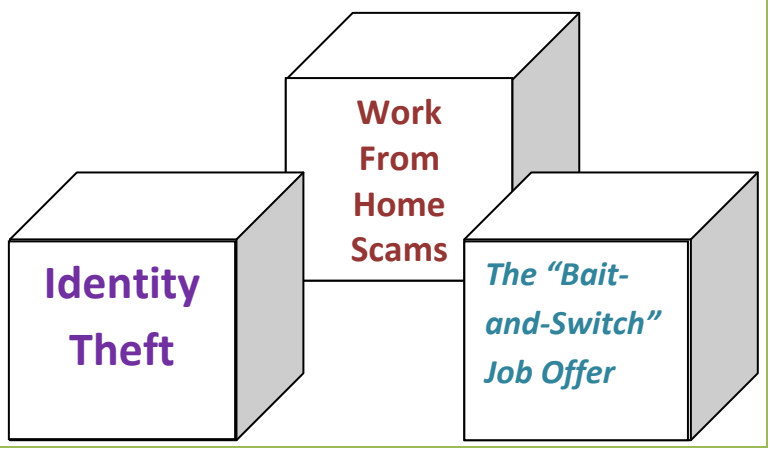
Avoid Being Scammed in Your Job Search

Marcus Dillard/CEO
Dillard & Associates



How to Avoiding Getting Ripped Off or Scammed In Your Job Search

Did you know a job search puts you at a higher risk of getting ripped off, scammed, suckered, or "phished"? ("Phishing" is the term for fraudulent — but official-looking — emails that attempt to acquire information such as usernames, passwords, and financial details.)

Online security firms report there has been a 125% increase in social media phishing attacks since 2012. Jobseekers are particularly vulnerable because job applicants are accustomed to being asked very personal information during an interview, so an inquiry from a prospective employer that asks for personal details doesn't seem unusual.

Job search scams target everybody — people of all ages, income levels, and educational backgrounds have fallen for job scams. Scammers don't single out anyone, and you don't have to be dumb to fall for a scam. Plenty of smart people have fallen for scams.

However, jobseekers that are most at risk for being scammed are those who are desperate, and that includes people who can least afford to lose money to these kinds of scams. That is especially sad, because these are people who may be living paycheck to paycheck and might need money quickly. If someone is not expecting to lose their job, they can be especially vulnerable because they are desperate. The long-term unemployed are also at risk, because the scam might appear to be a "lifeline" that offers immediate income.

There are several common job scams that jobseekers might face. Work-from-home scams are one of the top rip-offs that target jobseekers.

Work-From-Home Scams

More Americans are working from home — an estimated 30 million people work from a home office at least once a week, and many work satisfaction surveys reveal that workers would trade a lower salary for the flexibility of telecommuting. So it's no wonder that work-from-home scams are proliferating.

Some work-at-home scams involve "pay-to-play" schemes. An example would be if you are asked to send money in exchange for a special kit, supplies, or software that you can use to earn money working from home. Sometimes the company will promise to reimburse you when you are hired, but the job offer never materializes. Or the scammer might ask you to pay a subscription fee to access a website or a list of work-at-home opportunities.

The most common scam you've probably heard about is where you're asked to deposit a legitimate-looking check and then wire money or buy products online, and then you're left holding the bag when the check bounces. Your bank will require you to cover the full amount of the check plus bank service fees.

Some of the most common work-at-home schemes target folks looking for extra holiday income, especially since many of these are advertised as part-time and work-at-home jobs. You have a lot of people who want to make an extra $100 for buying presents at the holiday time, so you'll probably see more of those advertised around the holidays than you would at other times of the

year. However, anytime a scammer can make money, they're going to take advantage of it, holiday or not.

The most common work-at-home scams are "envelope-stuffing" jobs, assembly jobs (where you purchase supplies to assemble a craft or item, but when you submit the completed items for payment, they are rejected as "not being up to standards"), rebate processing, online survey-taking, and medical billing.

Be particularly cautious if the "employer" requests payment for something in the form of a pre-paid Visa card. It is very difficult to recover the money lost to a fraudulent transaction with a pre-paid debit card as there is often no paper trail.

Some work-at-home business opportunities promise a refund if you're not satisfied; however, jobseekers that have attempted to obtain a refund are usually not successful.

Remember this: If it sounds too good to be true, it probably is.

Identity Theft

Identity theft occurs when someone uses your name, Social Security number, date or birth and/or other identifying information — without your permission — to commit fraud.

One of the biggest areas of growth with identity theft is tax theft. An identity thief may use your Social Security number to file an income tax return and obtain a refund using your information. If someone uses your Social Security number to file your tax return before you do, the IRS records will show the first filing and refund, and you'll get a notice from the IRS saying more than one tax return was filed for you.

Or, your Social Security number may be sold to an undocumented individual. If someone else uses your Social Security number to get a job, the employer may report that person's income to the IRS. When you file your tax return, you won't include those earnings, and the IRS will notify you that you received wages, but didn't report them.

If your identity has been stolen, and you receive a notice from the IRS about unreported wages, or that your return has already been filed, contact the IRS Identity Protection Specialized Unit at (800) 908-4490.

So be cautious when you are asked to provide your Social Security number in a job search, especially if it's asked for in an application or online form. Carefully check out any companies that send you an unsolicited job application or offer before providing any personal information (especially your Social Security number). Also, don't give your bank account information (even if you're asked to provide it so that the company can deposit your paycheck directly into your checking account).

Also be careful of how much personal information about yourself you disclose publicly on social media sites. Identity thieves can use that information to answer "challenge" questions on your financial accounts, getting access to your money.

The "Bait-and-Switch" Job Offer

Some jobseekers are being targeted with "bait-and-switch" scams because they're not sophisticated in discerning what's a legitimate job opportunity or not. Scammers are putting together job postings that look like they're from real companies. They might even use the real company's name and logo, but the e-mail address it comes from is from a Yahoo! or Gmail account. Some of these scam opportunities are also coming through disguised as LinkedIn connection requests or job postings. You have to look very closely at the details in order to determine that it's actually not a legitimate opportunity.

Some scammers don't even bother to make it look like the job opening is with a major company — instead, they'll just make up a job opportunity in the hopes of hooking unsuspecting jobseekers. This take on "catfishing" (where an unsuspecting individual pursues a relationship with a fictional boyfriend or girlfriend) is popular because it costs the scammer little or no money, and is very effective.

The purpose of these fake listings is to collect the jobseeker's Social Security number, credit card information, and/or bank account information, which is then used to access your bank account or steal your identity. This is sometimes done by requesting that the applicant pay to have his or her credit score checked or a background check done, and the jobseeker is directed to a scam website where your personal information will be harvested and stolen.

The scammer posts dozens or hundreds of listings for free on Craigslist (the site doesn't charge for job postings in most U.S. cities), and if they get even a small percentage of folks to fall for the scam, they can make tens of thousands of dollars.

"Bait-and-switch" offers can exist on any niche job board, or even the "big boards" like Monster.com and Careerbuilder.com. These jobs are scams when the job isn't as promised. For example, a recruiter might post a job listing for a job that doesn't actually exist — they just want to collect résumés to build their database of candidates. On Craigslist, Monster, or CareerBuilder, these scams might be posted to get leads for multi-level marketing opportunities, or it might be to build a database of jobseekers so they can sell that.

Fake job postings are more likely to appear on Craigslist because the listing is free. The scammer might have to pay a couple hundred dollars to list it on Monster.com — and some of them actually do.

For jobseekers, Craigslist can be a legitimate source of job opportunities, especially for folks who work in hourly, part-time, or contract positions. Unfortunately, scammers are causing jobseekers to miss out on legitimate work opportunities when they ignore Craigslist as a source of job postings because of the possibility of fraud.

How to Avoid Being Scammed

Research is probably the biggest defense you have against getting scammed. Start with a simple Google search and find out if you're pursuing a legitimate opportunity — or if other folks have been targeted with the same scam. Job postings with lots of errors, misspellings, and/or typos are

often scams. Also, when you search on Google for a job posting, see if the identical ad comes up in numerous other cities. If it does, it may be a scam.

Act cautiously when receiving job offers that sound too good to be true. If you receive an email "out of the blue" with a job offer, investigate it thoroughly before responding, or simply delete it.

Sometimes, the scam can be quite elaborate — you may be asked to participate in several phone interviews, or complete a pre-employment test. However, being asked to jump through several hoops does not mean a job opportunity is legitimate.

If you are deliberate about investigating things that might be helpful to you in your job search — whether that's working with someone to help you with your résumé or LinkedIn profile, or you're exploring work-at-home opportunities — doing your homework is certainly important.

For work-at-home opportunities, research is especially relevant because you can often find legitimate work-at-home opportunities listed online, and with a little homework, you can see that those are legitimate ones as opposed to a scam.

Having a plan is also a good defense. The more focused you are on your job goal, the less desperate you are. That may involve working with a career service professional to develop your plan, or maybe getting help from a resource in the community, like a workforce development office, or help from churches and community organizations that offer assistance, or even going back to your college or university's career service office. Having assistance in developing a plan is going to help you be a lot more methodical about working that plan. Consequently, you're going to be a lot less desperate and you won't necessarily chase opportunities or respond to unsolicited opportunities. You're more likely to be scammed by things that come into your e-mail inbox than things that you're pursuing through, for example, networking or LinkedIn.

Also be mindful of the information you share on social media. Using sites like Facebook, Twitter, and LinkedIn can be beneficial in your job search, but they can also make you the target of scammers. A lot of the information you put on social media related to your job search is public, and if you put out the word that you need a job fast, it will make you a bigger target. Again, use social media proactively as part of a targeted plan for pursuing the job that you want.

Avoiding Being Re-Victimized

Sometimes scammers sell lists of people who have been scammed before. The second round of scammers offers to help you recover the money you've lost in the original scam. Instead, you're re-victimized. Unfortunately, the kind of folks who are perpetuating these scams don't care about people; the only care about money. So they're going to take advantage in any way they can in terms of separating you from your money or, again, re-victimizing you if you've already been scammed once.

If you have been scammed, report the crime. Contact your local police and the Federal Trade Commission (www.ftc.gov/complaint). If you have provided access to your financial information (for example, providing your bank account information to facilitate direct deposit of your "paycheck"), contact your financial institution and ask for help in eliminating the scammer's

access to your account (which may include closing the affected account and setting up an alert on the new account). Keep a written log noting the names and phone numbers of everyone you've spoken to, and keep copies of all reports you file.

Manage your online presence to minimize opportunities for identity theft. Use passwords that contain letters, numbers, and symbols — and do not use the same password for multiple sites. If a scammer asks you to set up a username and password for accessing a company website, and you use the same password for your financial accounts online, they can access them without your knowledge.

Request your free annual credit report from the three national service providers (Experian, TransUnion, and Equifax). Obtain yours through www.annualcreditreport.com. You can receive a free copy of your credit report every 12 months from each credit reporting company, which allows you to spot possible identity theft. Some jobseekers choose to pull a report from one bureau every four months, so you receive all three reports for free in a calendar year. Checking your credit report is important as some companies will request access to your credit report as a condition of employment, so identifying and correcting errors is critical.

If you have been victimized, you can place a fraud alert on your credit report, which lets potential credit grantors know that you've been a victim of identity fraud. (You can remove the alert at any time.) Once you notify one of the national service providers, they will notify the other two companies. If you place a fraud alert, you are entitled to a copy of all of the information in your credit report at each of the three major credit reporting companies. You can also place a security freeze on your credit report, which prevents new credit applications from being issued.

Consider signing up for an ongoing credit monitoring service, which will provide you with email alerts if identity theft or fraud is suspected on your accounts. Some credit monitoring services also include identity theft insurance, which will reimburse you for time and money spent recovering your identity.

Being aware of the opportunities to be scammed in your job search will help you keep from being separated from your money.

Wishing you all the best!

Respectfully,
Marcus Dillard/CEO