

Background Screening For A Global Workforce

A Sterling Talent Solutions White Paper
UK Edition

Best practices for screening foreign-born workers and candidates who have lived, studied or worked internationally.



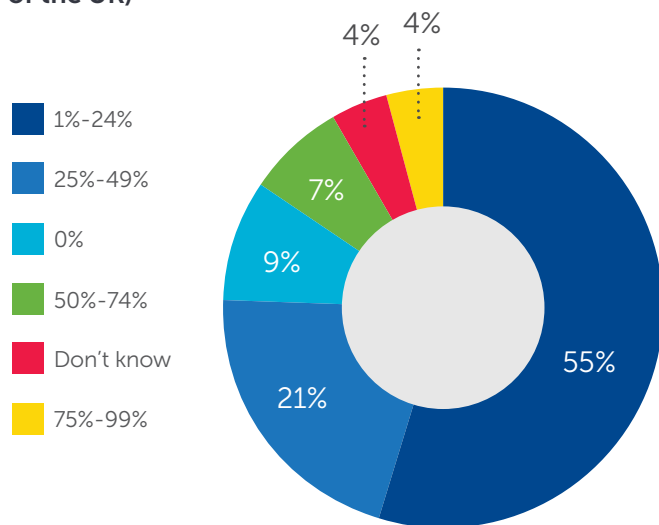
A Global Workforce

With an increasingly diverse and mobile population, we now have a truly global workforce. Organisations now regularly seek out and employ workers in other countries as well as hire foreign-born workers locally.

For many businesses, hiring foreign-born workers or candidates with international experience is a distinct competitive advantage, diversifying the workplace and filling any skills gaps.

What Percentage of Your Workforce in the UK is Foreign-born?

(By foreign-born, we mean candidate was born outside of the UK)



Hiring workers with international experience can provide a distinct competitive advantage—but it also comes with risks that cannot be ignored.

With the advantages of multinational operations and hiring foreign-born workers or candidates with international experience also comes a huge increase in the risks associated with recruiting.

International Background Checks Now A Necessity

An organisation's reputation, brand equity and bottom line can be adversely impacted if the organisation does not exercise enough due diligence before hiring individuals who are later responsible for corruption, fraud, theft, violence or other crimes. This could also cause the business to run afoul of UK, EU or foreign anti-bribery laws, resulting in hefty fines or sanctions.

A Dangerous Blind Spot

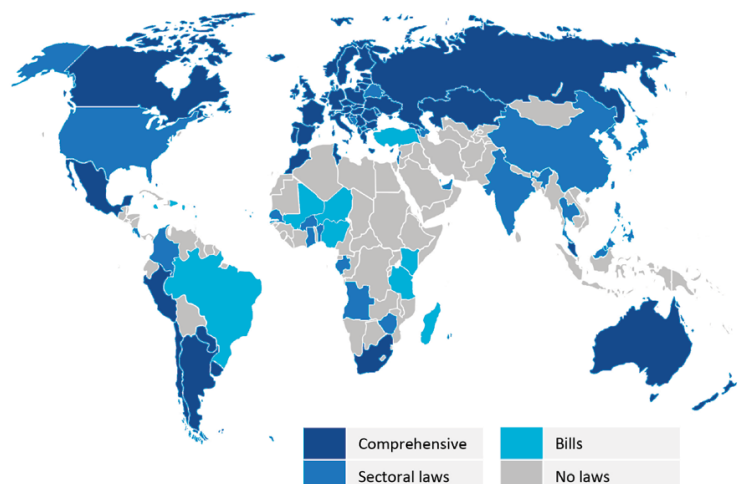
If a candidate has lived, studied or worked outside the UK, it is wise to undergo an international background check. For most UK organisations, this means nearly all candidates should undergo international background checks, not just a local one.

Yet Fewer Than Half of Companies conduct or plan to conduct, global pre-hire background checks in 2016

Source: Background Screening Trends & Best Practices Report, 2016; Sterling Talent Solutions.

Due to the myriad of privacy and data protection laws in Europe and further afield, the process of screening foreign-born workers or those with international experience is complex. But that doesn't make it any less essential.

Privacy Laws Vary Greatly Throughout The World





Implementing a Global Background Screening Programme

When building and implementing a global background screening programme, an organisation must take into account all applicable laws to determine which types of pre-employment background checks can be carried out on job candidates.

Tailoring a background screening programme for foreign-born workers and candidates with international experience does not mean creating 196+ different programmes. Instead, organisations should seek to establish and understand their base business requirements as well as how each applicable national law affects those requirements.

5 Key Considerations

Responsibility

Before launching a global screening programme, ensure it complies with all applicable regional legal requirements and limitations. **Consult with legal counsel.**

Requirements

Fully understand any/all business requirements for background checks and turnaround times. This will help in selecting checks that are the right fit for the organisation.

Relevancy

Ensure that background checks are relevant to the organisation's industry and sector as well as the individual candidate's potential roles and responsibilities.

Results

Only use relevant background check results. Hiring decisions made on negative results, unless directly relevant, could be in breach of data protection and employment laws.

Respect

Negative hiring decisions must take into account the candidate's rights under applicable privacy and data protection laws. Candidates have the right to contest inaccurate results of a check.

The Biggest Challenge to Employers: Turnaround Times

Sterling Talent Solutions' 2016 benchmark survey found that 33% of employers believe background checks take too long. Slow turnaround times can negatively impact an organisation's time-to-hire as well as the overall candidate experience.

9

9 Business Days Or More
International Turnaround Times

Unfortunately, due to the complexity of international background checks, turnaround times for these results are much longer—9 business days or more to complete—than for background checks done locally. Organisations must take this into consideration when developing their recruiting processes for foreign-born workers or candidates with international experience. As many of these checks are conducted through each country's local government agencies, it is unlikely that these timelines will decrease any time soon.

Different Tactics for High-Impact Roles

The goal for most international background screening programmes is to standardize and streamline the process as much as possible. However, some roles require more flexibility and finesse when screening candidates, as they'll have a bigger influence on the organisation's performance. Examples include the C-suite, members of the Board of Directors and middle-tier roles.

Having pre-employment investigations conducted is often the most appropriate for these kinds of "high impact" positions, as candidates often have extensive international experience. These investigations should be high-tailored for the organisation and position, and be carried out by professional, credentialed investigators.

Some of the red flags that in-depth investigations commonly uncover include:

- Falsified CV's
- Conflicts of Interest
- Insider Trading
- Criminal Records
- Debt, Liens or Judgments
- Negative Media Exposure
- Improper Licensing
- Embezzlement, Misappropriation of Funds or Kick-backs
- Chronic Short-Term Employment

While not appropriate for most positions, pre-employment investigations should remain part of an organisation's recruiting toolkit for use when hiring any candidate that would have direct effect on an organisation's financial results or industry performance. This can also include prominent roles in technology, finance and product development (such as individuals with access to an organisation's proprietary material or intellectual property).

Don't Overlook Partners or Vendors

It's not just who you hire, it's also who you work with that could put your organisation at risk. For example, you could hire a foreign vendor that is listed on a government sanctions list, or you could use a Web contractor who hacks into sensitive customer information.

Potential vendors and contractors should be included in your international background screening programme, and checks should be carried out regardless of the vendor's current or past relationship with the organisation.

Best Practices for International Background Checks

The actual international background screening process involves carrying out various different types of checks based on several factors:

- Type of hire (entry, mid-career, professional, executive)
- Regulation status of the position
- Level of risk the position poses to the organisation
- Past countries of residence, even if for a short time (such as for schooling)

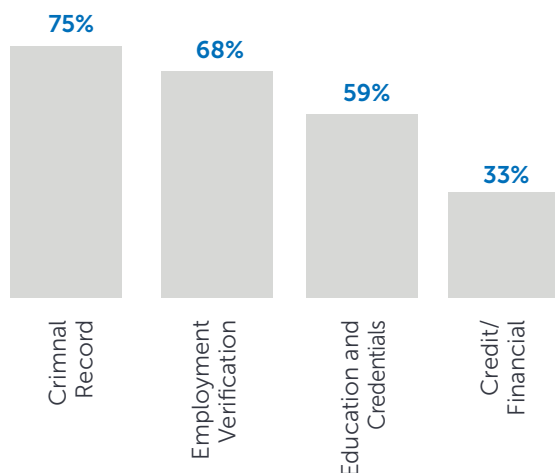
These parameters should be clearly established in an organisation's screening policy, which should incorporate all applicable privacy and data protection laws and business requirements, as they will determine which types of background checks are to be employed for each position.

Type Of Background Check	Purpose	Appropriate For:
Identity Verification	To confirm the candidate is who they say they are	All candidates
Right To Work Check	To confirm candidate is eligible to work in the UK	All candidates
Address Verification	To confirm candidate's current residency	All candidates
Education Verification	To confirm claimed academic credentials	All candidates
Employment Verification	To confirm a candidate's claimed work history	All candidates
Reference Check	To confirm a candidate's professional reputation	All candidates
Credit Check	To evaluate a candidate's sense of responsibility and financial track record	For positions of fiscal responsibility
Professional Credential Verification	To confirm a candidate has the claimed credentials and they're in good standing	For regulated positions and/or those that require a particular professional credential
Criminal Records Check	To determine if a candidate has been convicted of a reportable crime in countries where they have lived, studied or worked	All candidates
Compliance & Sanctions Lists	To determine if a candidate has been sanctioned or subject to an enforcement action by relevant regulatory authorities, is on a Terrorist Watchlist or may be a Politically Exposed Person	All candidates, especially those with international experience
Adverse Media	To locate any news articles or social media that contain derogatory information concerning the candidate	For "high impact" positions where the candidate would publicly represent the organisation
Directorship Search	To evaluate if a candidate may be involved in multiple interests	All candidates
Executive Investigation	To determine if a candidate has concerning history or relationships that may put the organisation at risk	For "high impact" positions

An organisation's background screening provider should report any relevant discrepancies uncovered from these background checks, and this should only include the information an organisation is legally allowed to see based on the applicable local and country laws.

IMPORTANT: It is critical that no background check of any kind is initiated before the candidate has been notified of the check and, where necessary, given consent to such checks. This should happen as late as possible in the recruitment process

Most Commonly Used International Background Checks



Proper Use of Background Check Results

After an organisation tailors its global background screening programme to accommodate local laws and regulations, they must ensure they use the results of the background checks in compliance with all relevant privacy, data protection and employment laws.

1) Use only relevant results in a hiring decision

Just because a check is legally permissible in a particular country does not mean that all the results can be used when making a hiring decision. For example, unless a candidate has applied for a job where driving is integral to the role, an employer should not reject the candidate on the basis of a traffic offense revealed in a criminal record check. Doing so may violate local laws, as the information has no bearing on the candidate's ability to perform the role.

2) Involve the candidate before making a negative hiring decision

Many organisations fail to relay the results of a background check to the candidate and instead proceed with a negative recruitment decision without his or her input. This may result in your organisation violating data protection and employment laws, as candidates have the right to dispute the accuracy and completeness of a background check. To avoid the risk of litigation, organisations must ensure the candidate has the opportunity to dispute adverse results.

3) Do not reveal the reasons behind the final hiring decision

Currently, there is no specific requirement for an employer to disclose that a negative finding in a background check that led to a candidate being rejected. However, it is important that the reason for rejecting the candidate cannot be construed as discriminatory on grounds established in local employment and anti-discrimination laws.

Conclusion

For any organisation that has operations in another country or hires employees with international experience – including in other EU countries – implementing a thorough global background screening process is essential for reducing risk and for making the best hiring decisions. Because of the complexities of foreign privacy and data protection laws, much thought and legal reasoning should be given to an organisation's background screening policy and practices. Most importantly, the recruiting and onboarding process needs to take into account the lengthened turnaround times for completing international background checks and include position-specific checks and investigations where appropriate, based on the candidate's history and the job role requirements. Working with an established screening provider that has a global footprint and deep international regulatory expertise can help to standardise and streamline an organisation's global background screening programme.

About Us

Sterling Talent Solutions provides hiring peace of mind by delivering a simpler, smarter background screening experience for employers worldwide. Our comprehensive suite of background screening solutions deliver accurate, reliable results and tools to maintain compliance throughout the hiring cycle.

With 20 offices in nine countries and growing, our team of more than 3,900 employees proudly serves over 50,000 customers around the world, including 25% of the FTSE 100.

Visit us at www.sterlingtalentsolutions.co.uk

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