2016 HireRight EMEA Employment Screening Benchmark Report





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†††INTRODUCTION

With **the majority of EMEA businesses expecting to hire more staff over the next year,** now is the time to ensure recruitment processes are fit for purpose. But where should HR professionals be focusing their attention in 2016?

Whether because of international regulation or the accumulation of processes over time, there is a high level of complexity at every stage of hiring. Simplifying this complexity and building efficiency will be key in 2016.

Improving employer brand, retaining employees and making the most of the global talent pool continue to be key issues, but additional challenges are also cropping up. These new concerns include if and how to use social media, and whether to re-screen employees as they progress through the organisation.

This is becoming increasingly important as the potential for scandal is ever-present, with the internet ensuring that senior figures, even those operating below board level, now find themselves in the spotlight in a way that was unthinkable even five or ten years ago.

We all know that people are a company's greatest asset, so I hope that you find this report a useful reference point throughout the year, as you look to hire, retain and promote the very best and so help ensure the growth and stability of your business.

Thank you to the EMEA businesses who discussed their concerns in order to shape this report.

Steve Girdler Managing Director EMEA HireRight

††SEVEN BIGGEST BUSINESS CHALLENGES

All over the world, companies are struggling with the challenge of attracting the right people, and then ensuring they stay. This global demand is such that every region now ranks talent acquisition and retention as its most significant business issue. More than a third **(40%)** of all companies cite it as their greatest challenge, eclipsing even the most fundamental business struggles of growing revenue **(22%)** and managing costs **(27%)**.

For HR teams, the pressure is on, not just to develop strategies for getting talent through the door, but to ensure that those new employees are the perfect fit.

Our research shows that EMEA businesses' most significant challenges are:

| 1. Finding, retaining and/or developing talent 40% | 2. Regulatory changes 28% | 2. Risk management 28% | 7. Finding and/or retaining competitive advantages | ⁶⁶ Finding, retaining and developing talent is the |
|---|---------------------------------------|--|---|---|
| 4. Managing costs 279/6 | 5. Working globally 222% | 5. Growing revenue 220 /0 | 18% | top business challenge in every region of the world. |

†††FOUR GREATEST HR CHALLENGES

As we have seen, for HR teams in EMEA organisations, employee demand is high, and competition is fierce. In fact half **(50%)** of EMEA companies struggle to find qualified candidates, but that's only the start of their problems.

Creating an employment brand that sells the virtues of their company and attracts inbound talent is another huge challenge. It's also one that's been compounded in recent years by the emergence of a new breed of super-employer – the likes of Google and Red Bull – businesses which have made a reputation for themselves based on exceptional benefits and perks. On a more practical level, more than a third **(38%)** of companies are struggling to hone their HR processes, holding them back from achieving the efficiencies that not only save money, but safeguard processes – and by extension, manage risk and reputation.

These issues are perennial, but what is different in 2016 is just how conflicted HR departments are, with so many competing challenges riding high on their list of concerns. Focus is going to be vital.

EMEA's top four talent acquisition and management challenges:

 Finding qualified job candidates
 Making HR processes more efficient
 Creating an employment brand that attracts talent
 Keeping good employees/ employee turnover
 Solo
 Sol Read about the future of CVs in this article in **The Guardian** by HireRight's Managing Director for EMEA and APAC.

FIVE MOST SIGNIFICANT SCREENING CHALLENGES

When it comes to screening employees, speed and efficiency are two of EMEA HR departments' key struggles. But there is a balancing act to be created between efficiency gains that allow the HR process to move quickly and with minimal disruption to the business, and reconciling these with the checks that ensure the best hiring decisions.

Another key challenge for HR teams is ensuring that the candidate experience remains positive throughout. This is closely linked to how quickly and easily companies can verify candidate information and ensure it is of the right quality and credibility.

Organisations' most significant screening challenges:

- 1. Reducing time-to-hire
- 2. Improving overall efficiency in the screening process 460
- 3. Ensuring a positive candidate experience
- 4. Verifying information
- 5. Getting quality information

Our data shows job application errors jumping to a five year high

– read more in this article in **The Telegraph**

The percentage of companies that struggle with verifying information in each region:

54%

35%

33%



TATIN FOCUS: SOCIAL MEDIA J fin 2 fin 2 P

Organisations around the world are considering whether to use social media as an opportunity to better understand candidates' backgrounds and behaviour.

EMEA businesses are the most likely to look at a jobseeker's social media presence as part of the recruitment process.

Understandably, professional social media sites such as LinkedIn make up the bulk of this research, but almost one in six firms **(14%)** now also check Facebook, with the numbers falling away as the list moves into less popular sites like Pinterest, which only **1%** of firms check. But companies should carry out such research with caution. While LinkedIn profiles can convey a candidate's experience, it is a risk to make a hiring decision using social media as there is no way to verify the information and it could lead to accusations of discrimination.

The sites most regularly checked by EMEA organisations during the recruitment screening process:

| in LinkedIn: | 29% |
|--------------------------------|-----|
| Facebook: | 14% |
| Q ⁺ Google+: | 7% |
| Twitter: | 6% |
| Instagram: | 3% |
| Pinterest: | 1% |

††IN FOCUS: RE-SCREENING

The threat posed to organisations by their employees isn't restricted to new joiners. People who rise through the ranks may have escaped screening due to their low level of entry, or their situation may simply have changed.

Understandably, from a company politics standpoint, it can be complicated to introduce re-screening, especially where businesses potentially have board members that have never in their career had their qualifications and experience questioned.

Carrying out due diligence annually on all or a selection of staff can reveal if someone has criminal or financial issues or conflicting directorships – and encourage people to discuss such issues openly. This ensures that the right action is taken to protect the business – whether that is offering help and support or taking more stringent measures. Increasingly, re-screening is being seen as best practice by the world's leading organisations and in 2016 this is likely to increase with regulation already in the pipeline for sectors like financial services.

However, seven in ten **(71%)** EMEA organisations don't even re-screen employees who are being promoted, or changing roles. That is despite half **(49%)** having uncovered issues during screening that wouldn't otherwise have been flagged.

The percentage of EMEA organisations that re-screen at each of these stages:

Employees who are promoted or change roles:



Contingent and/or contract workers:

Employees with no status change:

Temporary workers:

Volunteers and unpaid workers:





49% of EMEA organisations have uncovered issues during screening that wouldn't otherwise have been flagged.

††IN FOCUS: TEMPORARY EMPLOYEES

Most firms have developed robust recruitment processes for hiring new staff, but often the same level of diligence isn't applied to workers that aren't there to stay. Only a third **(34%)** of contract and unpaid workers are screened. And for volunteers, just a fifth **(19%)** go through checks.

Temporary employees are slipping through the cracks in the recruitment process. This may be because they are viewed differently, generally given a lower level of responsibility, or because of their legal and contractual status. Yet, in reality, the temporary nature of their employment has a very limited mitigating impact on the threat that they pose. A Christmas shop assistant, for instance, has access to credit card information, customer data and customers themselves.

The percentage of companies that screen temporary workers such as contractors:

US: 24% Canada: 32% EMEA: 34% APAC: 27%

The challenge is often that the need for temporary workers is short term and urgent. Companies that are able to forecast their need in advance are able to implement the same rigorous screening practices that longer term employees receive.

> ⁶⁶ Yet, in reality, the temporary nature of their employment has a very limited mitigating impact on the threat that they pose.

HIRERIGHT'S TOP FOUR TAKEAWAYS FOR EMPLOYEE-FOCUSED BUSINESSES

With more companies hiring, the race is on to get the best talent, yet everyday issues – skills shortages, unexpected departures and internal demands – continue to distract HR teams. As a result, efficiency is becoming a priority, so that HR departments are free to focus on longer term issues. From a screening perspective, this means improving the time to hire, but other areas where there needs to be focus in 2016 are building employer brands, re-screening and the treatment of temporary employees.

With that in mind, HireRight's top four tips for employee-focused business in 2016 are:

Examine your processes to ensure you are working efficiently and highlight areas where gains can be made

Use technology to not just innovate your processes, but integrate them Look to the long term and plan your recruitment needs ahead

Review policies to ensure they are both clear and robust at a national and international level as your business grows globally

İ İ CONTACT US

Get in touch to discuss how we can help you hire the best talent in 2016:

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ABOUT HIRERIGHT



HireRight is a leading global provider of candidate due diligence services, background screening employees and job applicants to help organisations mitigate employee risk, make informed hiring decisions and meet compliance obligations.

The HireRight family of companies works in more than 200 countries and territories, and has offices across the globe, including the UK, USA, and Hong Kong. One-third of the FTSE 100 and seventy per cent of the Fortune 100 use HireRight's services.

The 2016 **HireRight EMEA Employment Screening Benchmark Report** is based on 3,459 respondents across the world, with 333 of these being based in the EMEA region.



Find out more at www.hireright.com/emea

To get more details on the U.S. and APAC specific reports, visit their respective websites: **www.hireright.com**, **www.hireright.com**/apac

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