Although hiring is a year-round necessity, the largest hiring spree occurs within the first 2 months of the year. Vetting potential employees is a difficult process. According to Fast Company, one-quarter of companies surveyed estimated that a bad hire cost them at least $50,000 in the past year; however, this problem is preventable with a thorough background check, which minimizes 4 following risks:

FALSE CREDENTIALS

Trusting your employees is key. You have to trust them to do their jobs, to treat customers and partners with respect, and to represent your brand appropriately.

According to CareerBuilder, 58% of résumés include misleading or incorrect information, such as falsified education details and inaccurate job titles, seniority levels, and employment dates. While some inaccuracies involve things like minor date discrepancies, others are more serious. Additionally, hiring someone with false credentials can directly affect your existing employees, too. If employees don't really have the experience or education they say they do, they may not be fit to do their job. And that can interfere with the whole team's performance, as everyone relies on each other to pull their weight. The survey also showed that managing a poor hiring choice in this respect can take 17% of a supervisor's time (that's almost a whole day per week!). Extra time spent managing a bad hire is less time spent on helping the business grow.

FRAUD, HACKING, AND CYBERCRIME

A 2014 study by the Association of Certified Fraud Examiners found that global occupational fraud totals nearly $3.7 trillion annually. And while this is a disturbing thought, money and inventory aren't the only concerns. Disgruntled ex-employees are hacking employers at unprecedented rates. You can do your best to be aware of such potential problems by conducting a thorough screening of a new hire. Examining work history gaps and reasons for leaving a job can help determine whether a candidate is a risk. If a candidate left a job without another job lined up or another explanation for the gap, it would be worthwhile to inquire about the reason for the departure.

NEGLIGENT HIRING

"Negligent hiring" is a legal term that describes an employer's liability for an incident caused by an employee when the employer knew (or should have known) that the employee posed a risk. The average cost of a negligent hiring lawsuit is estimated to be $1 million. And, when such cases are brought to court, employers lose about 70% of the time. Given the cost and bad publicity a negligence lawsuit can create, it's in your best interest to fully vet candidates with a thorough background check.