

Risk Monitor



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Why Background Checks Are Essential For All Employers

With more jobs becoming available today, there is a major problem presenting itself for employers. Employees who are applying for jobs are lying about important aspects of their lives. In most cases, the truth may be a disqualifying factor. To avoid the hassle of hiring an unfit employee, it's important to conduct a background check.

In addition to this, 37% of applicants had traffic violations or convictions, and 6% had criminal charges within the past seven years. While not all applicants lie about convictions, others may fabricate details that make them look more appealing. This practice, which is commonly called resume padding, is a method used by people who aren't qualified for a position to attempt to obtain it. It's important to be able to identify both omissions and lies.



Understanding What Is In A Background Check

Not all background checks are the same. There are hundreds of online services that advertise cheap and fast background checks. However, these companies provide limited information. They often have limited access to databases that are not regularly updated. In order to get the most accurate and recent records, it's best to use state resources.

How To Perform A Background Check

Usually the office of the Highway Patrol is the best place to begin a search. Some jobs require a prospective employee to manage a budget and handle money. If this is the case, it's a good idea to request a credit check also. It's important to have

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Background Check Result Statistics

According to the ADP's 2009 Hiring Index, 46% of 1.7 million applicants reviewed had discrepancies in their resume's employment, credentials, education or reference checks sections. In

Welcome to the Galloway Chandler McKinney Newsletter!

It is with great satisfaction that we bring this newsletter to you. In this issue and in coming months, we will discuss pertinent risk management topics which may affect your organization. We sincerely hope that you will find this newsletter informative and please do not hesitate to contact us should you have any questions or needs.



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Beware of the Scam of Fake Auto Accidents

Many think of fraud as a non-violent type of crime. In reality, vehicle insurance scams, including the staged traffic accident, are far from non-violent. Aside from costing honest consumers hundreds to thousands of dollars in added insurance premiums, this steadily growing form of fraud has resulted in countless injuries and deaths to the innocent victims of the scams. In fact, data from the NICB (National Insurance Crime Bureau) shows that staged traffic accidents have rapidly become a leading source of insurance fraud across the U.S.

How Does It Work?

These criminally staged collisions frequently involve several suspects driving a car. The victim is the driver of another vehicle that's being targeted by the suspects staging the collision for their own financial gain.

The suspects will most often use one of two techniques:

1. Swoop and Squat

Two or more suspects drive two different vehicles. They target an unsuspecting vehicle, most often an older model that only contains one victim. This is done so that there will not be any witnesses to the collision. The one or two suspects in the squat vehicle position their car in front of the vehicle driven by the victim. They slow to create a smaller space gap between themselves and their victim. Then, the swoop vehicle suddenly changes lanes to cut in front of the squat, thereby causing the squat vehicle to throw on breaks and stop. As a result, the innocent victim rear-ends the squat. Meanwhile, the swoop vehicle is long gone and the squat vehicle is claiming that an unknown vehicle cut them off and forced them to brake.

2. The Drive Down or Wave On

In this version, the suspect(s) are stopped at the entrance to a parking lot or an intersection. They wave on or yield the right-of-way to the victim. When the victim proceeds, the suspect intentionally accelerates to collide with the victim.

What Can Drivers Do To Reduce The Risk Of Being A Victim?

- Stay aware of your surroundings, paying close attention to what the vehicles several in front, behind, and beside you are doing and maintaining sufficient room between you and all other vehicles.
- Use caution when making a turn in front of another vehicle, even if they yield the right-of-way.

- Since suspects tend to look for innocent drivers that accidentally cross the center line and then sideswipe them, pay close attention to staying within the lines of a lane.
- After any accident, count the number of passengers and get their personal information. You may find that more people are listed on the insurance claim than actually in the accident.
- Avoid driving when you're stressed; preoccupied with a cell phone, map, or food; or lethargic. All of these lessen the care at which you drive and your concentration abilities, thereby increasing your vulnerability.
- Have a camera in your vehicle to take photos of the scene, license plates, and the occupants of the other vehicle you have an accident with.



- Always call the police and get a copy of the police report. If the damage to the other car is minor, then ask the officer to specify this on the report, as this will make it more difficult for the other party to create more damage for a larger claim.
- Alert the authorities if you feel the accident was staged.

In closing, these staged traffic accidents often have criminal elements that reach far beyond just the suspected drivers. It's often a criminal collaboration between unscrupulous doctors and attorneys that willingly and knowingly assist in the fraudulent insurance claim process.



Lock Out/Tag Out Solutions

Fatalities and injuries from machines are a high risk in many jobs. They occur during service and maintenance tasks when workers face exposure to uncontrolled releases of energy after initiating a machine. Fatalities and injuries during the past few decades have been closely analyzed in workplaces with dangerous machinery. In most cases, failure to lock out and tag out machinery or isolation areas was a contributing factor. It's extremely important to lock out and tag out machinery that must be de-energized. If machines aren't properly tagged or locked, workers can be caught in them. Fractures, amputations, crushing injuries and death are the most common results.

When Lock Out/Tag Out Is Necessary

It's essential for employees to know the procedures, understand the importance of them and understand the possible consequences of failing to comply. Lock out and tag out procedures should be implemented in the following conditions:

- If an unexpected start-up of a machine would release stored energy.
- During all initial set-up procedures.
- In any circumstances requiring workers to bypass or remove a safety device.
- When a body part of any worker must be placed in the danger zone or point of operation.

Employer Recommendations

The responsibility of preventing machine-related injuries in the workplace falls on the employer. To keep employees safe and minimize the risk of injuries, it's important to take the following steps to comply with OSHA:

- Ensure all workers clearly understand when hazardous energy control procedures are applicable.
- Provide training for energy control procedures.
- Develop and implement a program for hazardous energy control procedures.
- Provide tag out and lock out protocol training and inspection requirement training before allowing maintenance or service work to be performed.
- Label isolation devices clearly.
- Provide training for workers in their primary or native language.
- Provide training for energy isolation and control methods.
- Develop specific lock out and tag out procedures for each machine.
- Make sure employees know when safety devices are removed before starting up a machine.
- Make sure workers are provided with plenty of lock out devices, tag out devices and any other essential hardware.

- Don't allow anyone under the age of 18 to work on hazardous machinery.

Worker Recommendations

It's important for all workers to comply with hazardous energy control procedures outlined by an employer. If there are any issues with the program, be sure to bring them to the employer's attention immediately. It is crucial to do so for any issues relating to safety. In addition to this, be sure to complete all training offered and required by the employer. Before working with or performing maintenance on a machine, be sure to do the following:

- De-energize hazardous energy sources.
- De-energize electrical circuits.
- Block machine parts against motion.
- Shut down or disconnect motors and engines.
- Block the flow of fluids in pneumatic or hydraulic systems.
- Lock out and tag out hazardous energy sources. This includes control valves and breaker panels.
- Dissipate or block stored energy.
- Block or release springs under tension or compression.
- Discharge capacitors.
- Avoid venting flammable, toxic or explosive substances into the air.
- Vent permissible fluids from pressure tanks, vessels or accumulators.
- Verify that all hazardous energy sources are de-energized.
- Make sure there is only one key for each lock.
- Don't allow anyone else to remove a lock they're not assigned to.
- Ensure fellow workers are clear of danger zones before re-energizing a hazardous energy system.
- Inspect work properly before removing the lock to activate equipment.

Manufacturer Recommendations

It's best for manufacturers to consider equipment designs that require less disconnection points. In addition to this, it's beneficial to design equipment that has disconnection points that are easy to access. The equipment's overall purpose should work in accordance to promote safe lock out and tag out procedures. Equipment should also be designed with optimal safety features for repair or maintenance work.

Before implementing a plan, be sure to understand OSHA regulations. Failure to comply with OSHA standards comes with serious consequences. Workers and employers should also be properly insured against potential hazards. To get answers for any questions about hazardous workplaces, contact an agent.

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Why Background Checks Are Essential For All Employers

the applicant's SSN, date of birth and any last names or aliases they've used in the past 10 years. Be sure to have the applicant's approval before performing a background check. Some employers have found that searching for an applicant on Facebook or other social media sites is beneficial. Keep in mind that people may make fictitious profiles and claims on these sites, so this information shouldn't replace what is available on a background check. However, sometimes discrepancies between resumes and social profiles is enough to raise a red flag against a potential employee.

Deciding What Information To Verify

There is no need to verify information that doesn't pertain to the job. For example, if an applicant for an accounting firm has degrees in nursing and accounting, there is no need to verify the nursing degree. To do so would be a waste of time since the applicant won't be using nursing skills in an accounting job. There is no need to request information that isn't necessary. In addition to being more costly, it is a waste of time. For example, don't request a credit check for an employee who won't be controlling a budget or working with cash. However, if an applicant will be caring for disabled individuals, it's important to verify that they don't have any past charges of abuse, assault or neglect. Always use common sense to determine which bits of information need to be verified.

Employer Reference Considerations

Verifying employment and inquiring about an applicant's work ethic with a previous employer is important. However, it's also important to make the reference call count. Never rely on the phone number provided by the applicant. Either look up the number through an online phone directory or use a reliable source to verify the number. Although it isn't common, sometimes applicants provide erroneous phone numbers that may not belong to the previous employer they listed. In some cases, employees may provide a friend's number instead. That friend will often provide a bogus reference to make the employee look good. Be sure to ask pointed and concise questions to the

applicant's previous employer. The following questions are good examples:

- What are the applicant's strengths?
- How does the applicant deal with stress and conflict?
- In what ways could the applicant improve?
- How do the applicant's skills with other team members rank?

The best time to perform a background check is after extending an offer for employment. However, be sure to tell the applicant that their employment with the company is contingent upon them passing a background check. It's always a good idea to specify that a background check will be conducted in a wanted ad or online job posting. This is usually effective in discouraging applicants who know they have a checkered past and intend to lie about it. The most important thing to remember is to always obtain an applicant's written permission before ordering a background or credit check for them.



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