



HireRight Annual

Employment Screening Benchmark Report

2015 Edition



Foreword

The HireRight 2015 Annual Employee Background Screening Benchmark Survey was performed in October and November 2014. Several thousand human resources professionals from numerous organizations throughout the United States, including HireRight customers, who indicated they were knowledgeable about employment screening and recruiting are included in the results presented here. The report explores key issues, trends, and underlying business drivers affecting screening programs. It also covers policy and practices. A complete review of the methodology can be found in the Survey Overview and Methodology section at the end of this report.

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Executive Summary

Executive Summary

Finding qualified candidates, staying compliant and minimizing the risk of bad hires will always be key goals for organizations, especially in an economic environment where employers continue to run lean and rely on top talent. The 2015 HireRight Annual Employee Background Screening Benchmark Survey provides valuable insights on best practices and industry trends that can be integral for human resources professionals to help ensure strong hiring policies and procedures to drive talent management.

Hiring Outlook and Economic Growth Drives Competition for Talent

Organizations are entering 2015 with an optimistic outlook for revenue growth as evidenced by the planned expansion of their workforce. When asked about workforce size change, a majority (76%) of respondents expect to grow in 2015. Nineteen percent do not expect any change, and slightly more than 4% said there would be a reduction in the number of workers. At least half of the projected growth will come from direct employees – only 10% of responses indicated growth would be from non-employees (contractors or other workers). The remainder of the new positions will be filled from both direct workers and non-employees.

The combination of favorable economic data and improving job creation makes it crucial to develop a comprehensive strategy for identifying and recruiting candidates as the global talent shortage is likely to continue.

Recruiting and Retaining Talent is the Top Business Challenge Organizations Face

A recovering economy and improved employment outlook is making it difficult for employers to locate appropriate talent for their organizations. The majority of the respondents (51%) said finding and retaining talent was their top challenge and it was the number one concern of respondents among businesses of all sizes. Respondents in smaller organizations (500 employees or less) found that task more challenging (53%) than respondents in organizations with 4,000 or more employees (42%). When combined with the continued retirement of baby boomers, a shortage of talent is likely in store for 2015.

Fortunately, many new online tools have been developed that enable employers to spread the word about their job openings. Additionally, incentivizing existing employees can also be an effective mechanism for candidate sourcing. Organizations that proactively address talent acquisition and retention may be at a competitive advantage over those that do not.



Executive Summary (continued)

Human Resources Technology is Slowly Being Adopted to Address Key Screening Challenges

The biggest screening challenge for most respondents (40%) is reducing time to hire, followed closely by improving overall screening efficiency (32%). The critical demand for talent exacerbates this ongoing challenge to speed up hiring. A proven solution to address these issues is implementing advanced technologies and automated systems. Surprisingly though, deployment of this kind of technology has been slow. Only one in five organizations (20%) has integrated their employment screening process with their talent management solution. Most organizations have not done so (61%). Only 12% have plans to integrate these software solutions, while 48% have no plans to do so.

Using technology to gain efficiency and save time on a routine process like hiring can help organizations achieve consistent and positive results. Also, training and development of existing staff may provide some benefits in this critical area.

Electronic U.S. Form I-9 Processes are Being Adopted; Majority Believe they are Prepared for an I-9 Audit

Nearly half of respondents (47%) have implemented some level of electronic processes in managing Form I-9, though only 12% have eliminated paper entirely. By reducing manual procedures, it is easier for the employee and employer to increase accuracy of form completion, protect employee privacy and to reduce paper. On top of efficiency improvements, electronic processes can enhance compliance and help organizations prepare for an audit. Although the majority of respondents (54%) have not experienced an I-9 audit in the past three years, roughly three-quarters of respondents (77%) believe they are completely or somewhat prepared to respond to an ICE Notice of Inspection (NOI) within the required three business days. A paper-based process may make it difficult to prepare for an audit and can introduce the risk of large fines and penalties, site shutdowns or even potential criminal charges in the event of non-compliance.

Impact of Background Screening on the Candidate Experience

Employers are increasingly conscious of the potential negative impact of the candidate experience during the recruitment cycle, including the background screening process. Twenty-five percent indicated that improving the candidate experience, from application through on-boarding, is one of the most significant talent acquisition challenges they face. This increases to 42% for organizations with greater than 4,000 employees, making it one of their top talent acquisition and management concerns. Slightly more than one-third (36%) of these indicated that they plan to invest in improving the candidate experience in 2015.

Executive Summary (continued)

The Sharing Economy Highlights the Need for Extended Workforce Screening

In the same way, the extended workforce (non-employee contractors, volunteers, vendor employees, etc.) must also be screened to the same standards as an employee. About 82% of respondents indicated that they perform some sort of background checks on the extended workforce. Organizations likely realize that the risks associated with a negligent hiring lawsuit exist regardless of whether the worker is a permanent direct hire, contractor or temporary worker assigned through a staffing agency. Therefore, it is imperative to consider whether and how to conduct adequate screening for all roles in the extended workforce.

The “sharing economy,” a rapidly emerging sector that utilizes the services of independent contractors to fulfill market needs, highlights the importance of extended workforce or non-employee screening. Recently, some ride-sharing companies have been cited for lax background checks conducted on their contractors. It is imperative that these marketplaces screen their contracted providers as stringently as one would screen a regular employee since the level of risk to the organization may be similar and background checks can help mitigate these risks.

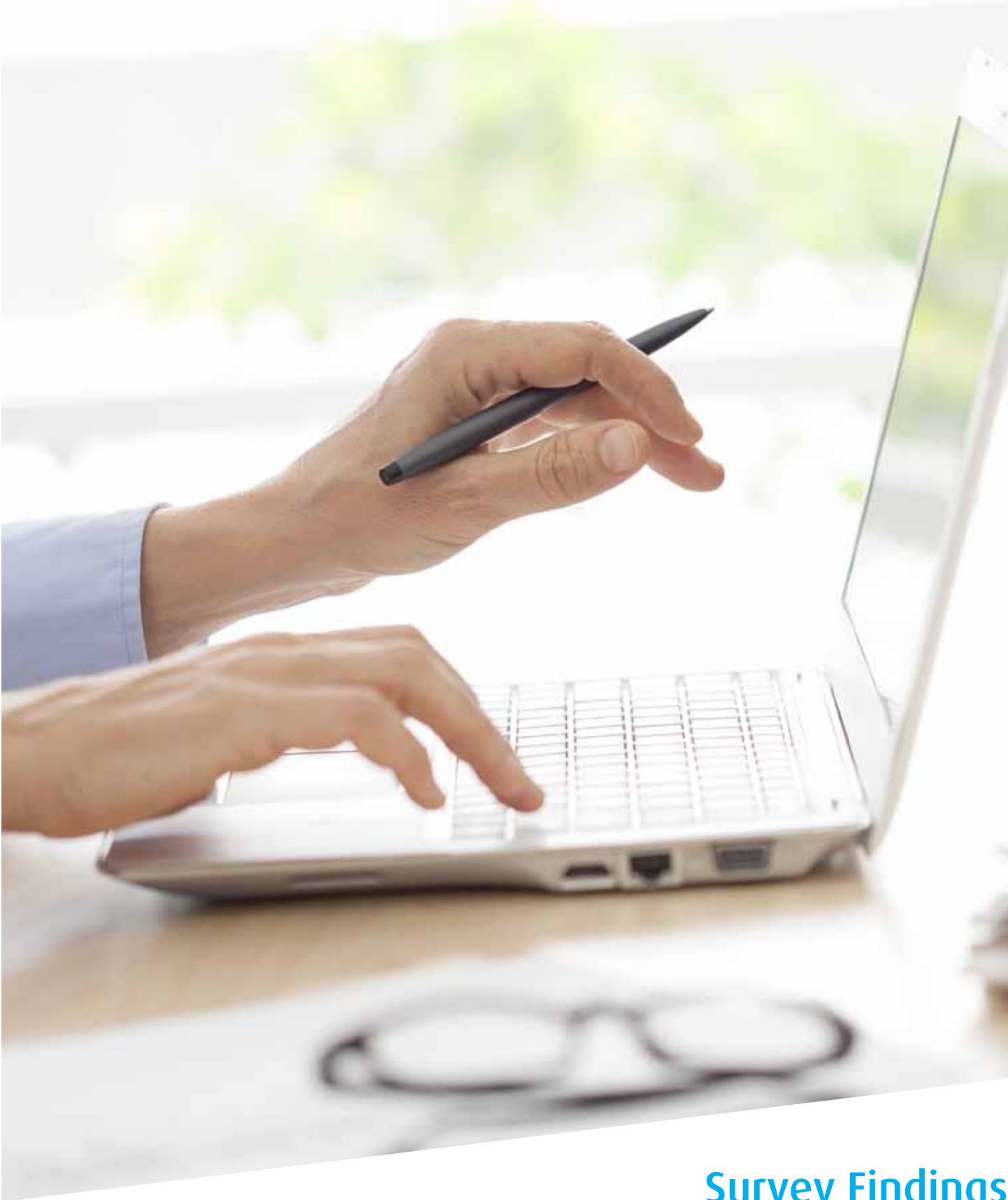
Better Quality Hires and Improved Safety and Compliance are Screening’s Top Benefits

Nearly all respondents (93%) indicated that they received one or more benefits from background screening. Consistent with survey results from prior years, better quality of hires was the top screening benefit reported by the majority of respondents (56%). A vast majority of respondents (86%) reported that they have discovered applicants who lied or had misrepresentations on resumes or job applications, and the same percentage indicated screening uncovered issues that would not have otherwise been caught.

The cost of a bad hire can be considerable, clearly meriting a closer look at screening policies and procedures to ensure that they are effective at uncovering applicant misrepresentations. In addition, about half of respondents (49%) believed that screening helped create more consistent safety and security, followed by 41% of respondents who felt it improved regulatory compliance.

Global Screening Best Practices Include Establishing a Policy and Performing Checks from a Central Location

Performing a background check on an applicant with foreign work, residential, or educational experience is a complex process, governed by a variety of laws and regulations, as well as cultural sensitivities, that all must be clearly understood. Only 15% of organizations screen employees outside of the U.S. This implies that many employers may be leaving their organizations open to critical hiring risks. Due to the complexities involved, it is becoming a common best practice to establish an international screening policy and checks utilizing a centralized team. More than three-quarters of respondents who screen globally (76%) already have such a policy or plan to implement one in the future. More than half of these (55%) create their policy and perform screening from a single, central location. Engaging a trusted screening partner with extensive global expertise can help organizations tackle the learning curve and better understand the intricacies involved.



Survey Findings

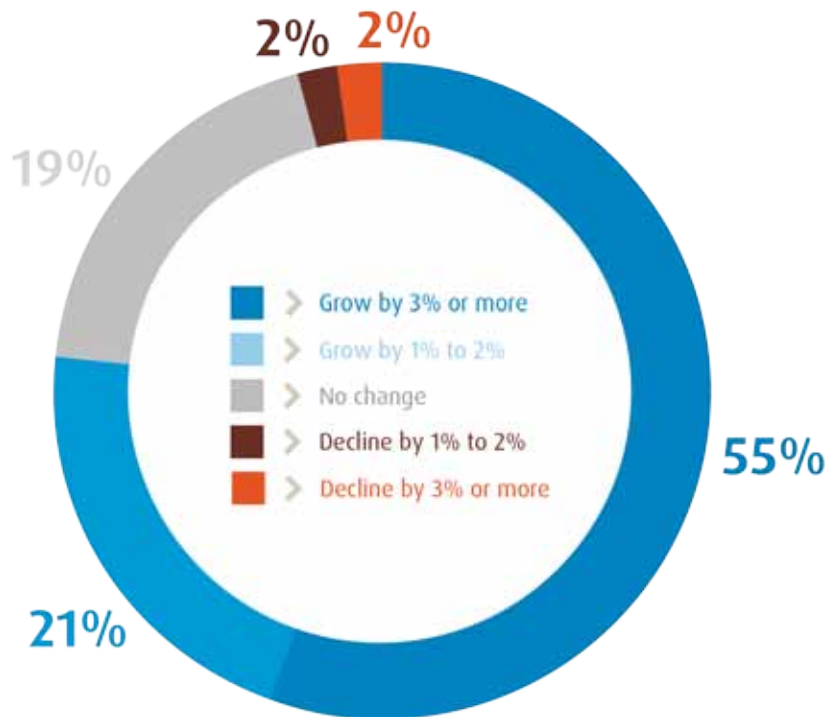
2015 Hiring Outlook

In the wake of the Great Recession, many employers were reluctant to hire. However, various business and economic indicators have signaled a shift toward an era of increased growth and employment. In fact, the December 2014 U.S. unemployment rate declined to 5.6%, the lowest level since 2008.¹

HireRight's annual survey reflects this trend, as employers are generally optimistic about hiring plans for 2015. More than three-quarters of respondents (76%) reported that they expect to add new positions to their total workforce, with 55% reporting moderate to strong growth (between 3% to more than 6%). About 4% of respondents believed their workforce would shrink, while a little more than 19% expected no change. The natural consequence of this is that it will escalate the already fierce competition for talent in the coming year.

Whether this will eventually sprout into a full employee bull market remains to be seen. However, job seekers can likely expect to find more employment opportunities in the near future. Even passive candidates – employed workers not actively searching for a job – may take notice and start to evaluate their options.

Expected change in workforce size during the next 12 months



¹ U.S. Department of Labor, Bureau of Labor Statistics, Economic News Release, January 9, 2015.

Among organizations that expect workforce growth, half of respondents (50%) indicated that the change was expected to come from direct employees, rather than from non-employees, such as contingent or temporary workers, and contractors. Only 10% of respondents predict that all or most of the workforce size change will be attributable to non-employees.

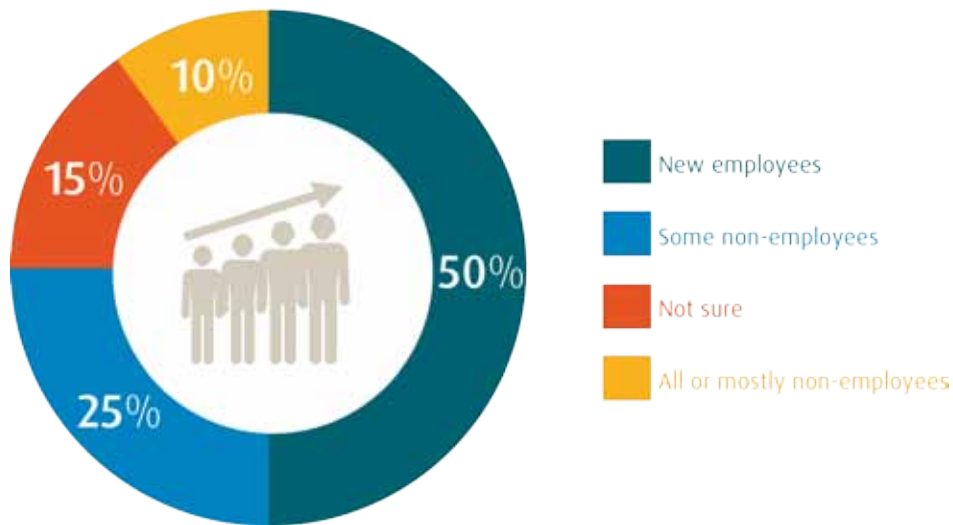
These numbers may reflect a generally more favorable economic climate in the U.S., as organizations feel increasingly comfortable adding permanent employees. If so, this indicates a shift in strategy from the preceding years, when employers preferred to rely on temporary workers and contractors.

Tweet this



76% of employers expect to grow workforce in 2015. @HireRight Benchmarking Report <http://ar.gy/5hau> #recruiting #business

Expected Growth by Employee Type

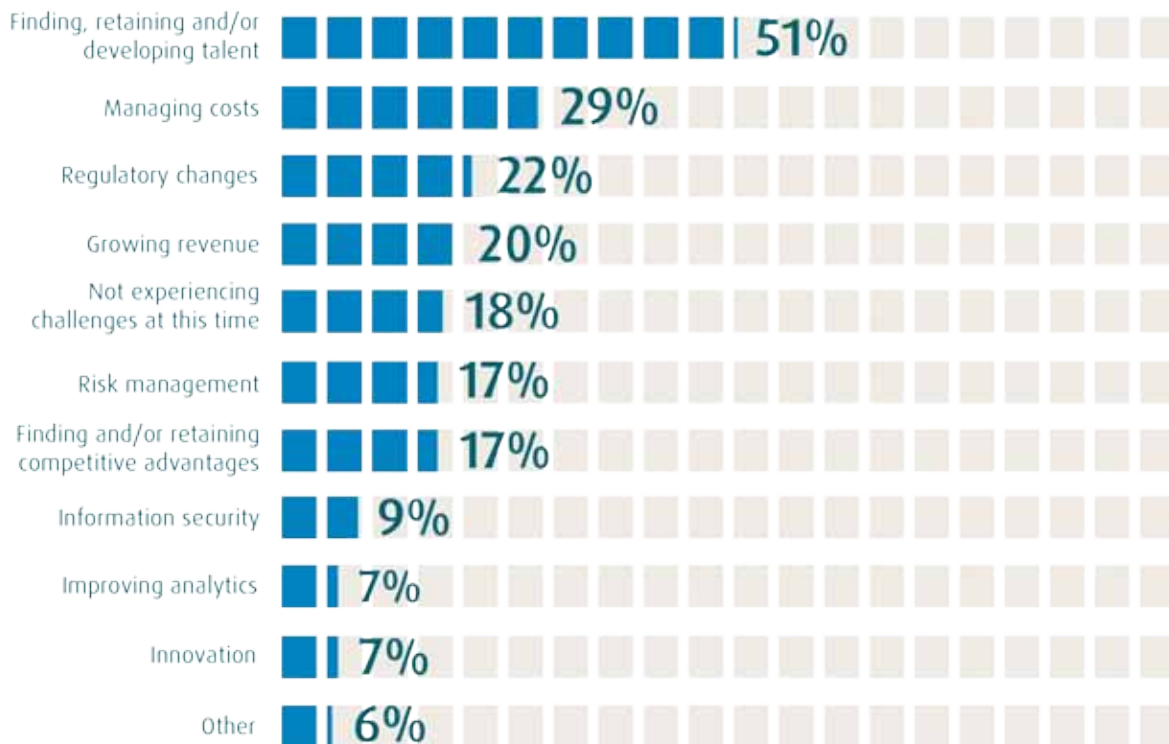


Business and Background Screening Challenges

Top Business Challenges

When asked about their most significant business challenges, survey participants selected from a list of 15 answers (the top seven choices follow in the chart below). Half of the respondents (51%) said finding and retaining talent was their top challenge, followed by managing costs (29%), and regulatory changes (22%). While finding and retaining talent was the number one concern of respondents in businesses of all sizes, respondents in smaller organizations (500 employees or less) found that task more challenging (53%) than respondents in organizations with 4,000 or more employees (42%). One in five (20%) said that growing revenue was a significant challenge, down considerably from 32% in 2013.

Top Business Challenges



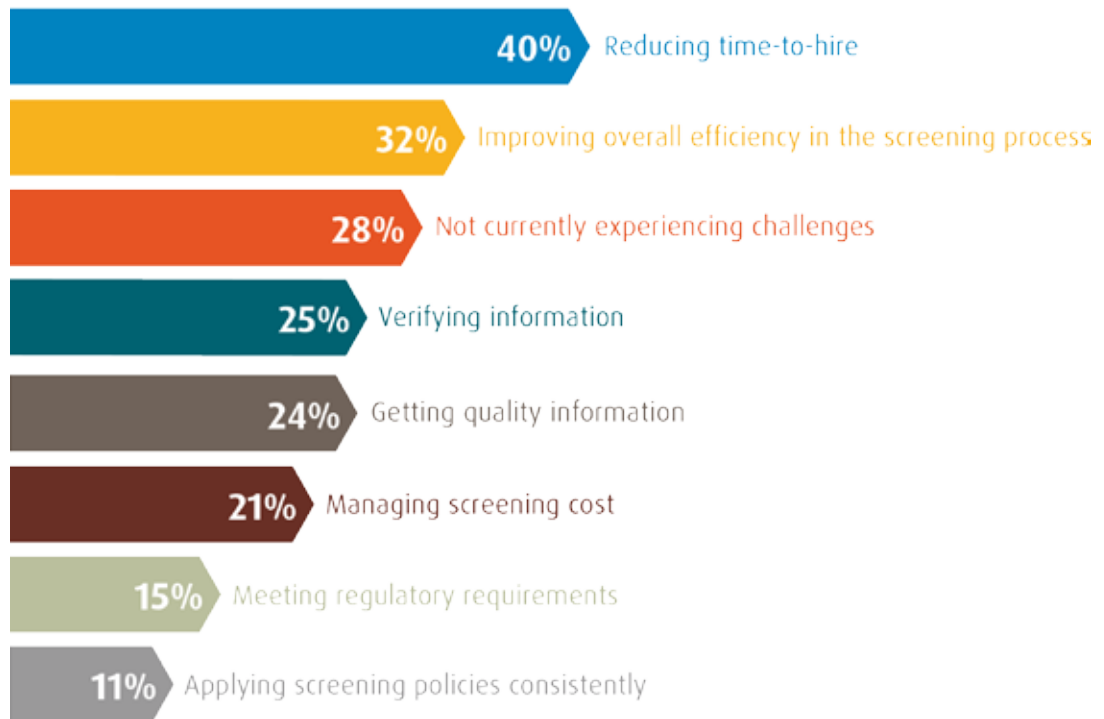
HireRight Insight

The five-year trends indicate a substantial shift in organizational perception. While managing costs is still ranked among the top challenges, hiring and retaining talent is now considered to be, by far, the most critical need. The implication is that executives might consider investing more substantially in their human resources capabilities in 2015 than in the recent past. HR leaders should carefully consider both the associated opportunities as well as challenges from a sudden change in strategy.

Top Screening Challenges

Survey participants were asked about their organization's most significant employment screening challenges. Consistent with past surveys, the biggest screening challenge for most respondents (40%) remains reducing time to hire, followed closely by improving overall screening efficiency (32%). More than one quarter of respondents (28%) reported they were experiencing no screening challenges. Other significant challenges include verifying candidate information (25%), getting quality information (24%), and managing screening costs (21%).

Top Background Screening Challenges



Tweet this



Finding and retaining #talent is the top #business challenge for employers.
@HireRight Benchmarking Report <http://ar.gy/5hau> #HR

These results indicate that employers are slightly more comfortable in their background screening programs, though significant challenges still remain. The need to reduce time-to-hire and to improve screening efficiency could be indicative of an increasingly competitive labor market.

Screening and Hiring Initiatives Planned for 2015

Organizations are constantly improving their internal policies and procedures for hiring and screening. For 2015, about half of respondents (62%) indicated they would invest in finding qualified job candidates. Similarly, many (56%) indicated they would invest in retaining employees and reducing turnover. Only 7% maintained that they would make no additional investments during 2015.

Initiatives for 2015



Things to consider when developing programs to find and attract talent¹

There are a few key qualities that companies who gain the best employees have:

- » They Are Well-Known in Their Industry
- » They Demonstrate a Great Employee Culture
- » They Offer the Best Compensation & Benefits
- » They Approach Their Most Wanted Talent
- » They Give Their Employees a Referral Bonus²

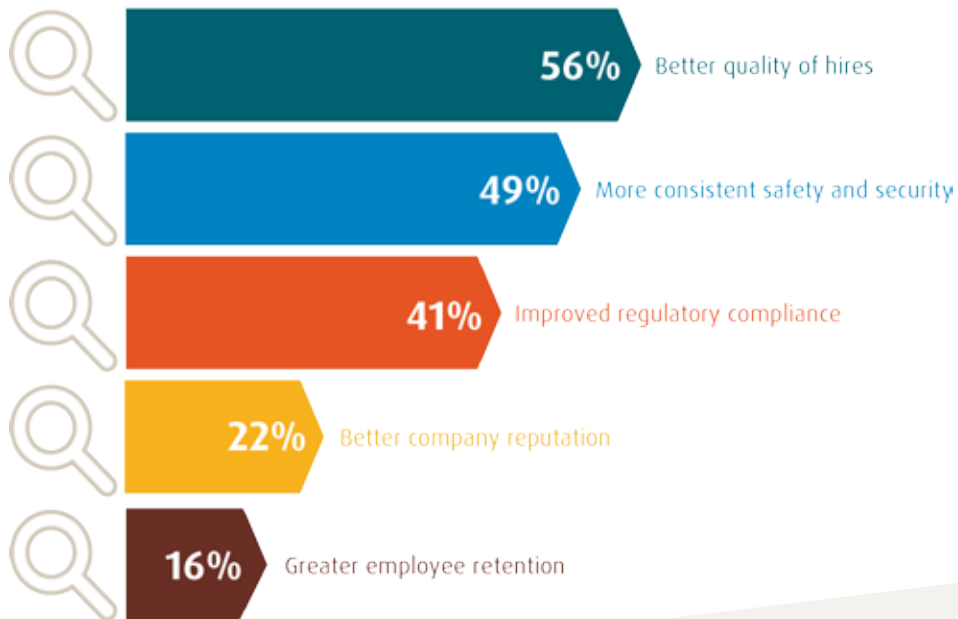
¹ Recruiterbox.com www.recruiterbox.com/blog/how-to-attract-the-best-employees

Benefits of Background Screening

Employee screening has become a standard practice in organizations of all sizes and most industries because of its ability to produce a higher higher quality workforce through effective candidate vetting, as well as to mitigate risk to the organization. Due to the sensitive nature of their work, organizations in industries such as finance, transportation, and health care must meet regulations that mandate pre-employment verification of candidate credentials, including education and past experience. In the transportation industry, drug tests are also required on drivers.

In total, nearly all respondents (93%) received one or more benefits from background screening. Consistent with survey results from prior years, better quality of hires was the top screening benefit, reported by the majority of respondents (56%). About half of respondents (49%) believed that screening helped improve safety and security, followed by 40% of respondents who felt it improved regulatory compliance.

Top Screening Benefits



Improving Safety and Security

According to OSHA, more than two million Americans report being the victims of workplace violence each year.² Therefore, it should not be surprising that nearly half of respondents (49%) cited improved safety and security as a top benefit of screening. With workplace safety and security incidents increasing on a global scale, screening is becoming a more routine practice. Damage to people and property can be significant and organizations are constantly evaluating additional ways to mitigate this risk.

According to OSHA, >2M Americans report being victims of workplace violence each year. @HireRight Benchmarking Report <http://ar.gy/5hau>

Tweet this



The Cost of Bad Hires

Screening's importance to the quality of hire is likely due to the substantial cost of making a bad hire. Dice.com published a report dealing with bad hiring decisions and noted:

"The Harvard Business Review points out that as much as 80% of employee turnover is due to bad hiring decisions. There is a wide disparity... what a wrong hire can cost a company because there are so many variables. For example, the U.S. Labor Department estimates it can cost on average one-third of a new hire's annual salary to replace him or her and that those costs increase the higher up in the organization the turnover occurs. In some cases, it can total in the millions of dollars if that person is the CEO.

Others say it could be even higher than that. According to a study by the Society for Human Resources Management (SHRM), it could cost up to five times a bad hire's annual salary. SHRM also found that the higher the person's position and the longer they remain in that position, the more it will cost to replace him or her."

<http://resources.dice.com/report/the-cost-of-bad-hiring-decisions/>

² <https://www.osha.gov/SLTC/workplaceviolence/>

Improving Quality of Hires

Background checking can improve quality of hires. More than half of respondents (86%) reported finding a misrepresentation, lies or false information on resumes and/or job applications. A notable percentage of respondents (72%) found that screening uncovered issues that would not have been found otherwise.

Tweet this

86% of employers have found a lie or misrepresentation on resume. @HireRight Benchmark Report <http://ar.gy/5hau> #HR #screening



Screening has exposed a person with misrepresentation on their resume

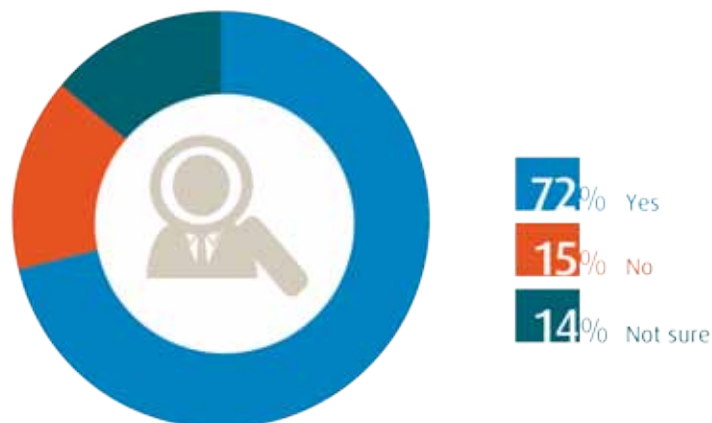


Tweet this

72% of employers uncovered issues that would not be found w/o background #screening. @HireRight Benchmark Report <http://ar.gy/5hau> #HR



Screening Uncovered Issues that Wouldn't Have Been Found Otherwise

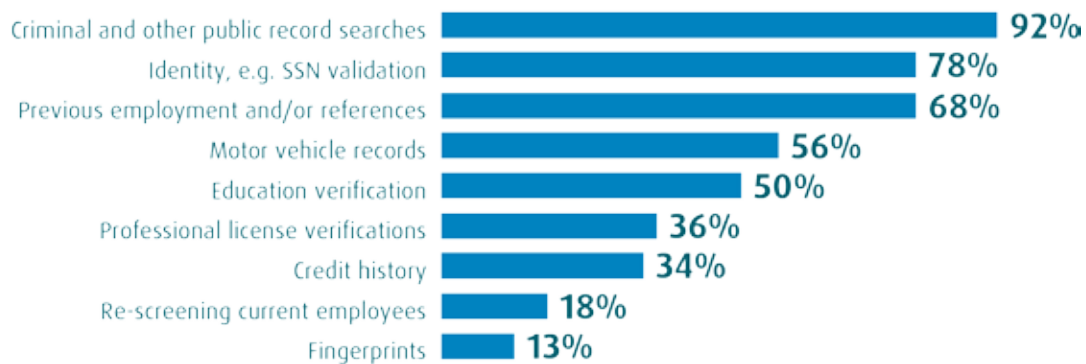


Screening Practices

When asked what types of background screening is performed on new hires, respondents most often cited criminal searches (92%), identity verification (78%), and past employment verification (68%) as the checks performed by their organizations.

It should be noted that specific transportation and health care employees have different screening requirements. Survey results from respondents in those industries can be found in the HireRight Transportation Spotlight and Health Care Spotlight reports available this spring.

What Background Checks Does Your Organization Perform?



HireRight Insight

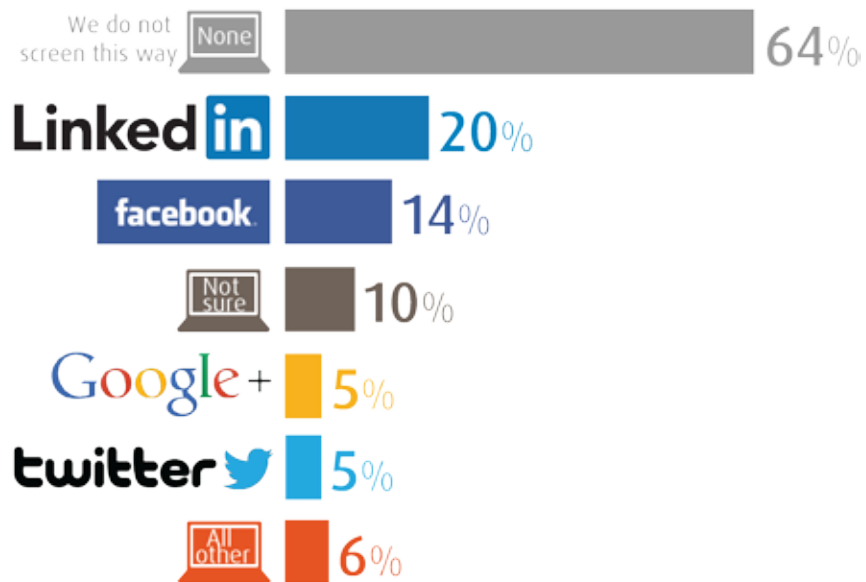
Many employers have developed and published candidate screening and on-boarding policies that are used throughout the organization. As a best practice, these policies should be frequently reviewed with legal counsel. Your counsel will likely provide general guidelines that are similar to these:

- » Ensure inquiries are related to the job. If you decide to do a background check, ensure that information is relevant to the position for which you are hiring.
- » Ask for consent. Ask the applicant, in writing or verbal as applicable for certain DOT regulated positions, to consent to your background check. Your screening provider should require an applicant release to be completed before screening can be completed.
- » Be reasonable. Your screening provider can provide information about which checks are commonly done for certain positions, and some organizations have matrices that detail what areas are to be checked before an applicant is on-boarded. Additionally, there may be government regulations that govern how employers perform background screening.
- » Know and comply with local laws. In the United States, for example, ensure that both your organization and your screening provider are in compliance with the Fair Credit Reporting Act (FCRA) rules. The FCRA is a U.S. law that regulates how consumer information is collected, used and shared. Other laws that may apply include “ban the box” type legislation as well as Equal Employment Opportunity Commission (EEOC) guidelines.
- » Stay abreast of screening guidance or nuances. Employers must be aware of the changing laws from many different jurisdictions. Engaging a knowledgeable legal partner can be helpful to stay aware of and adhere to new laws and regulations.

Use of Social Media

The majority of participants (64%) answered that social media is not used in their organization's screening process. Some companies have policies that discourage the use of social media for candidate screening. Furthermore, government regulations prohibit hiring discrimination based on federally protected information like religion, race, age, or disability. Using social media to uncover information may unwittingly uncover sensitive information that could leave organizations vulnerable to claims of discrimination. For those respondents who do use social media for screening purposes, LinkedIn was the most common channel (20%), followed by Facebook at 14%.

Social Networking Sites used for Screening Candidates



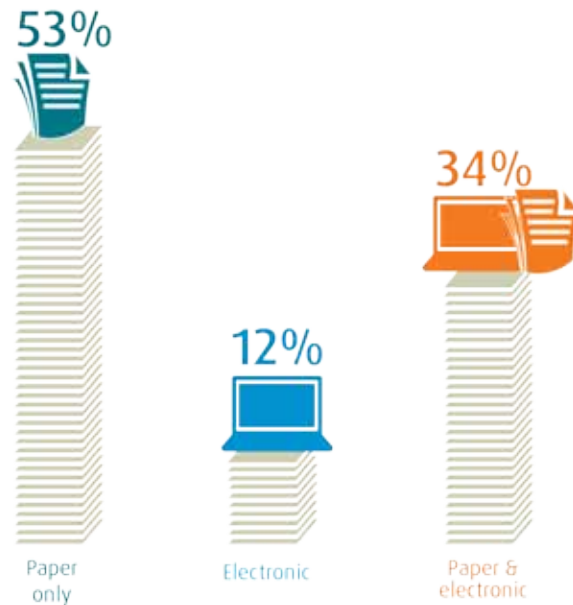
Employment Verification (I-9 and E-Verify)

Employers must complete a Form I-9 for every individual they hire in the U.S., regardless of whether that person is a U.S. citizen or non-citizen. This form is used for verifying the identity and employment eligibility of individuals hired for employment in the United States. For many organizations, an I-9 form and related process may be perceived to be simple, but the reality is quite different. In 2013, the U.S. Citizenship and Immigration Service (USCIS) released an updated version of the Form I-9. Changes were intended to make the form easier to complete and minimize the potential for errors. However, the new form is longer (from 5 to 9 pages) and requires more information (now two pages instead of one). In addition, the instruction guide for completing the Form I-9 is 66 pages.³

Reliance on a Paper Form I-9 Process

The majority of respondents (53%) are still managing Form I-9s only using paper, while more than a third (34%) are using a combination of paper and electronic processes. Few respondents (12%) have moved to a fully electronic Form I-9 process.

Form I-9 Process



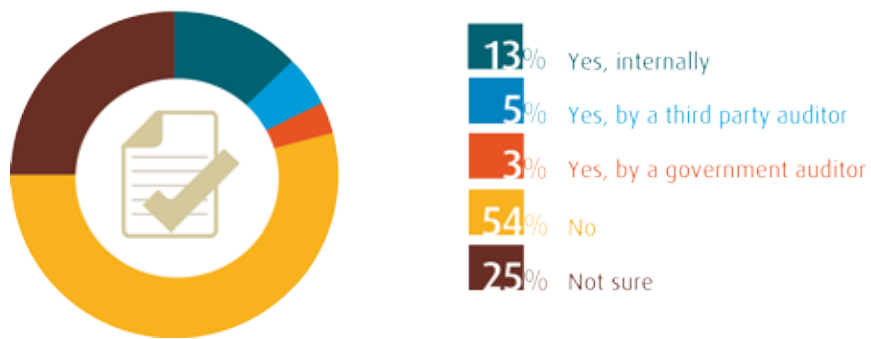
³ <http://www.uscis.gov/sites/default/files/files/form/m-274.pdf>

Preparedness for an ICE Inspection

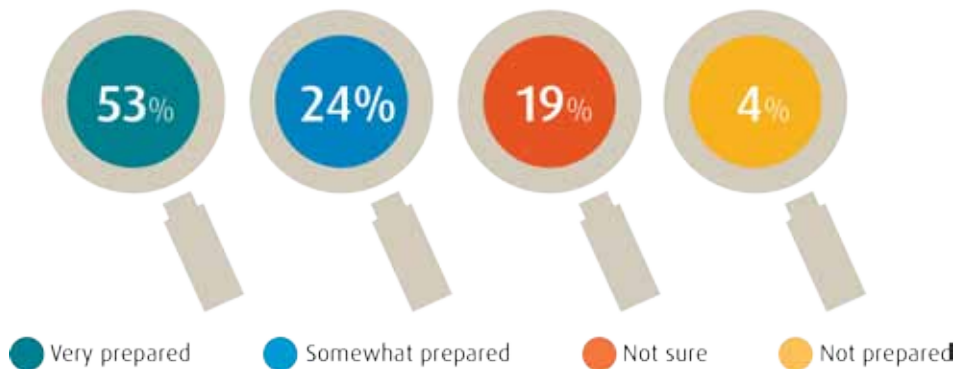
More than half of respondents (54%) have not experienced an I-9 audit in the past three years, yet more than three-quarters of respondents (77%) believe they are completely or somewhat prepared to respond to an ICE NOI within the required three business days.

Those employers that rely on paper-based processes might be unprepared in the event of an audit and run the risk of massive fines and penalties, site shutdowns and even criminal charges for non-compliance.

Been Through an Audit



ICE Inspection Preparedness



Preparedness for an ICE Inspection

Employers should be prepared for a U.S. Immigration and Customs Enforcement (ICE) Inspection of I-9 forms. To do so, employers will perform a self-audit of their processes or hire a third-party to help them. In 2013, ICE issued more than 3,000 Notice of Inspections (NOI). When an NOI is issued, employers are permitted three business days to produce their I-9s for inspection. Along with the I-9s, employers should be prepared to produce supporting documents such as employee lists, payroll records, Articles of Incorporation and any business licenses.*

*<http://www.poynerspruill.com/publications/Pages/BePreparedforI9andEVerifyInspections.aspx>

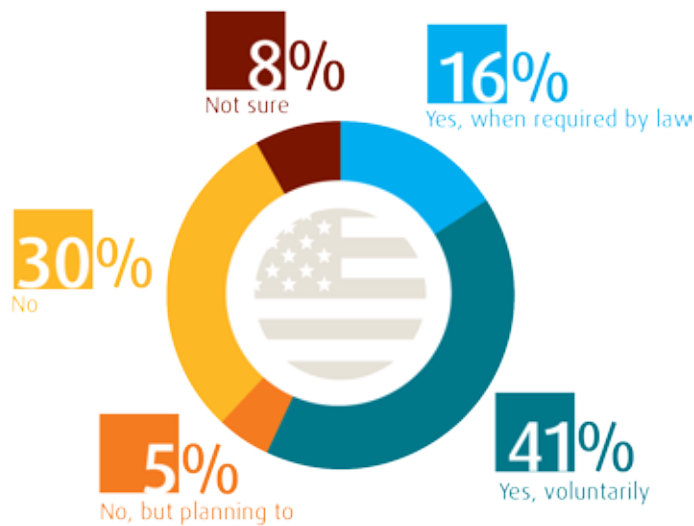
E-Verify Use

E-Verify is a free online program that compares information from an employee's Form I-9 to data from U.S. government records. Although using it is voluntary for most employers, E-Verify provides an additional level of verification to validate that individuals are authorized to work in the U.S. All federal contractors and subcontractors are required to use E-Verify. In addition, many states and localities have their own legislation requiring the use of E-Verify by employers.

Less than half of respondents (41%) use E-Verify voluntarily, while 16% use it only when required by law. A small percentage of respondents (5%) who don't currently use E-Verify reported that they plan to begin using it this year. Less than a third of respondents (30%) don't use E-Verify.

Respondents' primary reason for not using this resource may be attributed to having to perform an additional step in the verification process.

E-Verify Use

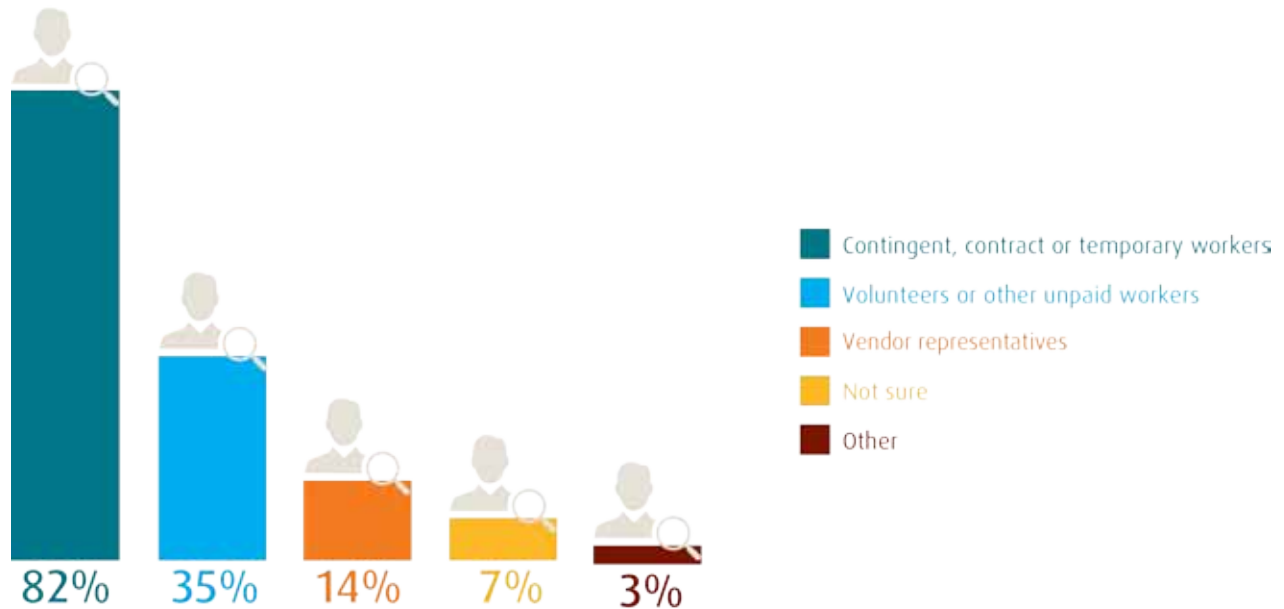


Extended Workforce Screening

Rather than adding full-time staff, many organizations will seek to meet project deadlines by hiring workers classified as non-employees. While traditionally this may have been done for payroll purposes or to reduce staffing level risks, employers are increasingly resorting to contract employees when unable to hire qualified candidates in a timely fashion. Non-employees, sometimes called the extended workforce, may include contractors, temporary or contingent workers and volunteers. Because vendors have access to an organization's facility, they are often considered to be part of the extended workforce. The risks associated with a negligent hiring lawsuit exist regardless of whether the employee is a permanent direct hire, contractor or temporary worker hired through a staffing agency. Therefore, organizations should consider whether and how to ensure adequate screening for all roles in the extended workforce.

Extended workforce screening can also be applied to the Sharing Economy, a rapidly emerging paradigm shift that utilizes the services of independent contractors to fulfill market needs. Prominent examples include ride-sharing companies and vacation rental marketplaces, among others. These digital marketplaces may not be necessarily mandated to conduct background screening on their contractors. However, the very real threat of lawsuits stemming from "negligent referrals" has prompted many of these digital marketplaces to explore background screening options.

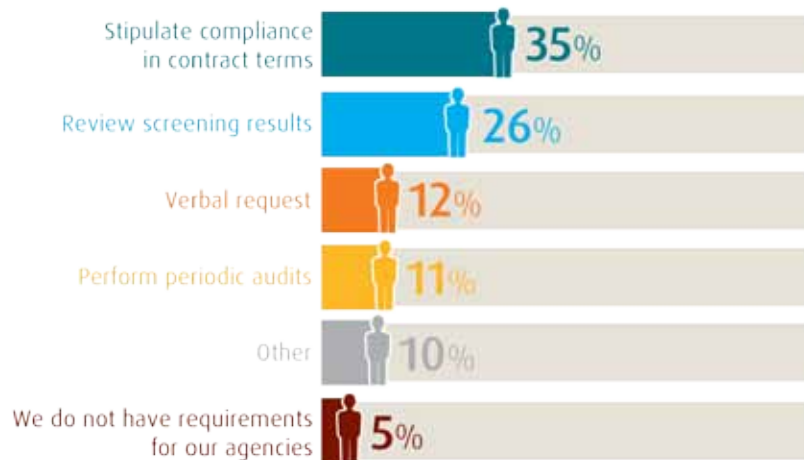
Non-Employees Subject to Background Screening



Twenty-nine percent screen non-employees. Of these, 82% screen contract workers, temps and contingent employees. Over a third (35%) said they performed checks on volunteers or other unpaid workers and only 14% check vendor representatives. Roles within the extended workforce may pose many of the same risks as do employees. Therefore, diligence in screening these members of the workforce remains a best practice.

Two-thirds of respondents (65%) used staffing agencies. More than a third (35%) stipulate compliance in agency contracts and 26% review screening results before on-boarding. Twelve percent of respondents verbally request compliance and 11% periodically audit agency screening results. It is prudent for organizations to ensure an agency or third party is properly screening workers to help mitigate security risks.

Ensuring Staffing Agency Screens Non-Employees



Extended Workforce Screening Best Practice

There are best practices that are typically followed when hiring workers through a staffing agency. Organizations typically define accountability for conducting the background screen, as well as develop standards to be employed in deciding whether information uncovered in the background screen is significant. Methods used to help ensure compliance vary. One way is to review key terms in staffing agency contracts, including provisions for background checks, as well as the nature and extent of any checks. Other approaches involve reviewing the agency's screening results, stipulating contractually what the agency should do and performing blind audits. Criteria for adjudicating the results of screening should also be clearly delineated in writing.

Re-screening and Drug Screening Practices

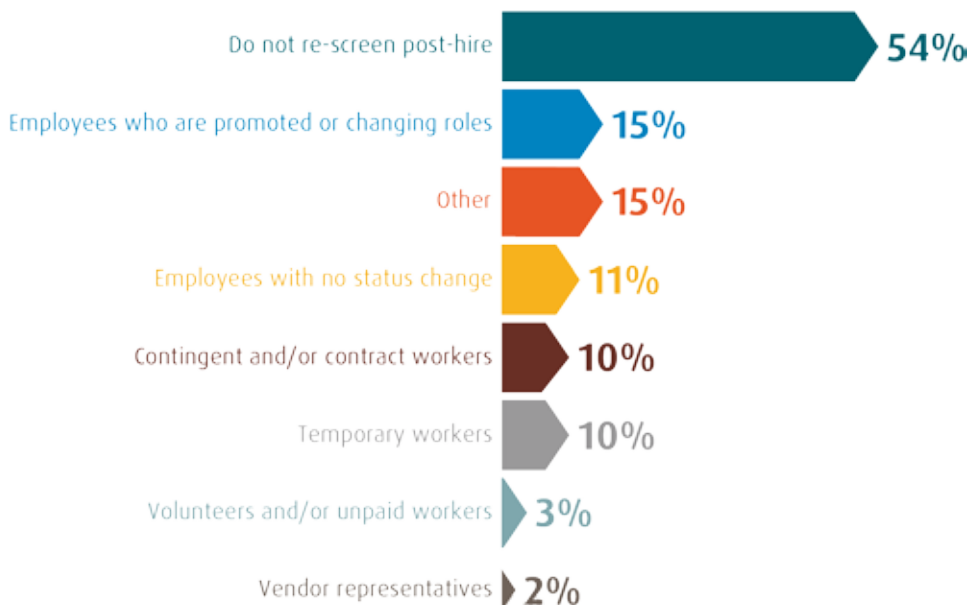
Re-screening Employees and Non-Employees

Some employers may have a policy to perform background checks on current employees, such as criminal record searches and license verifications. These checks may be mandated by federal or state regulations. For example, an individual in a specific health care role such as a nurse must have a license in good standing. Another reason may be policy decision to help reduce an organization's workplace risk. Recurring background checks may include non-employee – contractors, volunteers and vendors. Keeping informed of employee and non-employee conduct inside or outside of the workplace can enable an organization to mitigate risk and protect against negligent retention lawsuits.

About half of respondents (54%) do not perform recurring background checks or are not sure, while 15% rescreen existing employees when a status change occurs. A slightly smaller percentage of respondents (11%) rescreen employees with no status change. Contingent and/or contract workers and temporary workers are re-checked by 10% of respondents. Only small percentages of respondents re-screen volunteers, unpaid workers (3%) or vendor representatives (2%).

Some employers may not be aware that they can re-screen employees and non-employees. Others may hesitate to recheck backgrounds believing that they are violating an individual's privacy. Irrespective of the reasons, an organization should be aware that a security gap may exist and consider recurring screening policies. Organizations should also review current practices with legal counsel to determine if employee-generated risks are being properly assessed and managed.

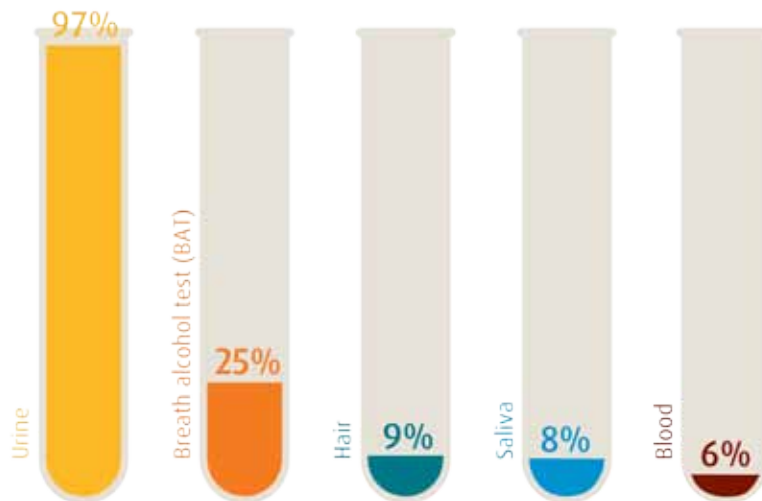
Recurring Screening



Conducting Drug/Alcohol Tests

Drug and alcohol testing is an important part of screening both pre- and post-hire. Two-thirds (66%) of respondents indicated their organization conducted drug and/or alcohol screening. The type of testing performed by the vast majority of respondents (97%) was urine, followed by breath alcohol (25%), hair (9%), saliva (8%), and blood (6%).

Drug/Alcohol Tests Performed



Similar to last year's survey, fewer than one-third of respondents (31%) that conduct drug and alcohol screening used an electronic Chain-of-Custody (eCOC) form to track results, though 10% indicated that they would adopt the form if it became acceptable by federal regulation.

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31% of companies use electronic chain of custody form for drug and alcohol #screening. @HireRight Benchmarking Report <http://ar.gy/5hau>

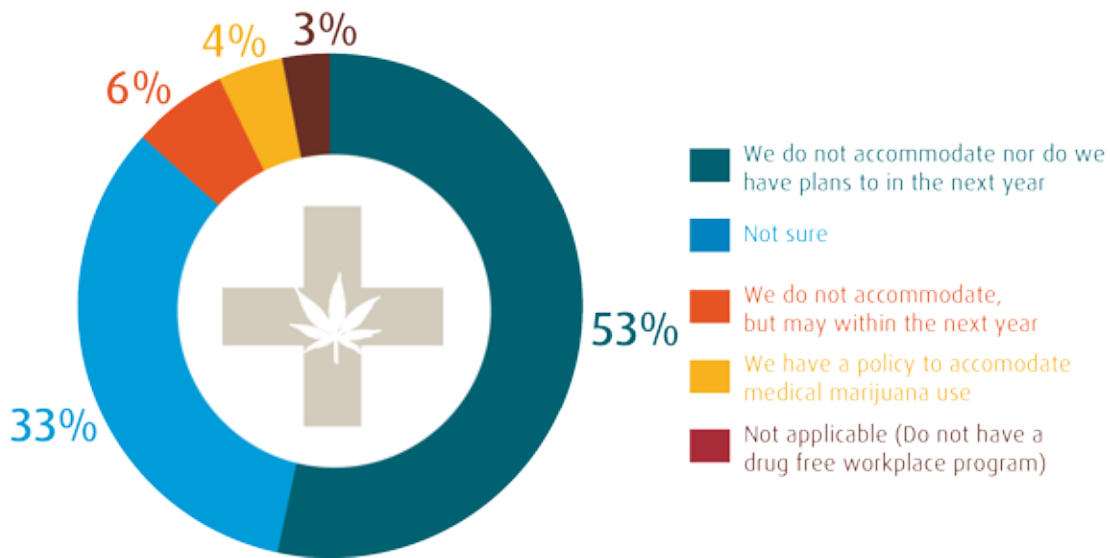


Using Electronic Chain of Custody Form for Drug Testing



Under U.S. federal law, the cultivation, transportation and sale of marijuana is illegal. However, that fact hasn't stopped state governments from decriminalizing the drug for medical or recreational use. More than twenty states now have either medical marijuana or marijuana decriminalization laws. Despite this growing movement, only a small percentage of respondents (4%) indicated that their organization has a policy to accommodate medical marijuana use and 6% plan to implement one within the next year. More than half of respondents (53%) have no such policy. Note that the transportation industry is not included in the medical marijuana policy responses since use is federally prohibited and regulated by the Department of Transportation (DOT). It remains to be seen whether the transportation industry will create policies regarding marijuana use for non-DOT employees.

Have a Medical Marijuana Policy



Global Screening Practices

Screening Globally

Organizations are struggling with talent acquisition. In a recent Society for Human Resource Management (SHRM) survey, half of respondents are having difficulty recruiting for open positions due to a skill mismatch.⁴ Moreover, the majority of respondents (62%) in the SHRM survey reported that their top business challenge is “finding, retaining and developing quality talent.” Two-thirds of respondents (67%) have difficulty finding qualified candidates.

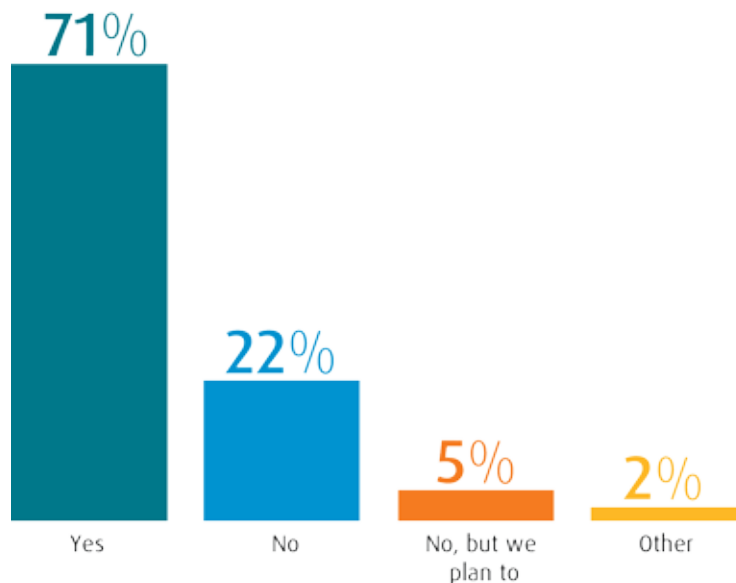
One way that organizations are addressing the talent deficit is by recruiting individuals who have lived, worked, or studied in another country. However, less than one-fifth of respondents (15%) indicated that they screen candidates with a non-U.S. background. This increases to over one-third of respondents (35%) in organizations with greater than 4,000 employees. With international screening, there can be a level of unfamiliarity with a number of factors: what specific types of checks can be performed, what laws and regulations come into play, which screening providers are most adept at completing a foreign background check, etc. What is clear is that organizations that screen non-U.S. backgrounds understand the necessity for establishing global screening policies. More than three-quarters of respondents (76%) have such a policy, or plan to implement one in the future.

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71% of companies who screen outside the US have a global #screening policy.
@HireRight Benchmark Report <http://ar.gy/5hau> #HR



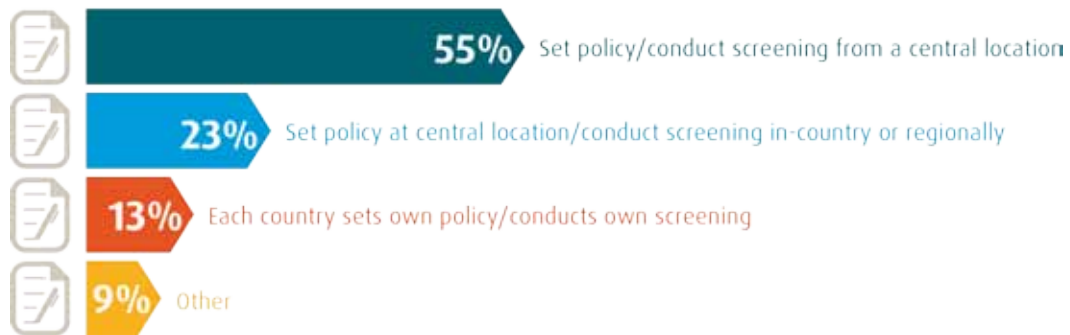
Have a Global Screening Policy



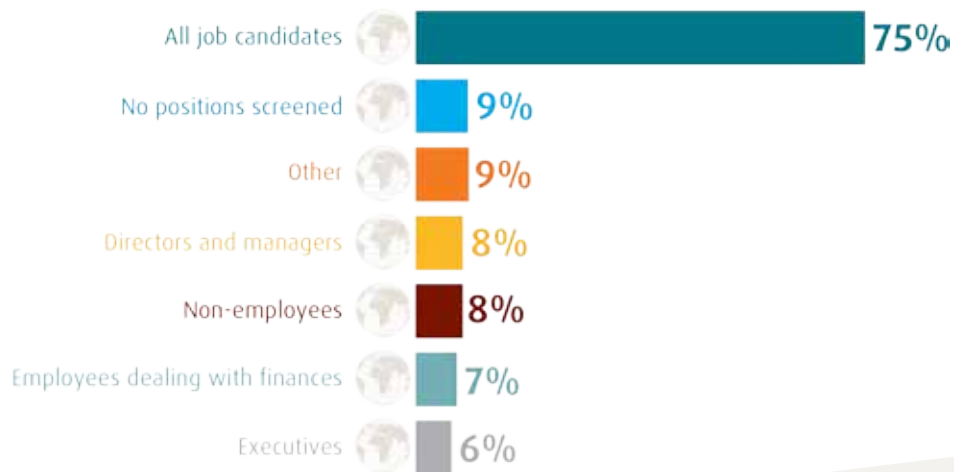
⁴<http://www.shrm.org/about/pressroom/pressreleases/pages/moreemployersfindingitdifficulttorecruitforhighlyskilledjobs,shrmsurveyshows.aspx>

Global screening tends to be centralized, with some autonomy given to regions. More than half of respondents (55%) set policy and perform screening from a central location. Twenty-three percent of respondents set policy centrally but conduct screening in-country or regionally. Only 13% allow each country to select and manage their background screening.

How Global Policies are Managed



Positions Screened in Global Locations

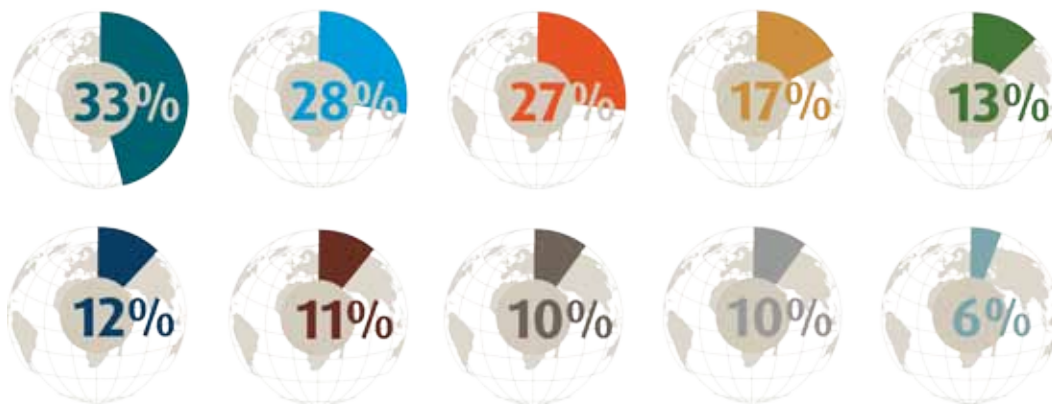


The vast majority (75%) of respondents screen all positions in global locations. Few respondents (9%) do not screen any positions, creating a potential area of concern.

The top three global screening challenges reported by respondents were difficulty sourcing information (28%), understanding laws by country (27%), and high cost (17%). A third of respondents (33%) did not face significant challenges.

It is certainly true that performing a background check on an applicant with non-U.S. work, residential, or educational experience is probably not as straightforward a process as it is in the U.S., but a great deal of this perceived complexity may stem from a lack of familiarity. An employer is likely struggling to comply with a varied patchwork of governmental laws focused on background checks. As more familiarity with screening in other countries develops, the organization may find that doing so employs a similar approach—one that someday will become much more familiar. Engaging a trusted screening partner with extensive global expertise can help you tackle this learning curve and better understand the intricacies involved.

Top Global Screening Challenges



- > No significant challenges at this time
- > Difficulty sourcing information
- > Difficulty understanding laws by country
- > Cost is too high
- > Unable to find the right screening provider
- > Other
- > Lack of cultural acceptance
- > Lack of manpower to conduct and/or support screening
- > Issues maintaining quality of the candidate experience
- > Business priorities are not focused on global screening

Survey Overview and Methodology

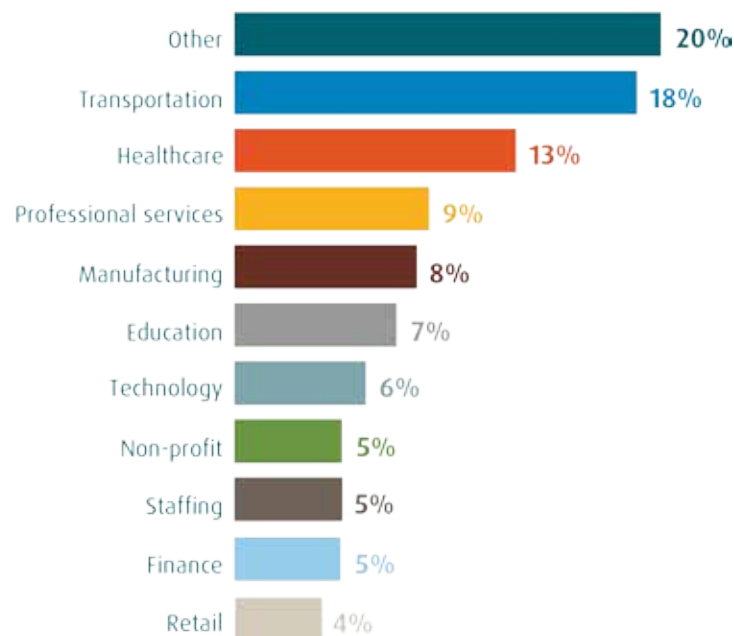
This is the eighth annual benchmarking report published by HireRight, based on the survey answers from 3,119 respondents from more than 2,494 different organizations. The 2015 survey results represent the largest sample size of any HireRight survey to date and is one of the most in-depth surveys in the employment screening space. Data was weighted by organization to eliminate the bias that would naturally occur as a result of multiple respondents in a single organization. The majority of respondents (81%) indicated their organization conducts screening and 90% were familiar with the process of hiring and background screening. In addition, those who indicated they may not be familiar with a particular question or topic may have been excluded from some data presentations.

Survey questions included multiple choice, multiple selections, and open text. Figures may not add up to 100% due to rounding or multiple selection questions. In some cases, prior year comparisons were made to help understand potential trends.

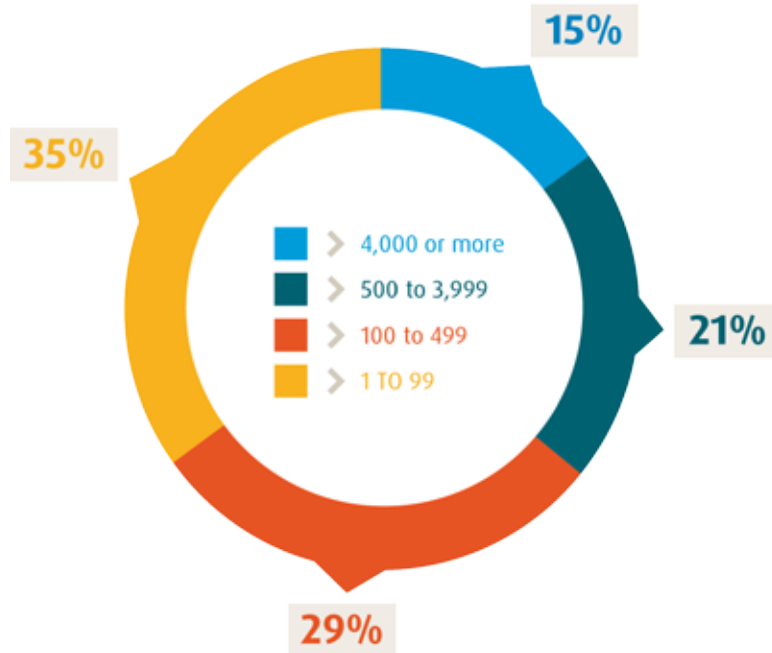
Organizations of all sizes across a wide range of industries are represented in this report, with transportation, health care, and professional services among the top respondents. Findings from respondents in specific industries were presented when the data was noteworthy. Although some respondents were global, responses originated predominantly in North America.

The survey questionnaire was completed by those within an organization who were most familiar with screening and hiring practices in their organizations and included managers, director level personnel, supervisors, recruiters and company owners. To maintain clarity, in some cases, "Not Sure" responses were excluded from survey responses when necessary. The determination for this for each question was judged on its own merit.

Respondent Primary Industry



Workforce Size

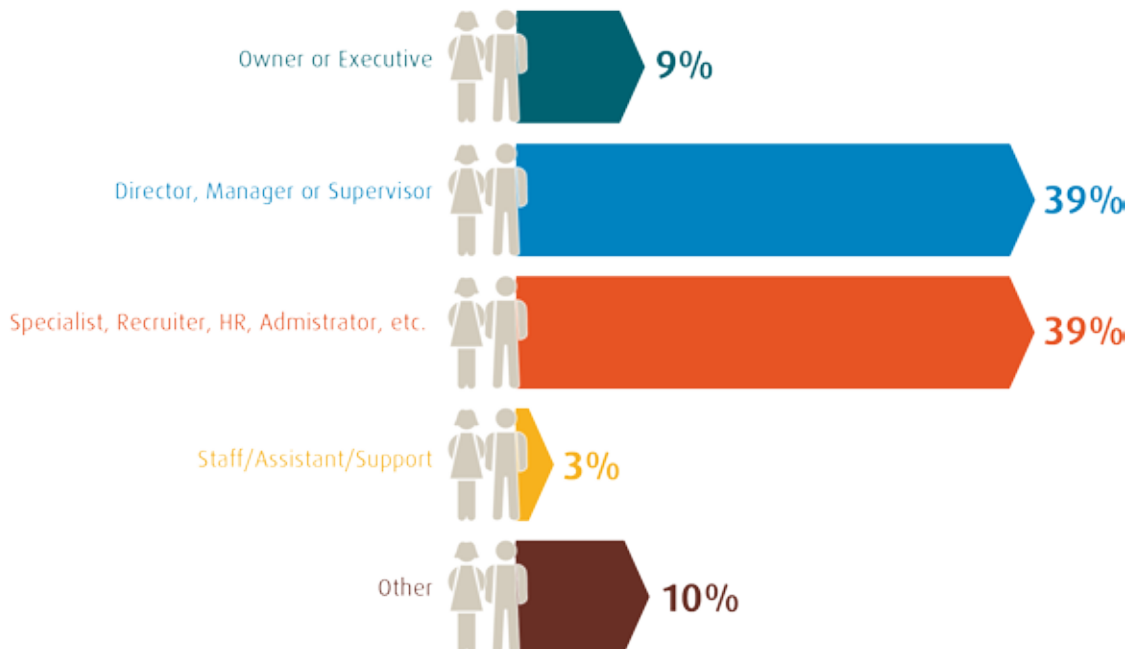


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The 2015 @HireRight Benchmark Survey is one of largest in employment #screening space. <http://ar.gy/5hau> #HR #recruiting

Respondent Role



About HireRight

HireRight is a leading provider of on-demand background screening, drug and health screening, and employment eligibility verification solutions that help employers automate, manage and control screening programs. Many companies, including more than 25 percent of the Fortune 500, trust HireRight because the company delivers customer-focused solutions that provide greater efficiency and faster results. HireRight worldwide headquarters are located in Irvine, California, with offices and affiliates around the globe.



Intelligence to move forward.SM

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