

## A criminal lack of honesty by those applying for jobs in the Financial Services Sector

Pre-employment screening firm Powerchex announces the results of its annual survey into CV embellishments.

**London, 16 June 2010.** New research published today has found that the number of job applicants to the Financial Services Sector who failed to disclose a criminal conviction has trebled.

Pre-employment screening specialists Powerchex today released its annual research into CV embellishments, looking through details of almost 6,000 job applications made over the last twelve months.

Powerchex, which specialises in background checking on behalf of financial institutions, found that the number of job applicants' CVs containing a serious untruth or embellishment decreased this year to 15% of all applications received – the first time in four years that the discrepancy rate has fallen, and a drop of around 4%.

However, this masks a disturbing development, with the number of applications containing hidden criminal records found to have trebled as a proportion of total discrepancies. In the past twelve months, 1 in every 200 successful applications to roles within financial services was found to have been falsified in order to conceal a criminal conviction from a future employer. In addition, undisclosed CCJs or bankruptcies doubled to 12% of total discrepancies, most likely as a result of monetary problems caused by the recession. A negative credit record was found on 1 in every 50 successful applications to roles within financial services.

Alexandra Kelly is a director at Powerchex, the pre-screening firm that commissioned the study. She believes there the results are mixed for recruitment specialists:

*“That the overall proportion of CV and job applications containing discrepancies or embellishments fell is extremely encouraging. This means that job candidates are realising that the information they provide to their prospective employer will be checked prior to any offer of employment being made, and many more taking the time to ensure that the information they provide is correct.”*

*“However,” Kelly continues, “this is overshadowed by increases in the most worrying types of discrepancies, namely hidden criminal convictions and undisclosed CCJs/bankruptcies. Both of these are of major concern to financial companies, and could determine individuals who might expose their prospective employer to opportunistic or even malicious fraud.”*

It seems clear then, that recruitment specialists need to make clear to their potential employees that the information they provide during the recruitment process will be subject to relevant checks, and that any offer of employment is conditional upon verification of all information supplied. *“Unfortunately, the risks are now too great not to err on the side of caution” concludes Kelly.*

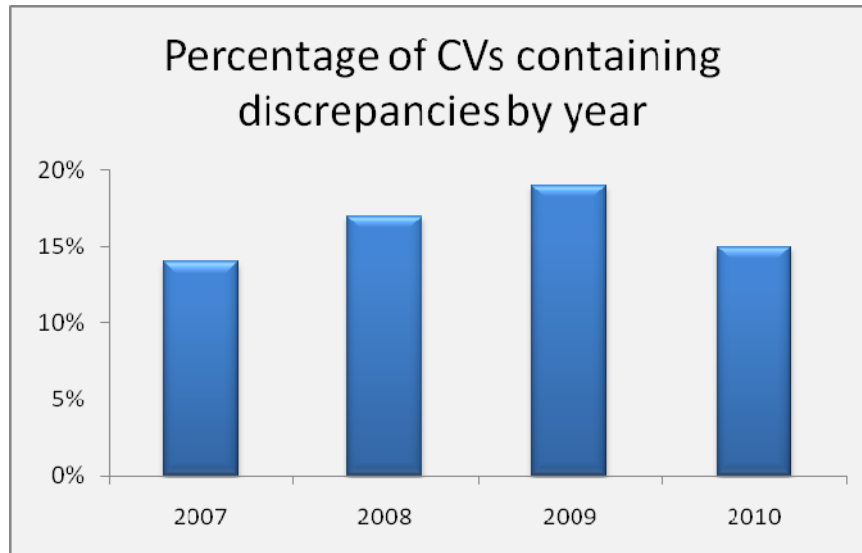


Figure 1 | Base: 5858

|   | 2007 | 2008 | 2009 | 2010 |
|---|------|------|------|------|
| <b>Percentage of CVs with discrepancies</b> | 14%  | 17%  | 19%  | 15%  |

Table 1 | Base: 5858

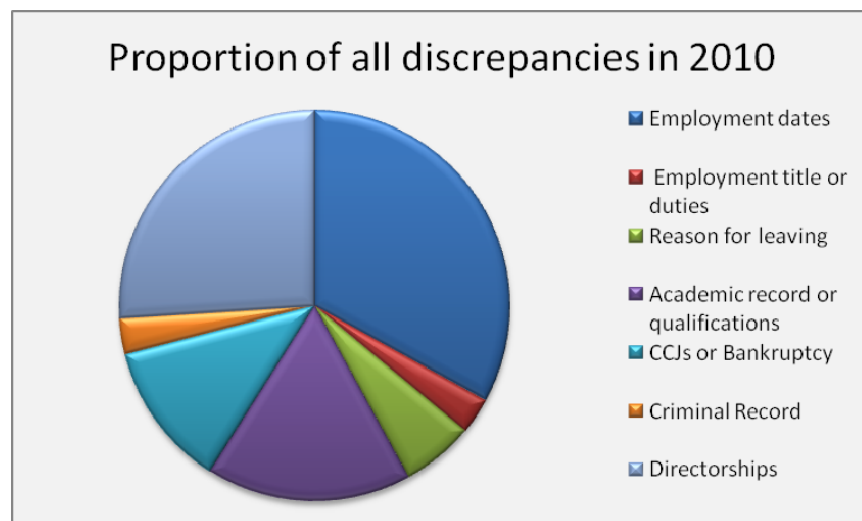


Figure 2 | Base: 5858

|  | Percentage of all discrepancies in 2009 | Percentage of all discrepancies in 2010 |
|--|---|---|
| <b>Employment dates</b>                  | 42%                                     | 33%                                     |
| <b>Employment Title or Duties</b>        | 1%                                      | 3%                                      |
| <b>Reason for leaving</b>                | 3%                                      | 6%                                      |
| <b>Academic record or qualifications</b> | 18%                                     | 17%                                     |
| <b>CCJs or Bankruptcy</b>                | 6%                                      | 12%                                     |
| <b>Criminal Record</b>                   | 1%                                      | 3%                                      |
| <b>Directorship</b>                      | 29%                                     | 26%                                     |

Table 2 | Base: 5858

|  | Percentage of CVs<br>with this discrepancy<br>in 2009 | Percentage of CVs with<br>this discrepancy in<br>2010 |
|--|---|---|
| <b>Employment Dates</b>                      | 8.72%   | 5.26%   |
| <b>Employment Title or<br/>Duties</b>        | 0.11%   | 0.43%   |
| <b>Reason for Leaving</b>                    | 0.57%   | 0.89%   |
| <b>Academic Record or<br/>Qualifications</b> | 3.67%   | 2.71%   |
| <b>CCJs or Bankruptcy</b>                    | 1.31%   | 1.88%   |
| <b>Criminal Record</b>                       | 0.19%   | 0.50%   |
| <b>Directorship</b>                          | 6.10%   | 4.15%   |

Table 3 | Base: 5858

**For more information please contact:**

Andrew McIntosh  
0207 767 2428  
[amcintosh@powerchex.co.uk](mailto:amcintosh@powerchex.co.uk)

**Notes to editors:**

Tables of data and graphs are appended below; for a copy of the full *Powerchex Annual Pre-employment Screening Survey 2010*, please contact Andrew McIntosh at *Powerchex*.

The survey analysed 5,858 financial service job applications submitted between June 2009 and May 2010. It compared trends in major embellishments and false information including: hidden criminal records, hidden CCJs or bankruptcies, undisclosed company directorships, and lies about academic records, professional qualifications, employment responsibilities, employment dates and reasons for leaving.

*Powerchex* is the UK's premier pre-employment screening firm for financial institutions. Based in the City of London, *Powerchex* checks the background, employment history, criminal records and professional qualifications of applicants on behalf of financial institutions. It sets the industry benchmark of 5 days for a background check.  
[www.powerchex.co.uk](http://www.powerchex.co.uk).

*Powerchex* has won a business of the year awards for three years running: DBC & East London Chamber of Commerce Business of the Year 2009; NatWest Business of the Year Award 2008; NatWest Service Business of the Year Award 2007.