

Better Business Bureau tips for consumers

Written by

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As the unemployment rate rises, so does the threat of scams targeting job seekers. The Better Business Bureau (BBB) warns job hunters to be extremely cautious in their search for work because scammers are out to take advantage of them and make a fast buck.

The national unemployment rate is creeping closer to 10 percent—worse than the Federal Reserve predicted back in April. Already 13 states are experiencing unemployment rates in the double-digits. As more people find themselves out of work, they are also becoming targets of scammers looking to take advantage of those who are already facing a tough financial situation.

“More families are becoming increasingly susceptible to suspect offers for employment as they try to find work in an extremely competitive job market,” said Dana Badgerow, president and CEO of the Better Business Bureau serving Minnesota and North Dakota. “Scammers have set their sights on the unemployed because the number of potential victims is growing by the hundreds of thousands every month.”

The BBB advises job hunters to beware of:

Job offers that require an upfront fee

Earlier this year, job ads cropped up in Florida from a company claiming it was looking to hire 2,500 employees for their new headquarters. Applicants had to submit \$24 to pay for a background check. Law enforcement later found out that the money only went to the pockets of the company’s owner. Sadly, similar schemes crop up across the country every year. While the amount of money lost by any one victim may be small, the total amount taken in by the schemer can be significant.

BBB advice: Job hunters should never have to pay money up front to be considered for a job. If a potential employer asks the job hunter to pay the company to cover the costs of testing, training or background checks, it should be considered a red flag.

Job placement assistance that makes big promises but can’t deliver

Job placement companies, or headhunter firms, often do not charge the job seekers for help finding a job, but are instead paid by companies that need help filling positions. Some job placement companies, however, have been taking money from job hunters and not fulfilling their promises of quick employment.

The BBB of Greater Maryland recently warned job hunters about one such placement firm that was advertising on Craigslist. The company charged as much as \$195 and guaranteed it could find job hunters work. Unfortunately, job hunters didn’t receive call backs or refunds and had no real way to contact the company.

BBB Advice: Always research a job placement company first with the BBB before signing any contracts or paying any money. Be extremely cautious about paying up front fees and know how to get a refund.

Phishing attempts by ID thieves pretending to be real businesses

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Identity thieves employ many different methods for getting personal financial information from job hunters. Spam e-mail might offer a great opportunity and direct the job hunter to a Web site that is designed to install malware on his or her computer or solicit bank account or Social Security numbers. In other cases, the job hunter might even be asked to submit a resume, be informed that they've been hired and then immediately be asked for bank account or Social Security numbers.

BBB Advice: Be extremely cautious when responding to unsolicited e-mails from supposed employers—even if the company name is well-known—and do not click on any links in the e-mail until having vetted the company fully and can confirm that the e-mail came from a legitimate source. Legitimate employers will need Social Security numbers for tax purposes and may need a bank account number to deposit paychecks for newly hired employees, but job hunters should be wary of any requests for such information from companies and job offers prior to employment.

For more advice on avoiding scams and fraud visit www.bbb.org .

The mission of the Better Business Bureau is to promote through self-regulation, the highest standards of business ethics and conduct; and to instill public confidence in responsible businesses through programs of education and action that inform, protect and assist the public. Contact the BBB at www.bbb.org or 651-699-1111, toll-free at 1-800-646-6222.