective on their jobs, Manpower management thus starts with Background check. It is first done by studying three types of Forecasts.

- 1) The economic needs,
- 2) The Company sales and expansion forecast
- 3) The employee market forecast

Such forecast results in the company's organization plans. A Comparison of these two namely the forecast and the plans, can result in anticipating the manpower needs.

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Background deals with the management of people in an organization. It is a management function that helps managers recruit, selects, Train and develop members for organizations. It is with the people's dimensions in organizations. Background is related to the 'continuous process of manpower planning, selection, performance appraisal, salary administration, training and management development and retention of talented employees. Thus



Background refers to a set of programs, functions and activities, designed and carried out in order to maximize both employees as well as organizational effect venal effectiveness. Background is an actuating process, which involves every worker.

OBJECTIVES OF BACKGROUND CHECK

The primary objective of Background check of Employees is to ensure availability of a competent and willing work force to organizations.

Its main objective is to make the organization people oriented.

1. To be ethically and socially responsible to the needs and challenges of the society while minimizing the negative impact of such demand upon the organization. The failure of organizations to use their resources for the society's benefits in ethical way may lead to restrictions.
2. To recognize the role of Background in Brining about organization effectiveness. Background is not an end self. It is only a means to assist the organization with its primary objectives.
3. To maintain the departments contributions at a level appropriate to the organizations need. Resources are wasted when Background demands.
4. To assist employees in achieving their personal goals, at least insofar as these goals enhance the individual's contribution to the organization. Personal objectives of employees must be met if workers are to be maintained, retained and motivated.

IMPORTANCE OF EMPLOYEE BACKGROUND CHECK

Those two words have been devastating to many businesses and they could cost you millions of dollars. Negligent hiring is the failure to check the backgrounds of job applicants before you hire them.

When a pizza deliveryman raped a customer, a jury awarded the victim \$6 million of the parent company's money. The firm had failed to do a background check which might have disclosed the man's previous sex-offense record.

A trucking company was ordered to compensate a family when several family members were injured in an accident caused by one of its drivers. The amount awarded was many times what it would have been had the company checked the driver's record before hiring him.

Every day people with criminal records, falsified educational credentials, and other serious liabilities are hired by companies who fail to thoroughly check their backgrounds. The result can be acts leading to expensive negligent hiring lawsuits.

Knowing the backgrounds of the people you hire is absolutely essential because a business can be held liable for accidents and crimes committed by its employees: To protect your company and minimize risk, get reliable background information about everyone you consider for employment. Employee Background Check minimizes these problems with its services. You can verify the accuracy and/or completeness of information provided by job applicants before hiring and training – and thus reduce the costs incurred by high turnover and reduce your risk of liability.

Employee Background Check Services:-

- ♣ General Information Reports
- ♣ Driving Record Reports
- ♣ Workers' Compensation Reports
- ♣ Credit Reports
- ♣ Criminal History Reports
- ♣ Education Verification Reports
- ♣ In-Depth Reports
- ♣ Rush Services

SCOPE OF THE STUDY

Every day people with criminal records, falsified educational credentials, and other serious liabilities are hired by companies who fail to thoroughly check their backgrounds. The result can be acts leading to expensive negligent hiring lawsuits. More and more, employers big and small feel the need to know about the background of prospective, even current, employees. Employers had a question how to find the best employees without violating privacy rights and other laws. The present study had great scope to take up in small and big organizations. This study was carried out at selected organization in Visakhapatnam.

NEED FOR THE STUDY

➤ Shortage of skills.

Skills and knowledge people are always on short supply. Alternatively they are too costly to hire from outside. The best alternative is to improve skill and knowledge of existing employees.

➤ Technological Obsolescence

Growth of technology takes places very fast. This will render current technology obsolete in the future. There is a great need to upgrade technology. This needs suitable training.

➤ **Personal Obsolescence**

At the time recruitment employees possess certain of knowledge and skill. As time passes knowledge becomes obsolete, unless it is updated by proper training. This happens because of changes taking place in product technology, production methods, procurement of better machines, setting up of modern production lines, introduction of modern method of supervision and information processing through MIS and EDO.

➤ **Organization Obsolescence**

Modern management has introduced a number of innovative steps in functions of management like planning, organizing, controlling, coordinating and directing. Organization which is impervious to such changes is bound to fail and become obsolete.

➤ **Upgrading Ability of Threshold workers**

Public policy provides reservation to disadvantaged sections of the society like handicapped, minorities and dependents of deceased workers etc. All these are threshold workers having less than minimum prescribed level of knowledge and skill. They require extensive training to bring them up to the minimum level of performance standard.

➤ **Coercive training by government**

In order to provide better employability chances of unemployed youth, certain governments taken initiative to mobilize resources available at public/government and private sectors to outside candidates. One such example is the “Apprentice Training” conducted by govt. of India. A part of expenditure incurred for this by private sectors is reimbursed by government.

➤ **Human capital**

The latest thinking is to treat employees as “human capital”. The expenditure involved is training and developments are now being considered as an investment.

There is great need to take up the present study in selected organization in Visakhapatnam to fill the gap.

OBJECTIVES OF THE STUDY

Background Verification and analysis are one of major HRM function that helps manager to keep the skilled members in the organization.

The major objective of the study is to study Background Check Analysis in the selected organization in Visakhapatnam.

RESEARCH METHODOLOGY

Research provides an insight into any study to basically evaluate and judge the data or to find the solution to any given problem a sample is representative of a group or population that identifies itself as part of it. The sample chosen for this report is OCL pvt Ltd, Visakhapatnam.

DATA COLLECTION

The data collected contains primary data and secondary data. The primary data has been collected mainly by interviewing and also observation and audit. Secondary data has been obtained from published journals, company brochures, books, internet, etc.

LIMITATIONS OF THE STUDY

1. As the project is prepared for academic purpose only, it suffers from the limitations of time and money, due to which analytical study into all the strategies adopted by the organization was not possible.
2. The study was completed with in short span of time that was available.
3. The report also suffers from the limitations of exhaustiveness as far as the information is concerned.
4. All this study is limited to selected organization in Visakhapatnam only.

DATA ANALYSIS AND INTERPRETATIONS

1. Number of Respondent according to Gender:-

Gender	No. Of Respondents	Percentage
Male	48	64%
Female	12	16%
Contract Employees	15	20%
Total	75	100%

The above Chart shows that 64% of Respondents is male and female are 16% & remaining 20% respondents are others.

2. Are you satisfied with Background check facility by the company?

Background Check	No. of Respondents	Percentage
Yes	52	69%
No	20	26%
Not Replied	3	4%
Total	75	100%

The Above chart shows 69% respondents are satisfied with Background facilities given by the company.& Not Satisfied are 4% of the employees.

3. Type of Background Check Offered?

Checks	No .of Respondents	Percentage
National Checks	48	64%
International Checks	15	20%
Both	12	16%
Total	75	100%

The above chart shows that 64% of respondents prefer National check & 20% International Checks type, both preferred for 20%.

4. Does an Organization give importance to Background Checks?

BG Checks	No. of Respondents	Percentage
Yes	52	69%
No	10	13%
Not Replied	13	17%
Total	75	100%

The above chart shows 69% of respondents feel the organizational is interested in Background check formalities, No for 13% and 17% are not replied.

5. Do you have faith in Background check agency?

General opinion	No. Of respondents	Percentage
Yes	49	65%
No	11	14%
Not Replied	15	20%
Total	75	100%

The above chart shows all the respondents have faith in their company's policies.65% yes, 14% no feedback & not replied 20%.

6. Do you prefer internal BG Agency or External Agency?

Type	No. of Respondents	Percentage
Internal	25	33%
External	50	67%
Not Required	nil	0%
Total	75	100%

The above chart shows the 67% of respondents have prefer External Agency..

7. Are you happy with the Background Check process?

BG Checks	No. of Respondents	Percentage
Yes	52	69%
No	10	13%
Not Replied	13	17%
Total	75	100%

Around 69% of the people are happy with the B.G Check process, Not Satisfied are 13%, and Not Replied are 17%.

8. How do you feel about Background Check Process & panel?

BG Checks	No. of Respondents	Percentage
Excellent	30	40
Good	33	44
Satisfactory	10	13.3
Poor	2	2.7
Total	75	100

44% of the respondents felt good about BG Check Panel & The percentage of poor we got only 2.7 percentage.

9. Did the PCS meet your expectations?

BG Checks	No. of Respondents	Percentage
Yes	45	60
No	16	21.3
Not Replied	14	18.7
Total	75	100

Around 60% Respondents felt that PCS met their expectations.

10. Are you happy with the salary what you offered from the company?

BG Checks	No. of Respondents	Percentage
Yes	45	60
No	30	40
Not Replied	--	--
Total	75	100

60% of the respondents are happy with their salary.

11. How do you come to know about openings in the organizations?

BG Checks	No. of Respondents	Percentage
Friends	5	6.7
Internet	23	30.7
News Papers	40	53.3
Others	7	9.3
Total	75	100

54% of Respondents came to know about organization through Newsletter.

12. Do you want to refer more friends to Company?

BG Checks	No. of Respondents	Percentage
Yes	58	77.3
No	8	10.7
Not Replied	9	12
Total	75	100

77% of Respondents here happy to refer company to their Friends & Not Replied is 12%.

13. Did you have the right Designations?

BG Checks	No. of Respondents	Percentage
Yes	34	45.3
No	27	36
Not Replied	14	18.7
Total	75	100

Around 45% of the employees are happy with their Designations, and 36% of the employees are not happy, 19% of the employees not responded.

14. What should be the company's main source of BG Check?

BG Checks	No. of Respondents	Percentage
Employment Bureau	4	5.3
Direct Verification	17	22.7
Third Party Verification	39	52
Placement agency	13	17.3
Others	2	2.7
Total	75	100

The major source of Verification from Third party about 52% & Secondary is Direct Verifications which is 22.7%.

15. Did you fully know about the company policies before joining in this company?

BG Checks	No. of Respondents	Percentage
Yes	10	13.3
No	65	86.7
Total	75	100

Around 86.7% percent of the peoples did not know the fact; only 13% know it.

16. Did you informed details during BG Check?

BG Checks	No. of Respondents	Percentage
Yes	6	8
No	69	92
Total	75	100

Around 92% says no the question, but only 8% are responded yes.

17. How do you think about BG Check and selection procedure in your company?

BG Checks	No. of Respondents	Percentage
Satisfactory	72	96
Unsatisfactory	3	4
Total	75	100

The Overall percentage is 96 say satisfactory, and 4% are says not satisfactory.

FINDINGS

- The data collected and analyzed and general observation has proven that organization has done remarkable job in its Human resource development.
- Each and every employee is well prepared to meet today's challenges.
- The Employees Recruited from through the employee screening programs are well documented as the company requires various types of personnel to meet the job related programmers behavioral programs and Quality related programs.
- The Management most of the times responds to the agencies to conduct survey on employee Background screening.
- Employee Screening program not only provides the Family Background of the personal to be recruited but also provides information's on latest strengths and changes such as convergence concepts scenario in the coming years.

- Employee screening programs also lays more emphasis in finding out a professional who has got the knowledge of problem solving skills.
- The organization must give encouragement in career planning of employee with a view to attain organizational Goals.
- Employment screening programs in a nutshell provides the overall satisfaction for both the employees and Management.
- There are employees in all experience level in the organization.
- The internal department of core competencies and continuous process improvements has made in organization. One of the most exciting IT staffing companies to work for.
- The management is showing their full efforts for the growth of organization.

SUGGESTIONS

- Create awareness about Clients requirements among the employees by maintaining high level of motivation and focus.
- Design an effective system & Agency for conducting Employee Background checks.

3. More attention is to be paid on the feed back as it gives necessary inputs for the improvements in the future.
4. Quantify the performance off the employee so recruited.
5. Increase the competence levels among the employees by giving suitable Training and Development Program.
6. Identify the competencies and behavior pattern to be developed in each individual by way of performance Appraisals and ratings indicating the level of individual is above expectation or according to the expectation or bellow the expectation.
7. Provide training to the employees so that they will get better knowledge, skills, Morale and attitude.
8. Convert organization into a 'learning and development organization' to make it a "GLOBAL PLAYER AND LEADER".
9. Minimize Unnecessary Utilization of Lightings, Air Conditioner, and Lifts & Items at which in turn help in cost reduction.
10. Maintaining Harmonious relationship with Employees and Management.

CONCLUSION

Employee Background Check words have been devastating to many businesses and they could cost you millions of dollars. Negligent hiring is the failure to check the backgrounds of job applicants before you hire them. Every day people with criminal records, falsified educational credentials, and other serious liabilities are hired by companies who fail to thoroughly check their backgrounds. Backgrounds can help to get them onboard quickly and easily with an intuitive and easy to use employee background check system. To understand that hiring the right candidate can involve more than just pre-employment screening and a criminal background check.

Knowing the backgrounds of the people hire is absolutely essential because a business can be held liable for accidents and crimes committed by its employees. Employee Background Check minimizes these problems with its services. You can verify the accuracy and completeness of information provided by job applicants before hiring and training and thus reduces the costs incurred by high turnover and reduces the risk of liability.

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