

COMMENTARY

Avoid Swift's hiring troubles

The recent raids on Swift & Co. processing facilities, including the one in Marshalltown, showed again that hiring practices need to be tightened.

More than 1,200 illegal immigrants were arrested at six company facilities. Swift claimed that it participated in the Government Basic Pilot Program, which is intended to prevent the hiring of people who do not have a legal work status.

The workers, in an effort to skirt the system, used false identities to complete the required government paperwork. These individuals had already broken U.S. law by illegally entering the country. They then obtained the identities of other people and used these false names to obtain credit, cell phones and in some cases student loans. These are not victimless crimes, as it may take up to two years for those whose identities were stolen to clear their good name.

The government has laws on the books to prevent companies from hiring people who do not have a legal right to work in the United States. Hiring organizations must attain proper documents (sufficient for a W-4 or I-9) along with photo IDs. The penalty can be as high as 10 years in prison and/or \$250,000 for each undocumented worker. At this point, no charges will be filed against Swift & Co.

Michael Chertoff, Secretary of Homeland Security, declared the



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Government Basic Pilot Program is not a magic bullet to protect employers. Indeed, the program only allows a check after the person has been hired. Then, even if the Social Security Administration or the Department of Homeland Security indicates there is a problem, the employer cannot fire the person until a proper time for appeal

has been exhausted. Employers need to take responsibility to thoroughly check out potential hires.

In one case, Otilio Torres Rivera used the ID of a man who had died in 2005. The dead man's sister received information from Social Security that her dead brother was working for Swift & Co. She filed a complaint with the Federal Trade Commission. Another worker, Jose Estaban Aleman, was using the identification of Christopher Padilla, who has been jailed in Chicago since 2004 on murder related charges.

Other recent events illustrate the growing problem. Wal-Mart paid \$11 million to settle similar charges in 2005. EDS in Des Moines lost more than 100 employees in a similar raid. IFCO Systems had more than 40 locations searched, with 1,100 employees deported and seven managers arrested.

It is important for all employers to look carefully at their hiring practices. Employers also need to protect their businesses from violence, sexual assaults and employ-

ee theft. Complete background checks can help reduce potential problems by examining not only local criminal records, but federal records, sexual offender lists and other publicly available data. Past performance cannot guarantee the future performance of a stock, but it is a good indicator of how an employee may behave.

The cost of employee turnover should also concern a company. Wayne Cascio, author of *Costing Human Resources*, estimates replacement of a \$9.50 per hour employee will cost the employer \$2,288. Pre-employment background checks can reduce turnover costs by as much as 30 percent by assuring more good hires.

Employers do not need to bear the entire cost of developing policies and procedures for conducting their own checks. There are companies that do in-depth checks. Businesses should be aware of the current law and follow it. Ask if the potential vendor is a registered agent in the Basic Pilot Program, to help prevent the hiring of people who do not have a proper work status.

Don't let your business fall into the same category as Swift & Co., EDS, IFCO Systems and Wal-Mart. We don't need more laws on the matter, just employers who use the tools available to make sure they are abiding the current ones. Protect your employees, assets and your business' good name by adopting comprehensive hiring practices including pre-employment checks and work status verifications.