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JOB OPPORTUNITY SCAMS

During hard economic times, more Ohioans are looking for new job opportunities to supplement their income. Although there are many companies offering legitimate jobs, the Ohio Attorney General's office warns consumers to be wary of scams that target job seekers.

A job opportunity scam occurs when a company makes phony job offers or false promises to consumers seeking employment. Instead of helping consumers make money, the scam artists actually *take* money from consumers. They usually fail to deliver on their promises and consumers are left with less money than they started with.

Scam artists usually place ads in newspapers or on the Internet, promising good money and professional experience, but the jobs either are non-existent or very low paying. The fraudulent companies often charge high fees for job information, training sessions or promotional materials, and many victims end up losing thousands of dollars.

Work-from-home offers can also be tempting. Some even offer, "A chance to go on a shopping spree for free! Get \$1,000 cash for free to be a Mystery or Secret Shopper in your home area and keep the things you buy!" Regardless of the pitch, however, these scams cost job seekers a great deal of money.

Types of Employment Service Firms

To protect themselves, job seekers need to understand the different types of employment services and the costs involved. According to the Federal Trade Commission (www.ftc.gov), these services are:

- **The federally-funded and state-operated Public Employment Service, also known as the Job Service.** These employment services provide links to "numerous employment and training programs in each state, including programs for people with disabilities, minorities, older workers, veterans, welfare recipients, and young people." In Ohio, it is called Ohio One-Stop with locations in all 88 counties. It is managed by Ohio Job and Family Services. For more information, visit <http://jfs.ohio.gov> or call (614) 644-0677.
- **Employment agencies or personnel placement services.** These agencies "work to fill specific positions available within companies. Their purpose is to bring applicants and employers together." Often, the company hiring an employee will pay the placement fee. Sometimes the fee is split between the applicant, (after they are hired) and the company. Job seekers can check with the Ohio Secretary of States Office to see if the agency is registered to do business in Ohio at www.sos.state.oh.us or call (614) 466-3910.
- **Executive search firms or executive recruiters.** These firms are hired by a business to find the "right" person for a particular position within a company. These people are sometimes called "Headhunters." The hiring company pays the fee, not the executive who is hired. Job seekers can check with the Ohio Secretary of State's Office to see if the agency is registered to do business in Ohio at www.sos.state.oh.us or call (614) 466-3910.
- **Temporary help services.** These companies supply workers to businesses on a temporary or "as-needed" basis. The business pays the firm and the temporary service firm pays the workers. Job seekers can check with the Ohio Secretary of State's Office to see if the agency is registered

to do business in Ohio at www.sos.state.oh.us or call (614) 466-3910.

- **Executive counseling services or career counseling services.** These services help job seekers with “career directions and decisions” more than job placement. They may offer services such as skill identification, self evaluation, resume preparation and letter writing. Fees can be as high as \$4,000, with payment often required before services are provided. This does not guarantee job placement. Job seekers can check with the Ohio Secretary of State’s Office to see if the agency is registered to do business in Ohio at www.sos.state.oh.us or call (614) 466-3910.
- **Job listing services or advisory services.** These firms sell information about getting a job in the United States or overseas. They often use pay-per-call 900-numbers to do this. They do not provide job placement. They provide lists of job openings and general tips on job searching or interviewing. They frequently require up-front fees for their listings.

Protecting Yourself

Follow these tips to avoid job opportunity scams:

- **Beware of companies that request payment to help you find work.** Some business opportunities involve upfront costs, but for most jobs, you should be making money, not spending it. Thoroughly research a company before you pay for starter kits or other materials that you will “need” in order to make money. Be especially suspicious if a company asks you to wire transfer money to a foreign country. For employment assistance and free resources, check with your local community One-Stop center. Go to <http://jfs.ohio.gov/workforce/jobseekers/onestopmap.stm> for more information.
- **Don’t trust unrealistic salaries or vague job descriptions.** Many scam artists purposely make generic, unclear claims about job opportunities. Before you commit to any job, make sure you understand exactly what kind of work is involved.
- **Research reputations.** Before you schedule job interviews, check complaints filed against the business with the Better Business Bureau at www.bbb.org. Make sure business names are registered with the Ohio Secretary of State by visiting www.sos.state.oh.us. Ask current and former employees about their positive and negative experiences with the company.
- **Beware of lengthy contracts.** Don’t sign a contract without reading the fine print. Scam artists may try to slip certain clauses into a long agreement, hoping you won’t read them. Regardless of verbal promises, written contracts generally are binding. Take the contract to an attorney or trusted friend to review. Don’t give in to high pressure sales and companies that do not allow you to review the contract independently.
- **Be wary of suspicious interviews.** Interviews that take place at unusual locations, such as hotel lobbies, restaurants or locations other than a normal place of business are fishy. Be skeptical of group interviews and representatives that seem to be selling the company to you. If you feel pressured, walk away; you probably have good reason to be suspicious.
- **Watch for personal information ploys.** A fraudulent company may deceptively offer a job opportunity to gain your personal information. To protect yourself from identity theft, limit the amount of personal information you give to a company.
- **Beware of firms promoting “previously undisclosed” federal government jobs.** All federal jobs positions are announced to the public on www.usajobs.gov.

To report consumer fraud call the **Attorney General’s Consumer Protection Hotline** at (800) 282-0515. For more information, please visit our Web site www.SpeakOutOhio.gov.