Scam Jobs and Opportunities

Each year we see listings for jobs that leave many students unhappy. Sometimes they appear as fliers posted in Willamette hallways with tear-off tabs, or advertised in Craigslist, and sometimes they have slick color brochures. Here are some job characteristics and organizations to watch for:

1. **Community organizing or summer canvassing.** Several "Research Interest Groups" or “Funds" hire college students to solicit donations door-to-door or in public locations. Sometimes the issues they represent are attractive to students, such as environmental protection, recycling, clean water, etc. The catch is that these organizations establish a "minimum" number of donations/registrants you must get each week. The standard is high, and if you don't reach the minimum you are quickly fired…no second chance. Several Willamette University students have taken these jobs and have been fired within two weeks. That left them a summer with no job, no income, and no internship. A few students did fine and were successful.

2. **Multi-level marketing (MLM)** These organizations offer a service or product such as phones, long-distance cards, household products (soaps, cleansers), etc. They put a lot of emphasis on recruiting others who you can "sponsor" or "manage" to also sell the products. Then your team recruits other salespersons under them, and so on. You get some compensation percentage for every person who is under you who sells products. Although these may not be "pyramid schemes" which are illegal, they focus mostly on recruiting others to join the organization and sell something. A few people succeed in these programs, many do not. Some people brag about large incomes, but they are a tiny percentage of employees.

3. **Buying a product or paying a fee** to be a member of the sales organization. We recommend that you NEVER pay to join up front. Some companies ask as much as $500 to join and receive your "demo" products. And of course you need your own products to show to potential buyers. We have read that 50 - 80% of people who join these organizations never make a penny of profit. Be very cautious about providing money to a company in order to work there.

4. **Commission sales - "network" marketing.** Network marketing includes making a list of everyone you know - family members, high school friends’ families, neighbors, etc. Then you ask if you can visit them and "practice your presentation skills," often as part of your education or to earn a scholarship. All you ask of them is to give you feedback on your presentation. Or, you
tell them you have a business opportunity that might interest them. Then you go to their house and try to sell them a product such as a knife set, household items, magazine subscriptions, books, encyclopedias, bibles, etc., or recruit them to work as part of your organization. Its manipulative and less than honest, and often people (friends and family) feel taken advantage of by you. Then you must get 10-20 referrals from the family members who just bought your product so you can sell to their friends (for a scholarship). Some students succeed in making money in these programs, but many do not, and they leave some customers with a bad feeling about being taken advantage of.

5. Commission sales - door to door. These organizations often include recruiting a team and selling services such as house painting, cleaning, and gardening. As a team leader you put in very long hours trying to drum up business in neighborhoods, estimate the cost of the job, then supervise your team of fellow-students to do the labor. If your project estimate is too low you can actually lose money. Too high and you won't get the business. They pay staff by "piece work." That means the hourly wage depends on how good the manager estimated the cost. If it was a low estimate, or they ask you to re-do the job, you can earn significantly less than minimum wage. Some students do OK with this, others consider it a wasted summer.

6. A confusing or generic job description. Because of the high failure rate to make money, or the unattractiveness of their products, these organizations don't tell you much about the job, compensation, or product. They strategically leave out information, and usually want to see you face-to-face to give you an introduction to their business. They have powerful presentations that are manipulative and effective. They get you to say yes, overwhelm you with examples, overestimate average earnings, and underestimate the number of hours it takes to actually succeed in these organizations. If you cannot get a clear picture of hours worked, compensation paid, job duties, responsibilities and company structure, then you need to be cautious.

7. A rush to sign the contract. Some of these firms have contracts several pages long, but require you to sign on the spot. Some organizations include clauses in these contracts stating that (even if you are losing money) if you break the contract or quit, they can or will sue you to the tune of several thousand dollars, and you must return some the products you bought.
Danger Signals:

- Positions that ask you to give credit card or bank account numbers, copies of personal documents, drivers license, or social security information before the offer is made.
- Jobs that ask you to send payment by wire service or courier.
- While there are legitimate opportunities for individuals to work from home, be sure to research the company in advance of applying.
- The website is unclear, is missing information, or misleading.
- Misspelled words, incomplete sentences, bad grammar in any of the documents or web pages.
- The promise of thousands of dollars of income per month with little or no experience required.

If you ever have questions or concerns about a company or business, Google them with the word "scam" after their name. You will find bloggers for almost all unsavory employers.

If you ever have questions or concerns in your job search process, please contact the Career Center for assistance. If you come across any questionable companies or jobs, please let us know.

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www.willamette.edu/dept/careers