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Automated Screening. Effective Hiring. Trusted Service.

The Need for Periodically
Screening and Re-Screening
Your Existing Employees with
Background Checks

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For a positive future of work, it is important that all organisations ensure that every employee is privately and professionally positive in their life behaviour, both now and over the months and years ahead. If an existing employee commits a criminal offence, it can significantly and negatively impact their organisation. Hence, it's crucial today to perform ongoing periodic checks throughout their employment.

Companies need to be more alert about this during their hiring process. Candidates must be screened thoroughly, and all information related to their backgrounds, professional experience, and educational qualifications must be verified. Failure to do so can cost the hiring company months in lost productivity, thousands of dollars in salary and hiring costs, and may damage the company's culture, brand, and reputation.

Employee screening is the practice of investigating talent for any misconduct or changes in their circumstances. On one hand, this may be considered invasive; however, it may also be prioritised as an important part of the ongoing health of the workforce checking and verification process. Employee screening is something that, first and foremost, any employer needs to do. A business needs to plan justified ongoing screening of its employees in order to mitigate and minimise risk.

How widespread is employee screening?

Different sectors have varying employment levels, and many face regulation requirements against which they must adhere. Sectors that need to work within the boundaries of regulations and compliance are the most vulnerable and must ensure the ongoing integrity of their employees' behaviour and how the whole workforce delivers against such stringent legal parameters.

There are many circumstances where employers across sectors are very sensitive to the fact that they have people working for them who handle sensitive data and finances. So, if any employee is suspected of committing an offence whilst in employment, the employer will need to regularly screen employees to make sure that they're not doing anything of a nefarious nature or other misdemeanours.

Periodic checks can be done, to ensure that no employee is making questionable social media statements, committing fraud, or other damaging activities. Increasingly companies are adopting periodic checks during employment. It is worth reiterating that social media checks are becoming more relevant, as companies give more importance to their brand image and commercial standing, with increasing scrutiny being placed on cyber-bullying, online trolling, and other unacceptable behaviours. The talent within the organisation must display high social-media standards, both privately and professionally.

How does talent screening during the course of employment work?

The process varies from employer to employer. The important thing to understand is that employers have rights. They have a right to hire and a right to terminate employment, based on adherence to local country / region employment laws. It's not illegal to ask employees about their criminal history. It's not illegal to screen employees for criminal charges; it's not illegal to make employment decisions based on knowledge of any criminal charges.

Employers need to have good ongoing employment law advice, to ensure that legislation is understood, and any Human Resources actions follow tight procedures and timelines.

Employers need to understand that they have rights and that employees have rights, too. Employees need to be concerned that if they commit an offence, they will be scrutinised, and the employer will make a decision based on such information. With that decision potentially being a process to review their conduct, and possibly leading to the termination of employment.



Fintech and Financial Services

For financially regulated industries the need for strict compliance with global, regional, and country-specific regulations is mandatory, whether the business is an established financial services business or a rapidly growing FinTech.

In 2020, at the peak of the pandemic, a CXO of a renowned investment firm was found guilty of insider trading. This sparked a slew of checks on every employee of the company.

As of 2022, an average number of checks per candidate in this industry is 7 over the course of employment; with the top 5 discrepancies reported being - CV gaps, past employment falsifications, conflict of interest, criminal records, and discrepancies in civil checks.

It is important to note that financially regulated businesses needed to make sure the candidate is financially sound and that they do not carry significant debts, as they are dealing with sensitive monetary transactions, which requires sound judgement and the utmost integrity.





HR, Staffing and Recruitment

The talent supply business relies heavily on reputation - it depends on being able to supply the qualified and reliable talent. That being the case, the HR, Staffing and Recruitment sector, which made up 18.36% of checks analysed, is without a doubt a sector that needs to ensure that they are thorough in checking the backgrounds and credentials of the talent they recruit and onboard for their clients.

The top 5 discrepancies reported in HR are employment gaps, employment checks, civil checks, academic achievement gaps, and global sanction checks.

There are two types of civil litigation check: personal; and related to business when a candidate has sat on the board of a company. The discrepancy is documented even if it occurred a while ago and the company may have been sued whilst the candidate was a member of the board of directors.

Focus on Civil Litigation Check: A search of Civil Suit records to reveal any processes undertaken to resolve disputes between the candidate and another party through the court system. This search is country specific and will seek to provide information relating to financial issues or disputes regarding payments that have been escalated to a court.

With 9.47% of clients requesting employment gap checks, it is noteworthy to see a high discrepancy rate of 19.45% which is not uncommon. An increasing trend across industries is that people are taking longer breaks and don't jump from job to job any longer. Taking a break to rest and recharge has become a respected trend. However, as long as there is a gap, there is a discrepancy that will require further explanation. As a resolution, companies can run additional background checks to ask candidates for further relevant supporting documents to prove the gap.



IT, Technology and Software

Technology and software businesses need a trusted and specialised professional to deliver the right design and coding, and/or deliver the secure integrations at a customer site. Employees working in the Technology and Software sector are often given sizeable responsibilities, and as such, organizations are faced with tight deadlines to meet, and having qualified, skilled professionals is a necessity. The quality of output that an employee can provide is largely based on his/her qualifications, skills, and recency of experience.

A Consultant at a new software start-up was found to have academic gaps. It was important that candidates had relevant experience, as the firm often paid handsome remuneration to experienced professionals. A background check revealed this discrepancy, saving the company thousands of dollars. The top 5 discrepancies reported are academic achievements, employment gaps, conflict of interest, past employment, and criminal activity.

The specialist skills within the technology and software sector are constantly evolving and companies need to ensure that employees / consultants / contractors have the certifications they require, especially for very specific specialisms. For the professional qualification checks, which was requested by 18.58% of clients in the industry, the employee / consultant / contractor will be asked to upload the certification, which will be checked with the named institution to confirm its authenticity.

It is also worth mentioning that there is a trend for technology and software businesses to run an increased number of background checks as compared to the past due to the heightened levels of very particular specialised and competitive skillsets across all horizontal and vertical aspects of the industry.





BPO (Business Process Outsourcing)

BPOs have seen multiple academic discrepancies. In 2017, an on-site employee outsourced to a global Pharma company was found to have falsified records leading to the termination of the contract with the outsourcing firm.

For BPO businesses, every hire is vital to ensure that the client outsourced service the firm represents is delivered with improved quality every quarter. As such, organizations in the BPO sector need to be able to rely on the information relating to their candidates' backgrounds. Having accurate and clear information allows companies to be able to foster development, growth and succession plans for their employees.

The top 5 discrepancies reported are academic achievements, adverse financial history, past employment, and criminal records.

The Criminal Record check is the most requested check for BPOs at 20.7%, as companies needed to ensure that candidates are transparent in their declarations. This screening is subject to regulations and legislation across different countries. For example, drunk driving or speeding fines can be reported.

A registered sex offender list may also be reported based on a specific country's laws and records. It is interesting to note that the currently the discrepancy is reported as 0%, however this may change over time, and needs to be monitored due to its seriousness. NB. This would be applicable if an employee's role will be working with particular vulnerable groups.

In terms of Employment checks, 18.03% of clients are requesting this check, with a discrepancy rate of 3.75%. There are two main reasons for the discrepancies. Applicants might show inconsistent start and end dates for the jobs they were in previously. In addition, the job title they claimed to hold might be different from their actual roles.



Criminal record checks

Employers should conduct criminal record checks regularly, especially in the following situations:

- Workplace bullying, fatalities, and embezzlement are just a few reasons companies may be held liable for their workers' activities.
- Revisions in background screening procedures: When HR changes pre-screening policies, it may be prudent to include current workers in the same criteria.
- Personnel were never screened: Some employees may have worked with the company for a long time, with their backgrounds having either never or not comprehensively checked.

Research shows that 1 in 5 candidates who claim to have a college degree on their resume don't possess one.

A background check will tell you when an applicant is misrepresenting their education and ongoing training credentials.

Ensure the greater safety of your business after hiring a new employee

Here is a suggested list of actions that you may deploy to ensure the greater safety of your business after hiring a new employee.

1. Require applicants to disclose past convictions (a felony or misdemeanor).
2. Run background checks even if an applicant has disclosed past convictions.
3. Screening should be mentioned within the conditional offer to state that it is dependent on successful background checks.
4. Run a background check after the applicant's first year. (particularly in financially regulated sectors)
5. Run a background check after the candidate has held the role for three or five years

Can Employers Re-screen Employees?

Re-screening or reinvestigations can be done at any time. They may be instigated when the employer believes that an employee may be engaged in some wrongdoing or potentially fraudulent conduct. A coherent well-defined process must be documented, which may be initiated should any suspicious activity come to light.

The employer may be able to screen an employee without any notice or warning. However, the employer must be careful not to contravene an employee's privacy rights, based on local state / country / region legislation.

Reinvestigations cannot extend beyond the time frame of the original investigation. The employer could not reinvestigate you for failing to voluntarily disclose drug use unless drug use was specifically requested in the investigation. If the employer does reinvestigate an employee, it must comply with local privacy and anti-discrimination laws.

What employers should follow while conducting checks during the course of employment

- Employers typically request the background check be done by a third party to ensure an unbiased and accurate report.
- Employers should request that screening and rescreening be done on an individual with thorough and professional training in conducting background checks.
- Employers should be selective concerning the checks that are used, as some may turn up information that could be used as a basis for discrimination.
- Employers should not make hiring or firing decisions based on the results of a background check alone. Further HR policies and procedures should also be deployed.
- Employers should maintain confidentiality at every step in the screening and rescreening process.
- Employers should only use background checks alongside other measures to determine whether to hire, promote, or retain an existing employee.
- Employers should maintain records of any background checks they conduct.

How to conduct ongoing background rescreening?

Let's dive deeper.

Here, we cover why one needs to regularly perform background checks before and after hiring, how one can keep up with any pertinent changes that affect the workforce, and how to start implementing background rescreening after hiring in any organization.

Documentation that an employer can request

For example, when someone applies to become a financial adviser, a public accountant, or work for a bank, an employer can review an applicant's financial history and any certifications or licenses that he claims to hold. The employer will have to tell the applicant -- in writing -- that information from a background check can be used in making decisions about their employment, with their written permission required to initiate the checks and receive a report.

When deciding to screen/rescreen, it is illegal to run a background check on applicants and employees solely based on race, national origin, colour, gender, religion, disability, genetic information (including family medical history), or age.

Background criminal checks conducted for hiring purposes generally disclose criminal convictions, misdemeanours (for most US states), court convictions, and records obtained through the FBI, Homeland Security, the Drug Enforcement Administration, and National Sex Offenders Register databases.

In conducting a background check, the company will be looking, among other things, for convictions, credit, employment, education histories, and social media available on public databases. While US federal law says that an employer should advise job candidates that a background-checking firm is conducting screenings for them, it is important that you should inform them that their social media pages will also be examined.

What may an employer expect to find when a check is done during employment?

- Inconsistency in education claimed on resumé / CV vs. documentation provided
- Inconsistency in experience shown on resumé / CV vs. provable experience
- Criminal records / new criminal activity
- Unstable credit history
- Questionable social media activity

Depending on the kinds of background checks an employer runs, screening may include information concerning the person's education, employment history, and financial background.

In addition, depending on the laws in your state, country and industry, a background check may involve various types of checks, including employment and education histories and criminal, credit, and driving records.

Consent regarding the continuous screening of employees

Since about 78% of job applicants give inaccurate information in an application or during an interview, ongoing background checks help to ensure that you continually verify the credentials of employees.

Any time an employer uses an applicant's or employee's background information to make an employment decision, no matter how you obtain that information, you should comply with national employment laws protecting applicants and employees against discrimination. You will want to inform and explain your background check policy to existing employees, explaining how important it is to your business and that they regularly get checked. A best practice is to tell employees that continuous background checks are part of the job upon hiring.

Certain employers might not realize that conducting regular, routine background checks once you have hired your employees is a best practice. It helps you stay in compliance and informed about any emerging issues that might arise over an employee's time at your company. In addition, conducting previous employment background checks can help you select new employees that have already demonstrated a pattern of staying with their employers for a long time.

Conducting periodic background checks, as part of employment, can help validate hiring decisions and ensure that your company remains profitable and productive. In addition to criminal background checks, prior employment or identification checks, and drug testing before hiring (USA specific), social media checks can help you make sure that you are hiring employees who will live up to the company's values and keep your company's image intact.

Employers are increasingly running social media checks

A 2017 Pew Research Center survey revealed that 81% of employers use social networking sites to research job candidates.

Employers are increasingly turning to social media to learn about candidates' qualifications, character, and honesty before extending a job offer and setting benchmarks for the future of work.

For example, an applicant whose social media profile reflects poor judgment may have trouble holding down a job. Employers may turn down a candidate after learning about the applicant's qualifications, character, and honesty.

When it comes to background checks, the role played by social media is getting increasingly vital over time. As more employers use social media and as more employees use social media, it will become a more integral part of regular background checking.

When it comes to background checks, the role played by social media is getting increasingly vital over time. As more employers use social media and as more employees use social media, it will become a more integral to regular background checking.

Social media background checks will increasingly be used in conjunction with other types of background checks and with social media verification.

As social media gets bigger and screening becomes more common, employers will struggle with what types of social media screening are appropriate and how much social media information they should gather.

How should an employee behave on social media?

To maintain a positive online presence by:

- Keeping social media account(s) private
- Refraining from posting explicit or inappropriate content
- Refraining from posting confidential information

Reduction in time required for employee screening

New technologies and services for background checking help HR professionals reduce the time spent on this important ongoing screening need.

An increasing number of employers are becoming aware of the value of post-hire background checks and are taking steps to adapt their processes, and adopt the right software and services, to ensure prompt updates during the employee's time in place. However, some employers might not realize conducting regular, routine background checks once you have hired your employee, is quick and easy. It is a best practice that can help you to meet compliance obligations and be proactively informed about any emerging issues throughout an employee's time at your company.

You should disclose to all job applicants that your company performs various background checks, drug screening (USA), or other background screenings before hiring and during employment at your company.

Veremark candidate & employee screening

Veremark offers 40+ background screening categories covering 180 country markets

- including Australia, Hong Kong, Malaysia, Philippines, Singapore, UK, USA, RSA, India, New Zealand, Canada, and other key English and non-English speaking markets - across Europe, LATAM, Asia and Africa,
- across a multitude of business sectors, including: Financially Regulated = FinTech, Financial Services, Banks, Insurance, Investment, Trading etc.; Professional Services / Management Consulting; HR Staffing & Recruiting services; IT / Tech / Software; and Business Process Outsourcing (BPO).



Conclusion

It is vitally important to plan and conduct ongoing screening of employees, as with time the lifestyles and behaviours of employees may change. With such change may bring additional risk to all businesses, regardless of their sector or country markets of focus.

In regulated sectors the need for meeting tight compliance expectations requires a progressive and continuous approach to screening existing employees. However, every business, in every vertical sector, must maintain the trust of all their external stakeholders – customers, investors, community – and how they may be reviewed and written about by the press and other media.

Ensuring a healthy and successful workforce, which correlates with the performance and results for the business, is achieved with all employees, consultants and contractors pulling in the right direction and delivering over the duration of their employment / contract. The periodic screening of employees is vitally important to this indispensable endeavour.

Innovative, scalable cloud-based software technology, and trusted services, are helping multiple firms globally, across regulated sectors and other highly-competitive industries, to screen their existing employee talent effectively and efficiently, to ensure the optimum productivity, performance, and results over time.



Successful and safe recruitment is dependent on carrying out the right checks to not only protect company and customer interests but also to satisfy compliance. Whether or not staff are permanent, remote, contract, part-time or full-time, staff have access to company property and data, as well as other staff or customers, putting business security and wellbeing at risk. This is why background screening is so important.

We are facing a time when companies are in the highest demand and therefore must maintain high standards. Veremark are leading providers of local and global background checks, offering 100% digital, 100% accurate checks for new and current staff members in all industries and sectors.

Talk to us today about the benefits of carrying out your vital pre-employment checks using Veremark's innovative and straightforward platform.

Whether you're hiring one candidate or many, ensure safe hiring with employment checks that are fast, accurate, secure, and scalable. Every time.

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