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# **Global Company Managers' Perceptions of Fraudulent CVs Following Data and Security Intervention Tool**

**Long Abstract**

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# **INTRODUCTION**

## **Research Aims and Focus**

The aim of this research was to produce a new conceptual framework to deal with and reduce exposure to the hidden dangers of offering employment on the basis of misleading data or inaccuracies presented in CVs. This was done by examining perceptions of global company managers who read candidates' CVs and are involved in decision about their appointments and who in this study are referred to as 'front-line' managers.

CV fraud, also called 'the phenomenon' in this study is defined as the act of presenting fictitious, misleading data, distorting achievements with the intention of creating an unfair advantage over other candidates when applying for work (Clearly, Walter & Jackson, 2013).

## **The Global Problem**

This is a global phenomenon with similar features that broadly damages business companies around the world. It happens frequently and shows an upward trend on various continents (First Advantage, 2014; Makhubele, 2016; Wexler, 2006). Yet, there is a little reference to the phenomenon in research literature and professional training from the harmed party of companies and managers who can shed light and help cope with the phenomenon. From the literature one can see that most viewpoints of the phenomenon are external, as can be seen in studies revealing perceptions of those who carry it out (Wexler, 2006) as well as external suppliers who provide human resource services and background checks for companies and produce information about this phenomenon from this interaction (Careerbuilder, 2016). The phenomenon has many faces affecting managers' behavior and perceptions. It suffices for us to say that managers relate to the phenomenon as one of the key factors in their failure to recruit candidates to work (ibid). Hence it is clear that managers want to protect their companies and themselves from the phenomenon, mainly by verifying candidate data accurately and according to their needs in recruitment and selection procedures. This task is particularly challenging in a world where candidates who are different and have diverse cultural backgrounds are recruited or come from different geographical regions speaking different languages and documents are written in foreign languages. The strength of the phenomenon in all its aspects, together with such difference, increased

the difficulty of verifying data candidates submit in their CVs using only traditional selection tools from the world of human resources. Thus, worldwide managers increasingly adopting in addition to traditional selection tools, tools from the security world originally intended to reduce exposure to recruitment of inappropriate candidates, for integrity purposes, to meet the needs of first-line managers where the key considerations for using it derives from human resource considerations to check candidates suitability for a role (Sterling Back Check, 2016).

### **Motivation to Conduct the Research**

My professional experience has exposed me to the phenomenon as a security officer who served as assistant head security officer of a company and as a head integrity officer responsible for integrity policy and carrying out security checks for candidates for work. The company in which I worked is a financial company with global activity that owns, fully or partially about fifteen different financial institutions with activities spread locally and globally. The demand for security checks for candidates arose following a case in Israel where a financial institution collapsed following embezzlement of hundreds of millions of Israeli shekels by a manager in 2002. The demand arose in financial sector management firstly and later in other sectors, to prevent or reduce the risk of appointing inappropriate employees for integrity reasons. At the base of managers' wishes was fear of exposure to damage from foreseeable integrity risks by employing unworthy employees, as well as the desire to reduce their area of personal responsibility through actions that would protect managers from negligence claims or failing to undertake actions to reduce the said risk. The task of establishing and operating this system in the company was given to me.

### **Establishing the Security Screening Program**

The program was established in the spirit of the company's ethical code by writing new procedures and reclassifying sensitivity levels of company roles, choosing ways of carrying out checks and establishing a working team with suppliers and within the company to perform these checks nationally. The means included checking tools ranked according to sensitivity levels of roles – low, medium, high and very high. These tools included: computerized integrity checks in seven different languages, verifying employment history and conversations with referees, reviewing social networks to expose negative relevant information if it existed, various background checks intended

to expose credit, criminal and other risks, telephone or frontal security interview, employment polygraph test carried out with candidates' consent.

Israel is a country absorbing immigration and also serves as a desirable employment center for global candidates in many sectors who come to Israel and sent from Israel to all corners of the earth. In the process of choosing means, it was necessary to pay special attention to differences in culture, language, religion, unique ethnic codes, local and global legislation respectively to operating the range of tools to acquire results that are not affected and will not be biased by the diversity of candidates, which may pose a barrier to the company. The security screening system I established has checked tens of thousands of candidates since its establishment from all over the world by adapting and coping with the said differences in operating these tools. Using means in security screening system proved to be effective in exposing integrity risks among candidates, where risks included exposure to: relevant direct or indirect criminal past constituting a risk, various addictions among candidates themselves or relatives likely to lead to a future worker being dishonest because of these relatives problems, risks discovered with previous employers such as not following cyber security procedures, , carrying out a range of employment crimes with an emphasis on theft, embezzlement, stealing information and industrial espionage, violence, sexual harassment and more. Until this security screening system was established, data verification was conducted in two cycles that examined candidates' data. These were human resources and professional managers hiring these candidates and characterized by the fact that they read CVs and are involved in decisions during selection procedures whether to recruit candidates to work. First-line managers made these decisions based on traditional tools that are not in my area of expertise, such as: personal interviews to evaluate personal and professional fit, assess relevant education, conversations with referees, various documents, competence tests, tests with external suppliers include psychometric tests, personality tests, professional skills and ability tests, ability to receive authority, ability to work in a team and more.

After the security screening system was established, first-line managers faced a new situation where a new cycle was added to tests constituting an independent factor and decider about candidates according to findings that authorized continuation of recruitment and selection procedures. In the new situation created, all three cycles had

to approve appointment of candidates instead of the previous situation where two first-line cycles of managers had the authority to make these decisions.

To illustrate this in the context of the education component for example, first-line managers are interested in education that is relevant to the role and performance quality, where candidates studied as well as the authenticity of the certificates. A security screening system is interested in verifying the authenticity of degree certificates, but less the quality of the degree or where candidates studied. The point illustrating the difference between the security point of view in this context, is the question of where candidates worked during their studies and whether they committed any integrity transgressions that are likely to threaten or return after their employment by the company. It is essential to check period of employment when candidates were students to clarify any integrity transgressions whereas for first-line managers, this question is irrelevant, as is the question where candidates had worked and what they had done during their studies and their student lives. Hence it is possible to understand that revealing candidates' univalent employment history, even if the job or role is irrelevant to the demands of the job applied for, such as student work or the like, it is critical from the point of view of security checks to clarify and reveal any dishonest event that occurred in candidates' past working lives, if there were any.

Despite the difference in points of view about verifying data provided by candidates in recruitment processes, at the beginning of the process I strove to employ traditional selection tools used by front-line managers for this purpose. This ambition relied on the assumption that these tools used to verify data represent a reliable picture and can be used to meet deeper verification procedures as demanded by the security screening system. It should be emphasized that employment verification checks, were one layer of a set of checks made up of six layers carried out for thousands of candidates per year. Hence, a fast procedure was needed to verify data and the desire to rely on tools used by first-line managers was strong, so as not to repeat checks and waste company resources on a repetitive procedure. As part my authority in this role, I requested and received candidates' CV forms as well as summaries of data candidates provided in interviews and conversations with referees conducted by first-line managers. Upon receipt of the data from front-line managers collected using their traditional selection tools, further security checks were carried out mainly using interviews with candidates and conversations with referees from their employment past according to the data provided

to first-line managers. This security screening system focused on exposing integrity risks including revelations from previous employers by verifying employment histories. There were cases where CV data collected using front-line managers' traditional tools did not correlated with the results of security checks undertaken.

Incongruence, which in many cases, transpired to be fraud and was expressed in undisclosed data that was not revealed in traditional selection checks in contrast to the tools serving the security screening system. In addition to undisclosed negative events in candidates' lives and linked to dishonesty, gaps were found in a long list of areas that were not disclosed by candidates in their CVs: lengthening or shortening employment periods, omitting previous workplaces, adding workplaces that did not actually exist, enhancing previous work, fabricating or omitting academic and professional dates, false or non-authentic referees, omitting or enhancing events that could influence decisions to continue recruitment and selection and more.

These tools were applied with candidates' full cooperation. Such cooperation, when given by candidates, constituted in itself a measure contributing to security screening decisions whether to continue to expand the checking procedure or to approve employment.

The more I searched for information outside the country's borders, I became aware that the phenomenon exists in the world labor market with similar characteristics. Similar fraud data, absence of the phenomenon from formal and professional management studies, using traditional recruitment and selection tools as verification tools, little research about those hit by the phenomenon, challenges facing data verification in the fact of candidates' cultural diversity and more, pushed me to research the phenomenon in a broader context among global companies.

## **Research Aims**

### **General Research Aim**

- To produce a new conceptual framework to deal with and reduce exposure to the hidden dangers of offering employment on the basis of misleading data or inaccuracies presented in CVs.

## **Research Objectives**

- To examine the perceptions of managers in global companies regarding the phenomenon of fraudulent CVs when employing applicants.
- To examine the significance that global company managers ascribe to employing workers on the basis of fictitious data.
- To test whether global company managers would agree to implement tools from the security world and lead to a new conceptual framework enabling them to deal with the phenomenon.
- To examine whether there is any change to managers' perceptions after being exposed to global data and intervention tools from the security world during selection.

## **Research Questions**

- What are the global companies' managers' perceptions regarding the CV fraud phenomenon?
- What significance do global company managers ascribe to employing workers on the basis of fraudulent CVs?
- Will managers agree to implement tools from the security world leading to a new framework to deal with the phenomenon?
- Have these perceptions changed as a result of exposure to global data and intervention tools from the security world in selection processes?

## **Research Boundaries**

This study was conducted for the purpose of examining the phenomenon of CV fraud in global companies through first-line managers' perceptions. The research was conducted according to the qualitative paradigm and is defined as multi-level multi-methods qualitative research. The research was conducted in 2017-2018 with first-line managers in global companies.

## **Gap in Knowledge and Research Importance**

The research's importance is broad and is expressed in a number of areas. This study is unique and has special importance because it was conducted with the help of those managers who cope with and protect themselves against the damage caused by the phenomenon, where they were 'casualties' in this arena, despite the difficulties this



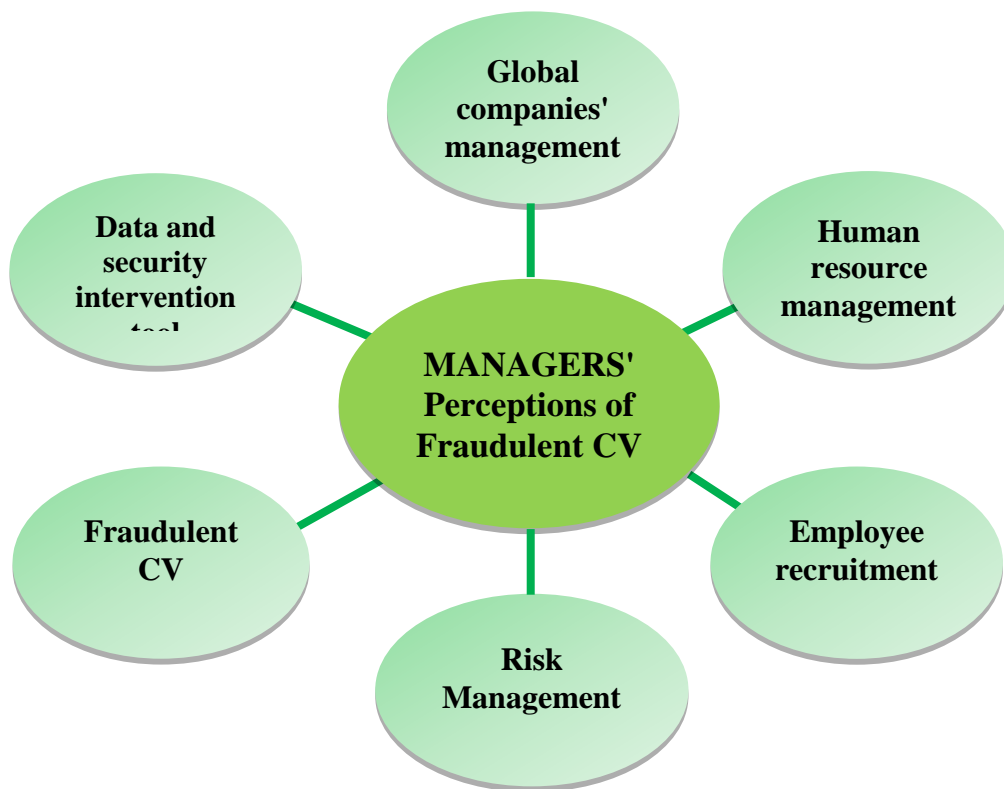
exposure leads to the acquisition of unique information. With the information acquired from this study global companies can first and foremost prepare comprehensive programs that will reduce or prevent exposure to the phenomenon. Companies can understand the meaning of the difficulties exposing and measuring the phenomenon by understanding the meaning of this data that will help bring about actions to cope with it. These actions will include reference to the phenomenon in company policy and procedures and organize how companies act with external and internal factors at local and global levels.

## **CHAPTER I: THEORETICAL PERSPECTIVES**

This study examines global company managers' perceptions of CV gaps and fraud carried out by job candidates. The overall research aims were to produce a new conceptual framework to deal with and reduce exposure to the hidden dangers of offering employment on the basis of misleading data or inaccuracies presented in CVs. This study relies on the theories in the field of liberalism and neo-liberalism in international relations (Filk, 2016; Harvey, 2005; Locke, 1972), constructivism and social structure (Chen, 2003; Gergen, 1985; Grier-Reed, Skaar&Conkel-Ziebell, 2009; Piaget, 1977; Wendt, 1992), management theories and approaches (Adizes, 1979; Mintzberg, 1973; 1994), theory to describe subjective experiences and personal viewpoints (Rogers, 1959, 1965), human resource theories (Becker, 1976; Schultz, 1963), cultural approach to risk management (Douglas, 1978; Douglas &Wildavsky, 1982; Wildavsky&Dake, 1990).

The conceptual framework derived from main theories and includes the following concepts: managers' perceptions of fraudulent CVs, global company management, cultural approach to risk management, human resource management, employee recruitment, fraudulent CVs, intervention tool, data.

Figure 1 below presents the model of the conceptual framework and is followed by details of the main concepts.



**Figure 1: Conceptual framework**

**Managers' perceptions about CV fraud** – this concept is presented in Figure 1.I at the center because exploring managers' perceptions about CV fraud was at the core of this study. It is clear that managers' perceptions touched on a global problem, where much more is hidden than revealed. The scope of the phenomenon is broad, requires clarification about its wider significance with an emphasis on clarifying managers' perceptions about: reasons it occurs, role of the state, aspects of norms and culture in which the phenomenon is judged by managers, the rate of the phenomenon, significance of damage, what steps they take to protect themselves and how they learned about the phenomenon (Rogers, 1959; Wendt, 1992; Wexler, 2006).

**Managers in global companies** – as stated, it is a global phenomenon. In this study managers who have been exposed to it were interviewed. Managers' global exposure in the context of this study is front-line managers working in companies operating in more than one country and/or recruit candidates from and send employees to other countries (Adizes Insights, 2011; Mintzberg, 1994; Wexler, 2006).

**Human resource management** – the study clearly addressed procedures for recruiting human resources according to various aspects of their experience and companies in which they are managers: trends affecting the labor market, managers' points of view in this management procedure and challenges facing managers with regard to candidate recruitment (Becker, 1993; SHRM workplace forecast, 2013).

**Recruiting candidates for employment** – this study examined managers’ perceptions about recruiting candidates, recruitment and selections procedures they conduct with an emphasis on how they relate to CVs in general and a specific candidate in particular (Meshulam&Harpaz, 2015).

**Cultural approach to risk management** – the study examined the origins of managers’ management perceptions regarding risks arising from communication with unworthy candidates recruited and appointed. This examination strove to clarify the foundations and origins of managers’ perceptions of risk culturally and ethically including what they call the phenomenon, managers’ attitudes and observations of CV fraud with all its meanings (Douglas &Wildavsky, 1982).

**CV fraud** – in this study, managers’ perceptions of the CV fraud phenomenon in job applications were examined in a number of areas: reasons the phenomenon occurs, the role of the state, acquaintance with the phenomenon; its rate, affected sectors and areas of fraud, essence and scope of potential and/or actual damage, ways of protection around the world and of managers, what the phenomenon is called and how it is judged by managers on three levels: global, company where they work and their past experience, and a specific candidate (Career Builder, 2014).

**Intervention tool from the security world** – the research includes two consecutive interviews. In the first, each manager brought a candidate’s CV of their choice. After the manager analyzed the data presented in the CV including estimated salary, chances of integrating into the position, cost of training and other aspects:

The manager is presented with an employment report from the National Insurance Institute that the researcher produced for himself. This report details a person’s entire employment history, periods of self-employment, or unemployment, academic studies in a known institution, military service period, periods for which there is no report for example, long stay abroad with accurate details of number of months for each period. It also provides the addresses and telephone numbers of most previous employers.

This report had served the researcher in his own work with thousands of candidates as a tool to unequivocally solve dilemmas regarding the following issues: employment history, education, military service as well as identifying authentic referees because it revealed other places of work that may not have been presented in the CV. In this study, managers’ reactions were explored about the report’s effectiveness, their ethical points

of view about using the report for specific candidates and in the recruitment process in general and mainly their opposition or agreement to using this unequivocal tool at the end of the first interview and during the second interview. It should be emphasized that if managers want to use this tool, they would have to ask candidates to submit it together with or immediately after submitting their CVs([https://www.btl.gov.il/Simulators/Pages/default.aspx?gclid=EAIaIQobChMIIs-Gv-9HT3QIVFlmGCh3ZBw\\_2EAAYASAAEgLJg\\_D\\_BwE](https://www.btl.gov.il/Simulators/Pages/default.aspx?gclid=EAIaIQobChMIIs-Gv-9HT3QIVFlmGCh3ZBw_2EAAYASAAEgLJg_D_BwE)) (For a translated version of the "Employers Report" see Appendix 1).

**Details about CV fraud** – during the second interview, managers were shown data from around the world about the phenomenon. This data included: rates of occurrence in various countries, how the phenomenon occurs, data about affected sectors, tools to safeguard against the phenomenon, essence and costs of direct and indirect damages as a result of the phenomenon. Managers were asked to clarify their perceptions after being exposed to this information on three levels: global level, level of personal experience and the company in which they work and level of specific candidates, guided by the questions in the interview guide.

Both interviews were intended to expose the phenomenon to managers before and after the intervention procedure, to ascertain changes in perception between the two interviews, if there were any (CareerBuilder, 2014; HireRight, 2018) (See Appendix 3)

Based on the theoretical framework and the research aims and questions, the methodology, presented in Chapter II, was built.

## **CHAPTER II: RESEARCH METHODOLOGY**

### **II.1 Research Paradigm: Qualitative Research Approach**

The research employed the qualitative research approach. Researchers such as Devault (1996) and Wexler (2006) emphasized the sensitivity of examining fraud in general, and CV fraud in particular. They ascribed the difficulty to the fact that people are hesitant to talk about behaviors and deeds viewed by the general public as unethical, criminal or non-normative. However, unlike previous studies such as Wexler's (2006) research exploring the field and addressing the issue from the viewpoint of job candidates who had carried out fraud, this research examined the phenomenon from the other side of the screen - the point of view of employers, human resource personnel, who have to deal with the effects of fraudulent acts. The current research is the result of rich professional

and personal experience that has clarified and exposed the severity of the phenomenon of CV fraud and its implications for the labor market. It was conducted due to an existing need to struggle against this phenomenon and therefore was written from the point of view of employers, who are the immediate victims of this spreading phenomenon.

Researching social circumstances is always awareness-dependent and can never reach an objective truth. In other words, one cannot understand the “true” reasons for any human action, because one cannot map all the factors, experiences and locations that make a person act. At most, one can argue that human beings are social creatures who rationalize and employ justification means to explain their behavior in hindsight and thus create a narrative, a type of chronological story framework with reasons, factors and outcomes to explain their actions. Therefore, researchers seeking to explore the phenomenon of CV fraud cannot determine why people do it but can and must map dialogue patterns used by such people to justify their actions afterwards, and thus shed light on the phenomenon (Arieli, 1989; Tuval-Mashiach & Spector-Marzel, 2010). Hence, researchers seeking to earn the trust of their participants and understand the way in which they perceive the phenomenon and/or their motivations and actions must adopt appropriate research methods that will allow this sensitive subject to be examined and enable participants to feel comfortable providing the information. Consequently, the most suitable research method to analyze CV fraud, examine justification patterns and understand perceptions of those harmed or involved, is the qualitative research method.

## **II.2 Case Study**

Case study is a research tool that helps explore, view and internalize complex topics. It contributes to an in-depth understanding of social behavior because it provides general and fundamental insights about social and behavioral issues. In addition, a case study allows researchers to closely examine data and information within a certain context. Case studies essentially explore and examine real, contemporary phenomena through the detailed contextual analysis of a limited number of events or conditions by examining the links between them. Employing case studies helps explain the complexity of daily situations and helps assess the phenomenon’s nuances (Zainal, 2007).

Like other research strategies, case study is a means of examining empirical topics by applying a set of predefined and accepted practices. Using the method of case study allows researchers to simultaneously maintain the holistic dimension and the significance of qualities and characteristics that occur in reality (Yin, 1984). In other words, a case study as a research strategy constitutes a comprehensive and inclusive research method advocating the combination of different approaches to collecting and analyzing information. Therefore, a case study is not just a data collection tactic or a design aspect, but a comprehensive research strategy (Stoecker, 1991).

Yin (1984) defined an investigative case study as an empirical study examining a contemporary phenomenon in a real context, where the borders between phenomenon and context are not completely seen or clear and when various information sources are used. He added that a case study is a unique way of examining a natural phenomenon existing in an array of information and emphasized that the information is studied at a micro level.

## II.3 Research Design

**Table 1: Research Design**

	<b>Aim</b>	<b>Research tools</b>	<b>Research population</b>	<b>Data Analysis</b>
<b>Stage 1: Qualitative Research</b>	<ol style="list-style-type: none"> <li>1. To examine perceptions of managers in global companies regarding the phenomenon of fraudulent biographic data in applications for work on three levels: global, company and specific candidate.</li> <li>2. To examine meanings that global company managers ascribe to data presented by specific job candidates in their CVs.</li> <li>3. To expose managers' attitudes regarding the National Insurance Institute's Employers' Report as an intervention tool from the security world to resolve dilemmas connected to CV fraud.</li> </ol>	<ol style="list-style-type: none"> <li>1. Semi-structured interviews.</li> <li>2. CV of a specific candidate</li> <li>3. Researcher's personal National Insurance Institute's Employers' Report</li> </ol>	13 front-line managers in global companies	Content analysis
<b>Stage 2: Qualitative Research</b>	<ol style="list-style-type: none"> <li>1. To reveal managers' attitudes after presenting data from various studies about the phenomenon.</li> <li>2. To disclose managers' attitudes about an intervention tool from the security world, their willingness to use it and reasons for/against using this tool.</li> <li>3. To examine whether there has been a change in managers' attitudes about the CV fraud phenomenon.</li> </ol>	<ol style="list-style-type: none"> <li>1. Semi-structured interviews</li> <li>2. Data about the CV fraud phenomenon</li> </ol>	The same group of 13 front-line managers	Content analysis

As shown in the above table, managers participating in this research were interviewed twice and asked questions on each of the three levels: global, company and specific candidate.

## **II.4 Research Population and Sampling Method**

Prior to conducting interviews, researchers must take various types of participants into account, by considering qualities and characteristics that differentiate between them (Harrell & Bradley, 2009). Therefore, the choice of interviewees and informants in this research was carried out against a background of years of service and experience they had gained in the field of management and human resources and their potential contribution and ability to provide information and important points of view about the research topic. As for sampling, a purposeful sample was chosen as certain people were identified to be able to provide ample information and contribute insights about the research topic.

The global nature of CV fraud in applying for employment damages companies of any size and sector, and managers in every field encounter this phenomenon in the course of their regular management roles. This led the researcher to investigate managers in companies with global exposure. In this research, this exposure means sending employees to other countries or accepting employees from other countries.

Thirteen front line managers from different fields of expertise from diverse fields of expertise and sectors (Appendix 4), who read CV's of applicants in the framework of their roles, were chosen for the purpose of the interviews. These managers are involved in decision-making about employing candidates by reading CVs. Human resource managers are not the only ones who deal with recruitment and selection as part of their normal work, and who encounter the CV fraud phenomenon. They report that they have come across this threat, and it was important for the researcher in this study to interview managers from a wide range of expertise fields. Hence, entrepreneurs and company owners, company general managers, operational and financial deputy CEOs and various levels of human resource managers were interviewed. This range of roles provided a broad picture of managers' perceptions in many aspects of the phenomenon. In addition, CV fraud in recruitment is not characteristic of a single sector, it is a phenomenon that harms every sector of companies around the world. The desire to explore this phenomenon in this research in as wide a range of sectors as possible, led the researcher to interview managers from companies with as many different fields of expertise as possible, such as: hi-tech, hospitality, engineering and infrastructure, industry, retail and commerce, energy, talent hunting and more (Appendix 4).



## **II.5 Research Tools**

### **II.5.1 Interviews**

Interviews are personal discussions and conversations between an interviewer and an individual for the purpose of gleaning varied types of information about a certain range of topics. They can help unfold to researchers a range of ideas, perceptions and attitudes, or provide background material such as facts or professional knowledge. Researchers employ interviews to accomplish a range of objectives. Interviews can form the main method of collecting information about individuals' beliefs, attitudes and actions, or serve as a means of collecting information about experiences or current or past events. They even serve as a method of collection background material about professional information on a particular phenomenon (Harrell & Bradley, 2009).

### **II.5.2 Document Analysis**

To strengthen the scientific method, credibility and reliability of the research, additional research tools were used, such as:

1. Israeli National Insurance Institute's Employers Report (Appendix 1) – this is a report detailing through whom (employer or self-employed) national insurance contributions are paid during a worker's career, including details of months for which contributions were paid in chronological order, from oldest to latest. This is a single value record of a working person's history and places of employment. The report also details periods of unemployment, exact time and receipt of unemployment benefits if a worker was unemployed, as well as periods of unpaid holiday during employment, if appropriate, and additional particular information: who paid contributions, e.g. employers, including details on how to contact them and addresses, if known, military service details if an employee served in the army, periods and duration of studies at higher education institutions if recognized in Israel, in certain cases, the period for which there is no report (such as living abroad), and periods of employment under the age of 18.
2. CV of a specific candidate – every manager was asked by the researcher to bring a candidate's CV of their choice to the first and second interviews.
3. Worldwide data about the CV fraud phenomenon (Appendix 3) – the review of academic literature about the topic, which provided the research with the

theoretical background on which it is based, and a description of the findings that emerged from the ongoing work of companies carrying out background checks on candidates in the following domains: what the phenomenon is called, its scope around the world, extent of damage, sectors vulnerable to the phenomenon, areas of fraud, how companies around the world protect themselves, and factors contributing to the phenomenon's occurrence.

Combining various research methods and sources of information allowed the construction of a uniform interview framework capable of coping successfully with the implications and effects of the CV fraud phenomenon.

## **II.6 Data Analysis Method: Content Analysis**

Information based on human experience is complex, multidimensional and has numerous meanings (Erlingsson&Brysiewicz, 2017). Therefore, analyzing content in qualitative research is a research technique meant to systematically produce valid deductions that can be replicated. It is an analytical process with intuitive fundamentals or characteristics, which are intended to provide meaning, interpretation and generalization for an examined phenomenon (Gibton, 2001; Tzabar-Ben Yehoshua, 1990).

## **CHAPTER III: RESEARCH FINDINGS**

The content analysis of the interviews conducted with 13 managers<sup>1</sup> of companies with a global interface revealed four central themes with thirteen ascribed categories.

- What are the global companies' managers' perceptions of the CV fraud phenomenon?

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<sup>1</sup> Each manager is identified by two identical letters (e.g. AA). Numbers attached to these letters indicate first and second interviews (e.g. AA1, AA2).

**Table2: Managers' perceptions of the CV fraud phenomenon**

<b>Managers' perceptions of the CV fraud phenomenon</b>	
<b>Managers' perceptions of features in CV fraud</b>	<p>II1: <i>In my experience, in this region 20% cheat</i></p> <p>AA2: <i>They tend to try and impress a little. We won't call it cutting corners, but they exaggerate their competences a little. Knows a little Japanese becomes speaks Japanese</i></p>
<b>Managers' attitude to CVs</b>	<p>EE1: <i>I guess I make an initial decision within thirty seconds to one minute, even if I am asked to meet X, Y or Z, I first ask them to send me a CV</i></p>
<b>How managers related to CV fraud</b>	<p>II2: <i>It is completely legitimate and someone who doesn't do it is an idiot, because you wouldn't submit a CV with something that could fail you, or that has no value</i></p>
<b>Coping with the phenomenon</b>	<p>EE1: <i>Predominantly, you would examine someone in an interview, I have to leave a personal interview with a sense that I profoundly know a person's abilities. I sit in an interview with a candidate's CV and ask questions in relation to it and generally they tell me things according to it</i></p>
<b>Reasons for CV fraud</b>	<p>AA1: <i>And the more enthusiastic an organization, not only will salaries increase, but eyes will be more blind apropos your research. We will help fit Cinderella's shoe to its rightful place</i></p>

**Table 3: Significance of CV fraud**

<b>Significance managers ascribe to CV fraud</b>	
<b>Meaning of damage prior to offering a job</b>	<p>HH2: <i>Ten percent of the time he wastes as a result of CVs that have different types of gaps</i></p> <p>MM1: <i>It is actually an interviewer's time, it is often paid to his recruitment source, which is a recruitment consultancy</i></p>
<b>Meaning of damage after a job is accepted</b>	<p>DD1: <i>I can tell you that if I recruit someone who tells me he has certain competences and suddenly I discover that he hasn't, I have to start the whole process again - monetary costs, of course - or to provide very basic and complementary education so as to invest a lot of time and money in him</i></p>
<b>Assess overall potential of gross damages in salary loss terms per case</b>	<p>CC1: <i>I think, if you calculate it according to salary. But what surrounds it is much bigger, of course. I gave an assessment of 30 salaries, a period of six months wasted, also the resources and those involved</i></p> <p>BB1: <i>I say it is equivalent to a year that... someone I invested two to three months in without success is as if I invested a year in him in the sense of the damage caused at organizational level, it's a year</i></p>

<p><b>Dilemma between containment or dismissal and recruiting again</b></p>	<p>FF1: <i>Because of the cost and because if I have someone who isn't good, it's like a rotten apple in a bowl of fruit</i></p> <p>LL1: <i>Employee turnover, generally, affects the atmosphere in the team. A dismissal process is not a pleasant one, generally creates an atmosphere, there are people who perhaps don't fit professionally, but in a cultural sense, really suited people and then when someone like this leaves, you dismiss him, then there is a bit of unrest, and why did they do it that way, scorn, there is scorn and disappointment if he connected well, in the sense of friends, with people</i></p>
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**Table 4: Managers' perceptions of the intervention from the security world**

<p><b>Managers' perception of an intervention tool from the security world</b></p>	
<p><b>Managers' reactions to the intervention tool from the security world</b></p>	<p>CC2: <i>It focuses me on a number of points. Firstly, on a timeline we see what he did at every given stage, for how long. That is the number one data. Resultant reference points are that it is possible to identify referees even when they are not provided. That is very important. Because when you identify them yourself, you are certain you are talking to a referee. Thirdly, you can understand more, when you talk to such a referee, what exactly he did there. Exactly with an authentic referee. What exactly he did, what exactly he touched and how. Let's say someone is absolutely super, honest and here and there, everything is great, but actually there were gaps in times or contents of what he did and adjust salaries accordingly. Because it is important; what to do? You come with a certain experience, so I have to invest in you, not me personally, but one has to invest a year's training in you. Our maximum is six months, yes, we trained a young engineer. You either come ready, or you will be ready within a period of zero to six months. In other words, he can provide clarification in all three areas, clarification that is almost univalent</i></p>
<p><b>Managers' willingness to use a tool from the security world in the recruitment process</b></p>	<p>II2: <i>I'm uncomfortable, it gives me a headache when I find this thing.</i></p> <p>CC2: <i>Firstly, it's as if I show him some type of suspicion. Because I tell him, 'Listen, I want to check you out more than I have done now.'</i></p>

**Table 5: Changes in Managers' perceptions**

<p><b>Changes in managers' perceptions</b></p>	
<p><b>Changes in perception in first interview</b></p>	<p>BB1: <i>The question, it appears, is simple, but how much damage comes from it, caused to you. Only when I answered you, did I suddenly understand the amount of damage. That it is much more that I would have given as a spontaneous answer. It was actually much greater than</i></p>

	<i>this</i>
<b>Changes in perception in second interview</b>	<i>DD2: Wow, of course. Especially in our field of electronics, if I sent my representative who has no training in electricity or knowledge that he should have in the field of uninterruptable power supply systems, their components, how they are connected in the field and he could burn out complete systems in a computer room, with damages worth millions</i>

Changes to perceptions occurred in first interviews; these changes occurred before the tool from the security world was presented at the end of the first interview and worldwide data on the phenomenon at the second interview. Interaction with the topic and the researcher led managers to reconsider and amend their views.

## **CHAPTER IV:**

### **CONCLUSIONS AND RECOMMENDATIONS**

#### **IV.1 Conceptual Conclusions: Rethinking Risk Management of Fraudulent CVs in Global Companies**

At a conceptual level, providing an answer to and/or reducing the possibilities of the global and frequent phenomenon of CV fraud must be presented from a perspective as close to reality as possible of the situation around the world with regard to the phenomenon.

There are gaps that affect providing such a response in a number of areas for companies themselves, their managers and employees as well as for candidates. Firstly, the literature reflects the phenomenon to a limited extent, generally presenting the side of perpetrators and does not provide an overall view or solution. The literature addressing employment crime, predominantly refers to perpetrating employees and not to candidates who lie to employers before appointment such as the case of CV fraud. In addition, the professional literature presenting theories and approaches addressing the field of management in general and human resources in particular, neither address the phenomenon or its meaning to companies and managers and how they can protect themselves against it.

Another gap occurs in the global world where capital and goods move and cross physical borders relatively fast and efficiently. This makes it difficult to respond to the phenomenon and through verification steps with candidates and workers in the labor market who cannot move with the same ease.

Employers, employees and candidates in the global labor market encounter physical walls of borders and distance, regulatory procedures, diverse and/or oppositional national or federal/regional laws. Cultural and language barriers do not only make free movement more difficult and affect the labor market. They add to problems in recruitment and selection steps with an emphasis on verifying data of candidates from diverse places with different cultures, who present documents in a different language in their applications. What make these gaps more severe are trends in the global labor market. These trends pertain to shortage of suitable qualified candidates needed by employers to fill posts in countries outside their countries of origin. Another trend is a reduced number of positions in the labor market owing to technological advances and local unemployment in countries where global companies operate. Such a world situation of gaps fuels ambiguity and absence of information as well as the results of the phenomenon and the ability to be protected.

States or regional blocs are usually not exposed to this frequent phenomenon and neither discuss nor cope with its broad implications and effects. Few operate uniformly and adaptively for the benefit of the needs of the business sector operating within or in other countries and blocs to create rules of play to protect them from this phenomenon in general and agreed upon verification steps in particular.

The gaps described influence global companies' behavior and their managers' perceptions of the phenomenon. Attempts to define a clear strategy towards the phenomenon are complex and unclear, and subjective interpretations are abundant in managers' and workers' perceptions and actions toward the phenomenon and job candidates. Thus, managers' subjective interpretations are flexible due to pressures of meeting goals and their affiliation group - their company and work colleagues, which also influences their behavior towards candidates. This subjective interpretation sometimes derives from a lack of awareness but also from awareness of the phenomenon. Thus, some managers make unique interpretations because of pressures, in particular meeting recruitment goals. At the end of the day, these pressures lead to non-reporting and even concealing the phenomenon from personnel within their companies.

In such a circumstance, it is even harder to define fraud and agreed upon gaps and bring to the surface damage and economic implications that this phenomenon causes to companies. The situation also makes it difficult to choose basic, efficient legal tools that can be employed in general and in specific geographic regions in particular.

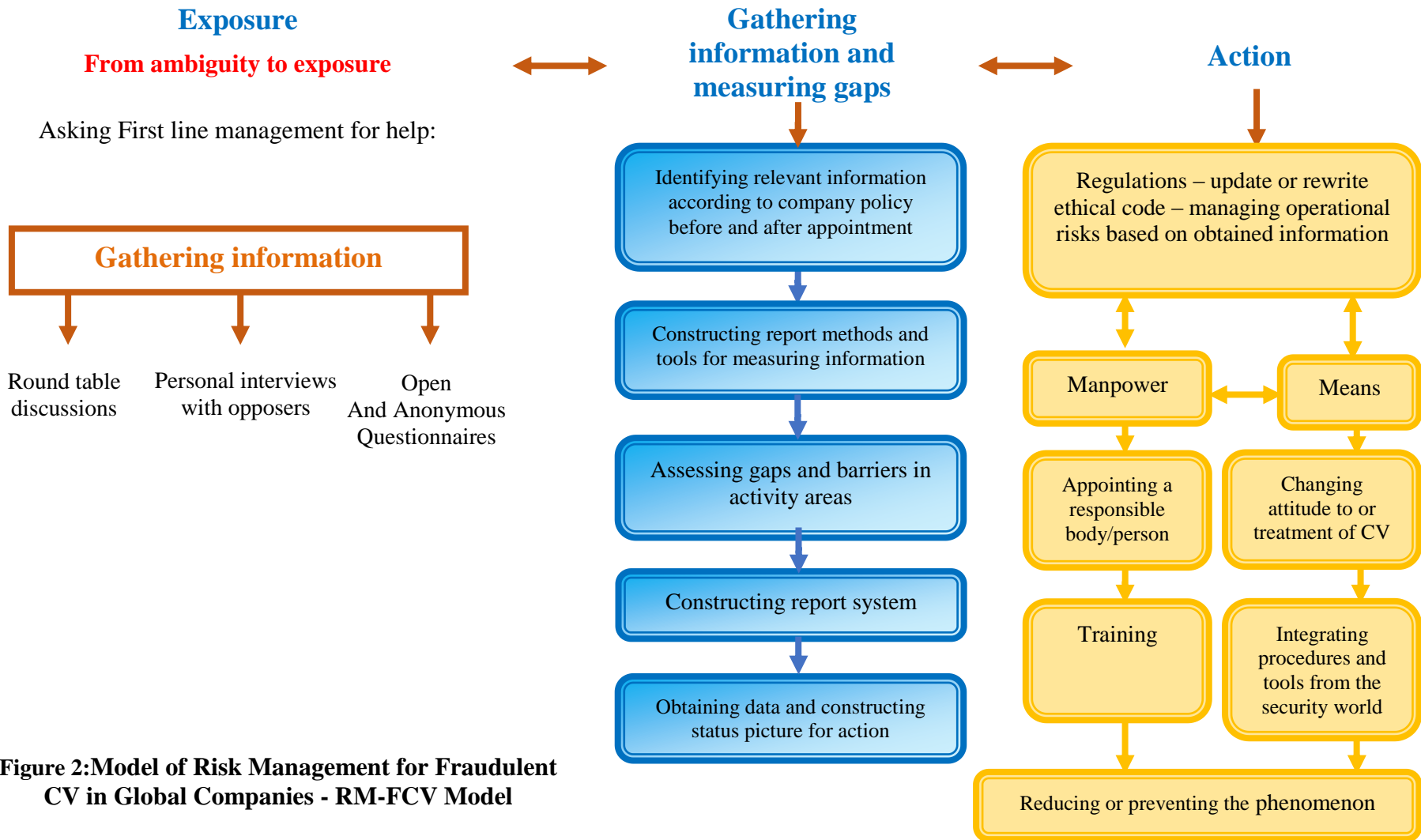
Consequently, the result may be a void in instruction, policies and procedures for managers and employees with regard to the phenomenon and how to cope with it effectively.

Hence, managers on their part are alone in addressing the phenomenon, and are, in fact, those who rely on their subjective interpretation to guide them and to protect themselves based on their practice and experience, rather than relying on standardized and adapted company policy.

This key significant gap is the challenge to data verification steps for candidates in global companies, derives from cultural and social platforms in which managers grew up and were educated, as well as encountering different cultural and social platforms inside a company and its work environment. In a global world in which companies operate, this platform is generally not uniform and leads to different views of the phenomenon and how it is judged. Hence encounters between companies and managers and among managers themselves as well as with diverse candidates are worsened with regard to coping with the phenomenon. This is expressed in a few who protect themselves against the phenomenon alone and struggle to bring it to the forefront and suggesting efficient ways of coping with it. The proposed response comes from experience, taking into account existing limitations and gaps and their influence on global companies in the context of the phenomenon.

The proposed model suggests three stages to be performed at the same time with mutual feedback. The research model, RM-FCV (Risk Management Fraud CV) is based on the concepts providing a frame of reference to coping with and preventing damage caused by exposure to the phenomenon. This is within the area of risk management referring directly to CV fraud.

The following figure depicts the proposed RM-FCV model.



**Figure 2: Model of Risk Management for Fraudulent CV in Global Companies - RM-FCV Model**



### **IV.1.1 Exposure**

It appears that the CV fraud phenomenon in global companies is not put on the table and addressed openly. Company managers and employees who encounter it, cope alone, keeping the ambiguity of the phenomenon to themselves without sharing with their affiliation group - company employees and management ranks. This ambiguity, in managers' view, is strengthened by fear of such groups' reactions. Hence, a company will inform managers and employees that it seeks to deal with the phenomenon and needs the help of front-line managers recruiting and selecting local and global candidates who encounter the phenomenon, in addition to and in addition, someone who can help to pass on all known information for this purpose. Such a proposal can be carried out gradually and pointedly at different levels of exposure according to a company's judgment. Information can be collected through a number of actions such as: round table discussions, personal interviews with those defending themselves, open and anonymous questionnaires, with these factors helping to build measures to evaluate information as an assessment tool. Such a request on the part of a company is likely to contribute to releasing pressure arising from fear of exposure to the phenomenon and help change managers' and employees' views as members of a group, where it is not only desired but necessary to report and discuss the phenomenon. Such release can result in acquiring highly valuable information about the characteristics of the phenomenon and the ability to protect a company, its managers and employees against it. This will lead a company as a group to which managers and employees belong to cope more successfully with the phenomenon, to prevent or reduce its occurrence.

### **IV.1.2 Collecting Information and Measuring Gaps**

Immediately upon announcing a request for help coping with the phenomenon to company managers and employees, information will flow from diverse company personnel while building a report method and tools to measure and assess it. This information is necessary for painting a current picture of the situation, thus contributing to efficient diagnosis of the gaps between an existing and desired situation and providing a response to building a better future picture for a company. Information a company would strive to acquire from managers and employees is in a range of areas, one of which

is the views held by those who are on the defensive in light of the phenomenon in general and candidates in particular.

Another area is providing information about company regulations and operational risk assessment policy, cultural, language and legislative barriers in areas of company operation to address behavior and cope with the phenomenon. Furthermore, areas linked to the nature of the phenomenon such as the rate of fraud, key areas in which fraud is carried out, harmed sectors, fraud according to types of roles, types of candidates who perpetrate fraud according to local, global, social and other characteristics.

Other areas are gathering and acquiring information about the phenomenon with regard to communication and ways of reporting between protectors and the company and among themselves in order to improve the protection process. It is important to identify all those dealing with the phenomenon at all company levels and the training they received to cope, examining their actions and seeking to reach a state of uniformity in coping. Information gathered will include clarification about tools for protection against the phenomenon that are accepted in a company and subjective tools that can be used, as well as ways of identifying employees hired based on false pretenses during recruitment and selection processes will be identified and protectors' assessment of damages will generate from this scenario.

### **IV.1.3 Action**

At the same time as acquiring data, a company must carry out actions that will prevent or reduce exposure to the phenomenon. These actions will include developing and focusing on procedures and policy, taking care of personnel who have to cope with this phenomenon including employees and job candidates, the company developing means to protect itself from the phenomenon while setting priorities according to information received and its sensitivity.

#### **IV.1.3.1 Ethical Code, Operational Risk Management Policy and Procedures**

Actions addressing operational risk management policy and procedures in an information acquisition process must provide a response and explore ways to adapt existing procedures and risk management policies to new information. Their relevance should be

examined with respect to the desired situation and gaps, if existing. If there are gaps, procedures and risk management policies should be updated. This action will be carried out on two levels, one for companies internally for all their global branches and activities, and the other in correlation with and adapted to local and global environments where companies operate. Before writing procedures and risk management policies, companies must strive to delineate clearly their views regarding honesty and appropriate behavior, and hence the link to the phenomenon of CV fraud for managers, employees and candidates. Such an approach will help and be expressed in integrating or updating/writing a code of ethics seeking to unite diverse cultural and sociological views at all levels and in all regions of company activity with regard to honesty and appropriate behavior and help to clarify policy and procedures as an initial stage.

The second stage is updating and/or writing procedures and consolidating risk management policies intended for company managers and employees and leading to executing company policy according to the detailed spirit of their ethical codes. Procedures for identifying and reporting suspicions of CV fraud will be detailed as well as policies detailing mitigation or firing, before appointment dependent on what is revealed in verification checks and after appointment according to measurements of substandard performance that are not explained in other tools.

There should be procedures explaining how to implement the process and employ tools to verify data and reporting to be carried out by first line managers and employees coping with the phenomenon. Another essential point of reference for writing procedures and company level policy is the environment in which a company operates. When writing internal relevant procedures, companies must address local and global regulations, treaties and laws regarding the labor market and candidates' rights in general and specifically in the context of the phenomenon. Risk management policies and procedures about taking verification steps, must address the culture and sociological characteristics of companies' operating regions so as to prevent any difficulty for front line managers and employees assimilating these procedures and verification steps vis-a-vis candidates in each region.

### **IV.1.3.2 Means**

Action is needed that combines addressing recruitment and selection processes and improving data verification steps using existing together with new tools from the security world in these processes.

The first action needed is changing attitudes and the way CVs are dealt with and placing a different emphasis on data verification processes in recruiting and selecting candidates. Today, CVs have little importance for companies as a tool for a speedy process and are sometimes used to identify candidates who better meet threshold job requirements to go on to a clearer matching process and more advanced data verification. As a result, data verification steps cost more using tools from the world of human resources such as interviews and conversations with referees. These steps were not originally intended to expose CV fraud and are manipulated by front line managers and employees from a range of disciplines, who were not trained to cope with the phenomenon. Therefore, more profound data verifications steps are needed to prevent or reduce exposure to CV fraud, prevent wasting precious resources in selection steps and especially costs arising from erroneous recruitment or recruitment of candidates who lied on their CVs.

#### **Before receipt of CVs**

Some efforts to prevent or reduce exposure to CV fraud must be directed at candidates who are likely to carry out this fraud. Companies must make it clear to potential candidates that they demand punctiliousness and accuracy in their CV, and that in-depth data verification steps are taken as deemed necessary. These steps will include a range of sample or comprehensive checks according to chosen populations such as geographic area, role or other. Such an announcement to candidates, before they send CVs, is meant to give them the chance to take care, reconsider and ensure accuracy of details in their CVs.

#### **Upon receipt of CVs**

Companies striving to prevent or reduce exposure to potential harm of exposure will change managers' ambivalent attitudes toward CVs. This is expressed by managers who do not attribute much importance to CVs and quickly seek key data to rapidly identify candidates who have the potential to meet job requirements. Then they proceed to long

steps, multiple tools and resources, to continue selection. Changing attitudes will be expressed in critical reading of CVs and hence, the main step of data verification will be done upon receipt of the form. Thus, as soon as a CV is received, managers will fundamentally review the data detailed in it. Data in which gaps appear that require additional clarification from candidates will be marked and documented on an online form that is transparent to all first line managers who will accompany candidates in all recruitment and selection processes. This data includes name/additional or different to various identity documents, gaps in employment dates, whether lengthened or missing, gaps in relevance to positions on issues such as previous employers, employment history, gaps addressing role titles, areas of responsibility and salary, gaps addressing academic and professional education, gaps in relevant and authentic referees from previous place of employment and any unusual details that require additional clarification and defined by companies as relevant for continuing the selection process from candidates.

#### **After mapping and flagging gaps in CVs**

After the stage of mapping and flagging gaps in CVs, online forms with names of candidates where data for further clarification should be shared with all personnel participating in the recruitment and selection process. The importance and relevance of missing data should be assessed to decide whether to include all or some of the gaps without additional clarification or to carry out in-depth checks. According to this assessment one can act in the following way or according to the circumstances:

- a. Contain or reject CV gaps comprehensively or partially according to company policy and procedures addressing recruitment goals. Reasons for decisions should be documented on the online form for continued follow-up during employment or recruitment of candidates.
- b. If clarification is required, candidates will be contacted online before the process continues, where data that required further clarification will be detailed, together with a request to fill in missing data which will be added to online forms.
- c. According to a decision made by a lead person, to support data they provide candidates may be requested to provide official documents such as an employment record from the National Insurance Institute, as presented in this study and/or other official documents.

- d. After receiving feedback from candidates, conversations should take place with referees from previous employment. Conversations will include a format from the security world that will help reduce possibilities of manipulating the identity of referees or information received from them.
- e. At the same time, social networks should be reviewed for complementary information and background checks carried out by the company or external service provider as required.
- f. Integrating existing and additional information from various sources such as: suppliers who carry out suitability checks for positions, references received from unofficial sources, and online forms that accompany candidates should they be appointed.
- g. During regular telephone or frontal interviews with candidates and correlated with information received thus far on their CV, it is recommended that methods of verifying technical data taken from the security world be employed, so as to help verify data after appointment.

After appointment, checks and reports should be carried out according to company policy and procedures, using methods and measuring tools given to managers or professional personnel directly responsible for employees. These checks must provide a point of control over recruitment and selection processes in general, using various measures to clarify specific employees' performance, and in particular, matching performance to the data upon which candidates were appointed in particular.

### **IV.1.3.3 Personnel**

Coping with the phenomenon of CV fraud requires addressing central personnel, first line managers and employees, who cope with this phenomenon. The gap between existing and desired circumstances from the point of view of companies needs to be addressed based on information that companies obtain about the phenomenon. This action must identify defenders against the phenomenon at all organizational levels and what their adjusted or subjective actions can be. This process will be performed in two ways:

#### **Appointment of nominated personnel**

Companies' broad system of coping with this phenomenon has many facets combining internal systems and external factors. In light of the complexity of the selection process, teams or responsible persons should be appointed temporarily or permanently to be entrusted with the establishment, implementation and ongoing successful operation of this system.

### **Instructing personnel**

In providing instructions to front-line managers and employees dealing with the phenomenon, companies must strive to aim at company integrity where front-line managers and employees speak with one voice and without fear. This voice must lead to local and global perceptions to be congruent with the reality in which companies operate and serve companies to meet their goals and realize their aims. Instructions clarify company view, its containment policy and risk management regarding the phenomenon. These instructions must address and bridge cultural and language differences which must be considered from various aspects when dealing with such diverse candidates. In addition, ongoing instructions will be given to managers about characteristics of this phenomenon in company operating regions as well as addressing tools provided, cultural and language barriers, legal and judicial limitations, physical barriers and borders as well as how to address candidates appropriately while considering these barriers.

### **Instruction for an appropriate interface to work with a company**

An important part of implementing new company policy to cope with the phenomenon is instructing managers and employees about its essence and how to operate. Managers' activity will be subject to the code of ethics, policy and procedures formulated by companies with regard to the phenomenon. Employing uniform tools and methods to measure characteristics of the phenomenon is important in order to create and improve efficient steps to verify data and prevent consequent damage. After appointment, methods of assessing employees and managers who underperform are needed to reconsider data on which employees were appointed to work and making decisions regarding continued employment. These instructions will inform managers on what data must be reported, how it should be passed on in companies and ranks privileged to share information.

### **Instructions for evaluating CVs**

Changing attitudes to CVs among first-line managers and employees coping with the phenomenon is essential. CVs are the gateway by which most CV fraud is carried out and the way managers address this must be changed, when in itself managers' approach is likely to invite fraud. The needed change is to reduce ambivalent attitudes to CVs to zero and employing main verification steps before recruitment. Hence managers must be instructed and taught to read CVs critically according to company policy and procedures formulated in the context of coping with the phenomenon and with emphasis on cultural and other gaps in local and global recruitment. These steps will help to identify and flag gaps that demand detailed information to prove or refute them in response to data verification steps. The way of documentation and report is important to continuing verification steps. Hence, managers must be trained to document information requiring clarification using predetermined online forms and to report to personnel involved in current and ongoing status of treatment.

### **Integrating verification tool from the security world into recruitment and selection**

Instructions to managers will include exposure to and possibility of integrating all official documents that can provide univalent verification of data provided by candidates in CVs, according to company demands issued in relevant geographic regions. In this study, the findings revealed that managers found the researcher's employment record detailing his



employment history as a tool suitable for their goals in the framework of verifying candidates' data. To integrate such tools into traditional recruitment and selection, managers must be guided with regard to all the tools and possibilities of requesting such documents in all local and global regions of company activity in accordance with formulated policy. This research recommends integrating the model presented in this study and its application into management training processes in global companies.

## **IV.2 Practical Implications and Recommendations**

The practical implications arising from the conclusions are that global companies will cope more efficiently with and reduce the risk of exposure and damage caused by CV fraud. A company will act to consolidate one line of action adapted as a group, which will lead to a situation in which first-line managers and employees share information with regard to the phenomenon openly and without fear. This will allow for understanding and measuring the nature of the phenomenon and the implications resulting from the damage it causes. Hence through the learning process, a company will consolidate means to respond in the short and long-term adapted to being operated by first-line managers and employees who cope with the phenomenon in all company's activity regions.

The recommendations that will contribute to successful application of the conclusions start with company announcements to managers and employees that the phenomenon of CV fraud is on the table for discussion and addressing and that the groups' help is needed in this process. Companies will make it known to managers that there is one consolidated company view of this phenomenon expressed in the form of ethical codes, procedures and updated policies to manage the operational risks deriving from exposure to CV fraud the phenomenon.

Until this step is taken, any discussion or exposure of this phenomenon to colleagues and supervisors is perceived as threatening and it can be said that in certain cases, its existence is denied. Company announcements requesting help in receiving information and consolidating a new policy will release managers from their isolation with regard to the phenomenon and mitigate the fear of harm they thought would come to them if they exposed it to members of their groups.

This system will be accompanied by measuring the phenomenon using company defined tools that will provide a complete or partial response to the phenomenon. After exposing the phenomenon as an act contributing to relieving managers' fears of implementing tools from the security world, it will be possible to adopt these tools and assimilate them into recruitment and selection processes for the purpose of verifying data candidates provide in this process. Aside from using official documents that states and other official bodies produce, companies must consider implementing methods and tools from the security world alongside other traditional tools such as interviews and conversations with referees.

### **IV.3 Research Limitations**

When discussing research limitations, it should be noted that the research examined the sensitive topic of CV fraud with a population that had been affected by the phenomenon in the arena where it occurred, their place of work. This fact made the process of acquiring information in interviews with managers more difficult because of the topic's sensitivity and managers' personal involvement and fears of exposure to the groups of which they were members, i.e. other company managers and employees. It is possible these barriers and concerns blocked more and valuable information from being revealed in interviews. Although the findings show that there are similarities with regard to the nature of the phenomenon and other managers' perceptions, the population of managers comes from one geographical region with similar cultural characteristics, which is likely to constitute a barrier to exposing cultural based information and other perceptions that could have shed additional or other light on the phenomenon.

It is important to note research limitations with regard to the EU. The scarce data about CV fraud in Europe, resulted in excluding from this research any examination of the phenomenon in Europe. Nevertheless, the research briefly reviewed the historic developments and the current situation of the European CV form – the Europass. This review sought to provide a chronological documentation as well as ways of using the form and points to consider in this context.

Another limitation is the phenomenon's absence in theoretical and professional literature. The researcher notes the fact that the phenomenon is not mentioned in the literature, and in particular as a factor that must be considered as follows: addressing the phenomenon in

all branches of management studies with an emphasis on its effect on managers' performance and meeting objectives, ways of protection against the phenomenon, and measuring its damages. Hence, managers, as seen in this research, experience coping with the phenomenon and its results in their day-to-day life without a theoretical framework to rely on, and therefore, they interpret the phenomenon subjectively.

The situation in which managers lack of instruction in their training as managers contributes to the fact that although managers generally understand the essence of the phenomenon, they can only estimate issues such as the extent of damage caused to companies without any numerical data tested by using tools given them in their normal management procedures. The researcher conducted the research alone in a limited period of one year. Hence more time was needed to examine developments and changes in managers' perceptions that may occur later. It would be worthwhile to explore whether any change occurs regarding managers' perceptions of the phenomenon and its significance, means of protection against it and integrating tools from the security world in recruitment and selection processes, managers' attitudes to exposure to the phenomenon and reporting to other members of the group to which they see themselves belonging.

Interviews were recorded and transcribed by a Hebrew speaking professional and later translated into English by a qualified and professional translator under the researcher's supervision; nevertheless, it is possible that in this process there were small mistakes by which similar or slightly different meanings were acquired that do not accurately reflect their origin. Some of the cited sources are written in languages which the researcher does not master. These sources were translated by using Internet search engines, and this may lead to some mistakes in translation.

#### **IV.4 Contribution to Theoretical Knowledge**

The research contribution to enriching theoretical knowledge is in the fact that this study points out the gaps affecting the ability of global companies to protect themselves against the CV fraud phenomenon or to reduce its resulting damage. The research highlights the absence of this issue in theoretical and professional literature versus its frequency and implications as well as the serious damage it entails. Traditional management theories in

general and human resource management theories in particular do not mention the phenomenon as having any influence whatsoever on management procedures in particular.

The research points out that theories addressing employment crime address employment crime as employed people committing crimes in their workplace for their personal benefit at employers' expense. CV fraud can be considered as employment crime according to this definition, but candidates are not addressed in the relevant literature as people committing crimes against employers before their employment, i.e. employment crime executed prior to employment. The absence of this phenomenon from formal and professional studies for managers and employees as well as its absence from theories addressing employment crime contribute to the fact that exposure to the phenomenon is not mentioned in global companies' operational risk management policies. The research proposes new thinking and includes operational risk management policies in global companies with the possibility of integrating its insights to bridge described gaps.

In addition, the RM-FCV model developed, based on the research findings, constitutes an important contribution to knowledge in the field of risk management (Douglas & Wilavsky, 1982; Tansey & O'Riordan, 1989), in the field of global company management (Adizes, 2004a; Mintzberg, 1973, 1990), in the field of human resource management in global companies (Baron & Armstrong, 2007; Becker, 1964, 1993) and in the field of employment crime (Sutherland, 1940).

#### **IV.5 Contribution to Applied Knowledge**

CV fraud in employment appointments is frequent and its damage great. Companies' attempts to verify data provided by candidates are mainly carried out through interviews and conversations with referees. These tools from the world of human resources are expensive and their success limited. Evidence of this can be found in managers' desire to employ additional tools to verify data from the security world such as background checks. The research contributes to applied knowledge in the application of the RM-FCV model, which proposes a procedure to verify data quickly and at low cost carried out mainly at the stage of receiving CVs, operated independently with the help of integrating tools from the security world in recruitment and selection processes. The model combines

various knowledge areas by describing the phenomenon and focusing on problems in existing verification procedures and providing an answer to solving or reducing exposure to damage from the phenomenon in an integrative or modular manner.

#### **IV.6 Research Innovation**

The research proposes a holistic point of view regarding the CV fraud phenomenon from the perspective of the affected population, seeking to help prevent and reduce damage resulting from it. The study indicates a number of innovations that should be mentioned, there is a gap where the phenomenon is not mentioned in relevant literature despite its high frequency. This gap is likely to affect the way the phenomenon is broadly defined and ways in which global companies protect themselves and assess the damage it causes. It is difficult to assess the damage and it is mainly unclear to managers. The research points to the essence of damage in managers' perception and their assessment thereof. Thus, it emerges from the research that there is a possibility that poor performance of employees who lied on their CVs is likely to affect outcomes that companies hope to achieve in each case and a much wider extent of circles of damage. The potential scope of damage, according to managers' assessment, is higher and reaches the loss equal to tens of salaries for a single case in certain cases, and as high as strategic levels including wider circles of damage that are not addressed.

The research points to another gap in the literature in the field of employment crime, where crimes are actually committed by employees in the workplace whereas the research reveals the possibility that employment crime against employers is committed by candidates in pre-employment circumstances. The research shows that there is a possibility that the phenomenon of CV fraud is often denied, within and facing the harmed population in the arena in which it occurs.

Such studies are rare, and the contribution of this research is its unique point of view constituting addition to knowledge about how to cope with the CV fraud. The research indicates a global companies' managers' ambivalent attitude to CVs, a situation that is likely to encourage CV fraud because candidates lie about key data that managers seek to identify rapidly from CVs without going into greater depth. The study reveals managers' perceptions where they see a group, i.e. company managers and employees to which they

belong, as threatening and restricting actions of exposing the phenomenon and protecting themselves against it. The research proposes a solution proving that tools from the security world can assist with data verification procedures and it was even tried successfully in this study. It is a new solution combining tools from the worlds of security and human resources to be operated by front-line managers and employees in recruitment and selection processes as a quick, efficient and cheap data verification procedure.

#### **IV.7 Further Research**

Hence, the absence of the phenomenon from management training should be examined and answers ought to be provided for its reasons and how it is possible to integrate and implement existing and new knowledge into aspects of management studies. Such studies are important in the attempt to reduce existing gaps in knowledge and make information accessible to prevent or reduce damage resulting from this phenomenon.

This study investigated managers' perceptions of the phenomenon and clarified gaps in managers' knowledge about it despite coping with CV fraud on a day-to-day basis. Despite knowing the essence of damage that is likely to be caused by the phenomenon, managers find it difficult to assess the rate of specific and overall damage. They find it hard to understand their ability and existing tools available to protect themselves. Further studies are needed to examine and help clarify or reduce these gaps in managers' perceptions.

Managers find it difficult to expose the CV fraud phenomenon to and communicate information about it with other company employees, sometimes to the extent of hiding it from them. While reasons for this emerged in this study, further studies are needed to investigate whether these explanations are the only reasons preventing communication or whether there are additional barriers. Hence, future studies must strive to clarify how it is possible to improve communication in and between global companies with regard to the phenomenon and communication with the environment in which companies operate, in their regions of operation on broad local and global issues.

This study examined managers in global companies dealing with candidates from diverse countries but characterized by the fact that they are Israelis who absorbed in a defined region, the values, norms, culture and education in one geographic area – the state of

Israel. Future research should explore managers' perceptions in other geographic regions, managers with cultural, sociological and ethnic diversity to provide a more profound picture of the managers' perceptions of the phenomenon.

This study also strove to examine managers' views about the use and assimilation of tools from the security world to verify data in recruitment and selection processes. Further research should examine the success of the proposed model, whether partial or complete, and propose improvements. Such research should be conducted with a wider group of players including countries, global companies with an emphasis on the effect of candidates' and employees' mobility in a global world with cultural and other diversity.

#### **IV.8 Conclusion and Research Importance**

The research focused on examining perceptions of managers in global companies with regard to CV fraud in job appointments. The researcher focused on this issue because of his experience in security checks for tens of thousands of candidates, in which the phenomenon of CV fraud was revealed, which proved to be a global problem with many identical component characteristics. The researcher, as a security person, knows that the phenomenon poses broader questions over and above the security risk involved in employing candidates who lied on their CVs and recruiting them as employees. These questions arose mainly with managers not from the security field such as professional managers or human resource personnel, who carry out recruitment and selection processes and were asked about their views about the phenomenon in the companies where they worked. Managers sometimes had difficulty talking about it as a sensitive phenomenon of fraud in their places of work. When responding, in most cases, they could not provide answers that satisfied the researcher. In other cases, they provided partial answers and in some, their answers contradicted those of their colleagues.

These results were sometimes obtained even in the same workplace with regard to one candidate who was supposed to work for them. The described situation drove the researcher to examine managers' perceptions towards the phenomenon to characterize and attempt to provide a full or partial response. From the findings and discussion of findings, issues emerged that should be addressed, that will lead to providing a full or partial response to the phenomenon and factors affected by it.

The research contributes to considering a world situation in which it will be possible to prevent or reduce the phenomenon in a number of ways. A contribution to the first necessary step in giving this answer is bringing this phenomenon to the surface to be discussed, to understand its components and outcomes and how to protect oneself against it. For this to happen, affected global companies must share internal procedures with their managers and employees as well as candidates in future recruitment and selection processes.

The research contributes to understanding that the phenomenon is characterized by the fact that managers who encounter and cope with it, do not share information with their colleagues and other ranks in companies in which they work about what occurs, perceiving that such revelations to groups to which they belong is likely to harm them in various ways. Hence, the phenomenon is not addressed at company level and managers find themselves isolated coping with it and acting according to subjective interpretations and means of protection.

The research shows the potential of damage caused by the phenomenon and a desired procedure of broad exposure in global companies, as well as a procedure of internal exposure in which information and actions are shared internally, but also with various external factors and other companies. These external factors include both states or regional blocs that must help companies operating in their regions access additional information they hold about the phenomenon and encourage researchers to examine and provide additional existing or new information, as well as exploring the possible legal use of a verification tools that only they possess.



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