

Bank Fraud Newsletter

Investigator's Corner

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Pre-Employment Interviewing Pt. 1

Past columns have discussed the need for background screening to select the best candidates for positions of trust. However, criminal history searches, paper and pencil honesty tests, and reference checks tell only part of the story about the applicant.

When considering an applicant for a position of trust an employer must look at several aspects of the person's background. Does the applicant have the necessary skills to do the job? Will he or she be able to work with the supervisor and other employees in the department?

If the answer to both of these questions is yes, it is time to take the next step in the screening process-- the loss prevention interview.

Loss Prevention Interviews

The pre-employment Loss Prevention Interview plays a critical role in selecting the best candidate. Personality and skills aside, the individual must have an honest background. This interview provides an insight that none of the other screening tools does.

In the remainder of this column, we will discuss preliminary factors leading up to the loss prevention interview.

Shortcomings of Other Screening Techniques

The criminal history record check determines whether the applicant has been convicted of a crime. The results are unreliable, because this check assumes that a person who commits a crime is apprehended and then convicted. It also assumes that the search is conducted in the venue where the records are on file. Reference checks are equally untrustworthy. A previous employer may not know or tell the truth about an applicant's honesty.

Paper-and-pencil honesty tests are useful because they address the applicant's attitude toward honesty. If a person thinks honestly, he or she is less likely to steal than the person who thinks like a thief.

These screening methods attempt to predict future performance based on past history or on attitude. People have a difficult time changing who they are and the things they do.

Yet changes do occur in peoples lives. For this reason the better you know the person, the more likely you are to make a correct hiring decision.

A striking example involved a young lady who applied for a position at a department store for the Christmas season. She passed honesty and background checks, which included polygraph and drug screening. In the spring, she came to our office when applying for a position as teller with a local bank. During her loss prevention interview, she admitted having a \$500.-a-week cocaine habit. She said that her boyfriend asked her to try cocaine on Christmas Eve, and her habit rapidly grew to the current usage level. In fact, she needed the second job to pay for the habit. In fact, she had an honest attitude, but how long would it have lasted under the pressure of her growing drug addiction?

The loss prevention interview gathers information from the person who knows most about the applicant's life--the applicant himself or herself. This structured interview questions the applicant about past behavior that may influence future performance on the job. The interviewer relies on the subject's responses to make the correct hiring decision.

The basic difficulty when interviewing is that the applicant may employ lies of omission, fabrication, exaggeration, minimization or simple denial to gain the position. Because the applicant provides his or her own resume or application, the interviewer has no way to contradict the information. The applicant must be presumed to be telling the truth unless something indicates the contrary.

People believe that they are good at detecting deception. However, studies have shown trained police officers and college students to have about the same ability in this regard. It is much easier to spot deception in people we know than in those whom we have just met. The ability to detect lies also depends on our natural suspiciousness and the type of lie the applicant tells.

In a loss prevention interview, the applicant's behavior drives the questioning of his or her background. Recognizing deception is made possible because the interviewer knows the applicant's normal behavior. How does the interviewer come to know this?

The interviewer must, in the early stages of the interview, confirm information that is known to be true and observe the verbal and physical responses of the applicant. These observations become the baseline behavior for the applicant's truthful response under the given set of circumstances. Changes in the applicant's responses, verbal or physical may indicate attempted deception.

Using behavior to identify deception is much like running your hand down your arm to find bruises. As you stroke your arm, it does not hurt until you rub the bruise. When the pain occurs, you grimace. In much the same way, the interviewer strokes the different background topics, looking for the "grimace" from the subject.

Establishing the Behavioral Normal

The interviewer asks questions to which the applicant will respond truthfully. This begins to establish the behavioral norm. These questions identify the normal truthful responses under the given set of circumstances: talking to someone unknown, in a strange location, trying to obtain a job.

The types of questions used during this segment of the interview explore basic biographical information. The applicant is asked to recall as well as create information. These questions enable the interviewer to observe the applicant in both recall and creative modes. By observing the speech pattern and physical characteristics of the applicant as he or she responds, the interviewer can identify the subject's strategies for deception.

Here are some examples of questions used to establish the behavioral norm:

- What is your social security number?
- What is your address?
- How many houses are you from the corner?
- What is the largest intersection closest to your home?
- In three or four words describe yourself.

These simple questions give the interviewer an opportunity to observe the applicant during several mental operations: creation, recall, and factual information recall. The interviewer observes the speech pattern of the applicant--how long the individual delays before responding to creative and recall questions, any linguistic peculiarities in the person's speech pattern, or recurring word usage, such as, "you know", or "honestly".

This begins the applicant's baseline of behavior, which will be used by the interviewer to access areas of stress. Areas of stress are often associated with some form of deception that may be a concealment, omission or outright fabrication. Keeping the behavioral observations in mind during the interview allows the interviewer to identify cognitive operations that relate to deception.

In the next edition of Bank Fraud, we will discuss some of the behaviors associated with truth and deception. This will lead to a model of behaviors common to truth-tellers and deceivers. Once this model is available, we will consider the actual loss prevention interview and apply the behavioral clues.