How to Protect Your Business from Rising Candidate Fraud

Candidate fraud is everywhere in hiring: AI-polished resumes, proxy interviews, identity spoofing. As misrepresentation becomes easier to execute and harder to detect, TA teams face wasted recruiter hours, compliance risks, and reputational damage.

In this worksheet, we'll show you where fraud shows up, best practices for catching it, and actions you can take to start preventing it right now.

1 in 4
applicants will be fake by 2028

78%
of job seekers admit to misrepresentation during the hiring process

17%
of hiring managers encountered deepfake technology during interviews

Statistical Sources: Gartner, Checkster, and HireRight

Understanding Where Fraud Shows Up

Fraud tactics are becoming more sophisticated and harder to spot, appearing at every stage from application through onboarding.

	Source/Apply	Screen	Interview	Select/Onboard
Fraud Types	Bots, spam applicants, low-intent AI mass applies	Credential fraud, false resumes	Proxy candidates, deepfake-assisted answers, voice spoofing	Reference fraud, stolen identities, continued impersonation once hired
Business Impact	Wastes recruiter hours reviewing fake profiles	Fills your pipeline with bad candidates while good ones move on to other roles	Interviews (and potentially hires) the wrong person	Security breaches, compliance violations, reputation damage

Rethinking How and When You Verify Candidates

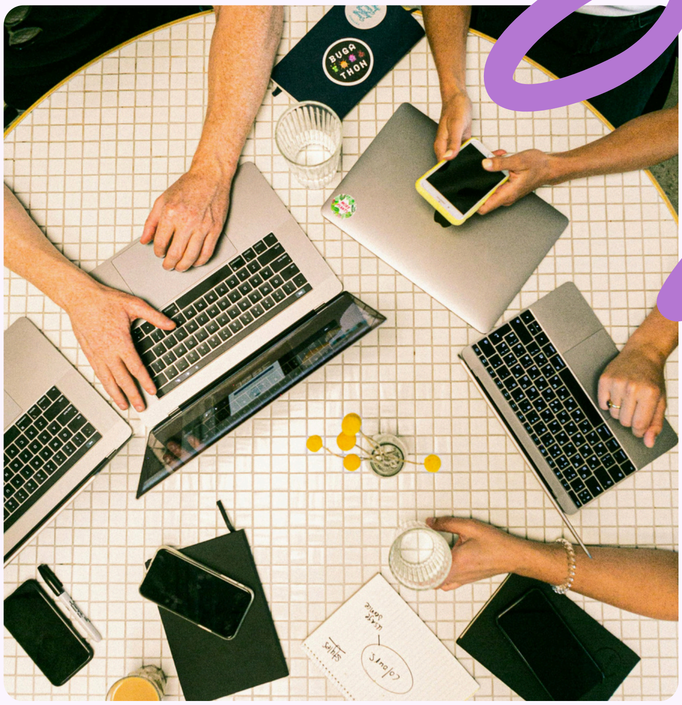
Most organizations get verification wrong. They verify too early (creating candidate drop-off) or too late (after fraud has already wasted their time). Here's what doesn't work and what does:

WHAT DOESN'T WORK	THE BETTER APPROACH
✗ **Too early:** ID at application creates candidate drop-off	✓ **Light checks early** to filter obvious fraud
✗ **Too late:** Verifying only at background check lets fraud slip through	✓ **Consistency monitoring** mid-funnel to catch impersonation
✗ **Same for everyone:** Using identical verification for all roles	✓ **Robust verification** only when it matters most

Preventing Fraud Across the Funnel: Best Practices & Next Steps

Early in the hiring process, fraud tends to be noisy and inconvenient—wasting recruiter time and attention. Later in the funnel, it becomes far more dangerous, as bad actors gain access to more people, systems, and information.

At Employ, we believe fraud prevention should scale with risk—what we call the Swiss cheese method. A single slice of Swiss cheese has holes. But when you stack enough slices together, those holes disappear. The same principle applies to fraud prevention: by layering the right safeguards at each stage of the hiring process, you close the gaps that fraudulent candidates rely on to slip through.



Here's what that looks like in practice:

Early stage: filter fast, reduce noise

- Use knockout questions to eliminate obvious mismatches early.
- Watch for fraud patterns: blank resumes, placeholder documents, one-word answers, or consistently selecting the first radio-button option.
- Set clear guidelines around AI assistance—prioritizing authenticity over polished responses.

Mid-stage: validate skills and consistency

- Use performance-based tasks that require candidates to demonstrate real skills.
- Ask candidates to explain their work in real time, not just describe outcomes.
- Cross-check details across resumes, applications, and interview responses.
- Train hiring managers to spot red flags: vague answers, inconsistent details, or an inability to elaborate on past work.

Late stage: verify before access

- Use reference checks to verify credentials and past performance.
- Set transparency expectations about your verification process.
- Document and standardize verification steps to ensure consistency and fairness.

Candidate fraud will hit your hiring process, but it doesn't have to waste your recruiters' time or damage your company's reputation. Build verification into every stage to surface fraud early without losing great candidates.