

INTRODUCTION

After more than two years spent in a global pandemic, employers have had to adapt how they attract, hire, screen, and onboard new talent. Many employers had to quickly pivot in the early days of the pandemic to support a newly dispersed workforce, some of whom were working remotely from home for the first time in their careers. Companies that may have previously had no work from home policies had to establish them quickly, while also facing a steep learning curve for how to translate in-person processes like interviewing, hiring, and onboarding into virtual communication.

Cisive conducted an industry benchmark study that asked human resources, talent acquisition, compliance, and recruitment professionals across all industries how their policies and procedures changed as a result of the global pandemic. The 36-question survey asked more than 185 financial services organizations about how their workforce practices have changed, how they handle background checks and screenings, the systems they have in place, and what challenges they expect in the coming months.

This white paper shares the results of that survey, providing context for what we learned and offering recommendations for organizations who want to build the safest and most effective workforce possible.

METHODOLOGY

Cisive surveyed 187 respondents from May 2021 to July 2021. Of those surveyed, 89% are in the United States, 7.5% are in Canada, and 3% are in the Asia-Pacific region. The respondents' roles at their organization include C-Level or Executive (46%), Director, Manager or Supervisor (34%), Specialist or Administrator (11%), and Staff, Assistant or Support (8.5%). More than 96% of respondents are involved in talent acquisition for their companies.

ECONOMIC OUTLOOK

The pandemic hit the economy hard in 2020. In fact, economic growth in the United States was at its worst since 1946, just after World War II.¹ In contrast, 2021's economy came back strong, with a Bloomberg study of economists estimating 6% growth, the highest since 1984.² Forecasting for 2022 currently points toward continued economic growth in the U.S., although slower growth than 2021 at an average rate of 3.5%.³ Another indicator of economic growth is the housing market, which in 2021 saw its best year since 2006, at 1.1 million new homes.

The economic outlook for the financial services industry points to a strong recovery,⁴ according to Michael Cummins, Director of Finance at Insurance Geek. "The challenges with digital transformation still exist, but they have been significantly reduced. The industry is confident in its ability to adapt and continue to provide excellent service to its customers," Cummins said.

FIVE COVID IMPACTS IN FINANCIAL SERVICES

According to Cummins, COVID-19's five most significant impacts on the financial services sector include:

- 1. Increased market volatility:** One of the most notable changes has been the increase in volatility in financial markets. This is due to the economic uncertainty surrounding the pandemic, as well as the fact that many investors are selling off their assets in order to raise cash.
- 2. A sharp decline in interest rates:** The federal government has responded to the crisis by slashing interest rates to near-zero levels. This has had a ripple effect throughout the financial system, with banks and other lenders reducing the rates they offer on loans and credit products.



3. **A rise in digital banking:** The COVID-19 pandemic has led to a dramatic increase in the use of digital banking services. This is due to the fact that many people began avoiding physical bank branches in order to reduce their exposure to the virus.
4. **A decrease in lending activity:** The economic uncertainty surrounding the pandemic has led to a decrease in lending activity. This is because banks and other lenders are more risk-averse, and are therefore less likely to extend credit to businesses and consumers.
5. **An increase in bankruptcies:** The COVID-19 pandemic has also led to an increase in the number of businesses filing for bankruptcy. This is due to the fact that many businesses have been forced to shut down due to the pandemic, and are struggling to repay their debts.

TARGETED & FOCUSED GROWTH DURING A GLOBAL PANDEMIC

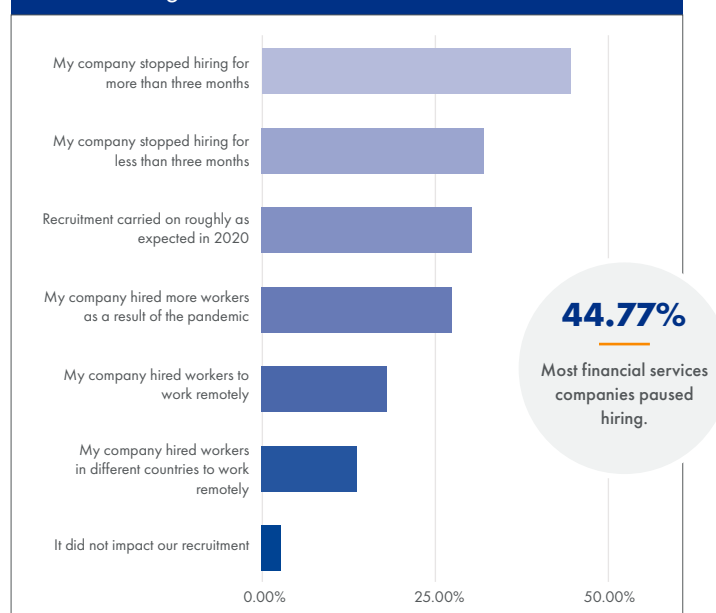
In the earliest days of the pandemic, many companies anticipated a reduction in force; however, when asked about how their workforce changed between January of 2020 to January of 2021, the data show that just 25% reported a decrease in staff and 7.5% said it stayed approximately the same. The majority of respondents (67%) reported that their company's staff grew during this time period.

As far as recruitment goes, most financial services employers stopped hiring for more or less than three months at 75.5%. Almost one-third carried on as expected pre-pandemic (29%), and some hired more workers as a result of the pandemic (27%). Almost one-third hired workers to work remotely (see Table 1).

Without data, we could speculate that the majority of survey respondents reporting growth during 2020 are likely to be larger, and potentially in sub-verticals experiencing the highest demand during the shutdown, such as digital financial services.⁵ However, the respondents work at companies with between 101-500 employees (43%), less than 100 employees (20%), 501-999 employees (21%), 1,000-2,499 employees (7.5%), 2,500-4,999 employees (1.5%) and more than 5,000 employees (6%). The vast majority (64%) of companies surveyed could be considered small- to mid-sized businesses with 500 or fewer employees.

The expectations early in the pandemic were dire for small business. For instance, the National Federation of Independent Business found in a July 2020 survey⁶ that 23% of small

TABLE 1: How did the COVID-19 pandemic impact your organization's recruitment in 2020?

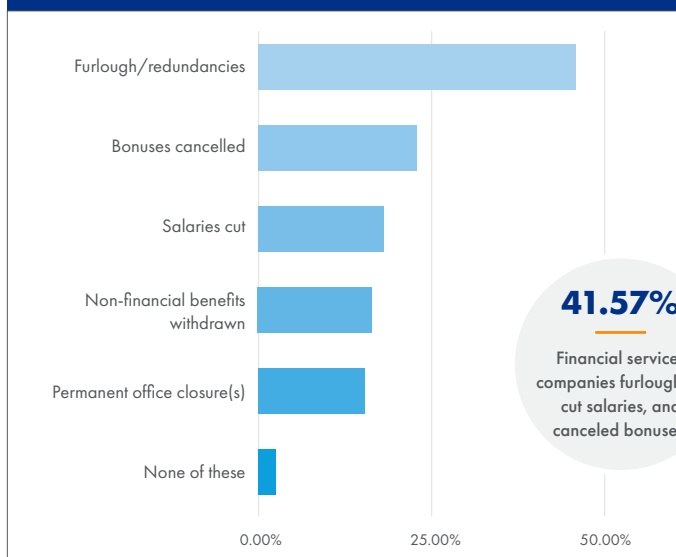


businesses expected to be closed within six months unless economic conditions changed. A Federal Reserve study⁷ released in April of 2021 found that the pandemic has resulted in an additional 200,000 permanent closures of businesses over pre-pandemic levels—or about a quarter to a third above normal.

Cisive's survey asked respondents if they had to take measures to reduce overhead, salaries, staffing levels, bonuses and perks, or if they experienced permanent office closures (see Table 2). The highest percentage (42%) reported staff furloughs or redundancies, 37% said they cancelled bonuses, another 31% said they cut salaries, 17% reported that they withdrew non-financial benefits, and 15% said they closed offices permanently. Just 14% said they took no action (see Table 2).



TABLE 2: Which of these actions were taken by your business during the COVID-19 pandemic?



Many small businesses took advantage of support with a Paycheck Protection Program (PPP)⁸ loan, an SBA-backed loan that helps businesses keep their workforce employed during the COVID-19 crisis. PPP is a loan designed to provide a direct incentive for small businesses to keep their workers on payroll. PPP loans can be used to help fund payroll costs, including benefits, and may also be used to pay for mortgage interest, rent, utilities, worker protection costs related to COVID-19, uninsured property damage costs caused by looting or vandalism during 2020, and certain supplier costs and expenses for operations. While the program ended on May 31, 2021, the SBA will forgive loans⁹ if all employee retention criteria are met, and the funds are used for eligible expenses.

The answer varies by industry, but a small business is one that has fewer than 1,500 employees and a maximum of \$41.5 million in average annual receipts, according to the SBA.¹⁰ The largest number of survey respondents fall into the category of small businesses, with the vast majority (85%) of all respondents reporting a workforce size of 999 or fewer employees (see Table 3).

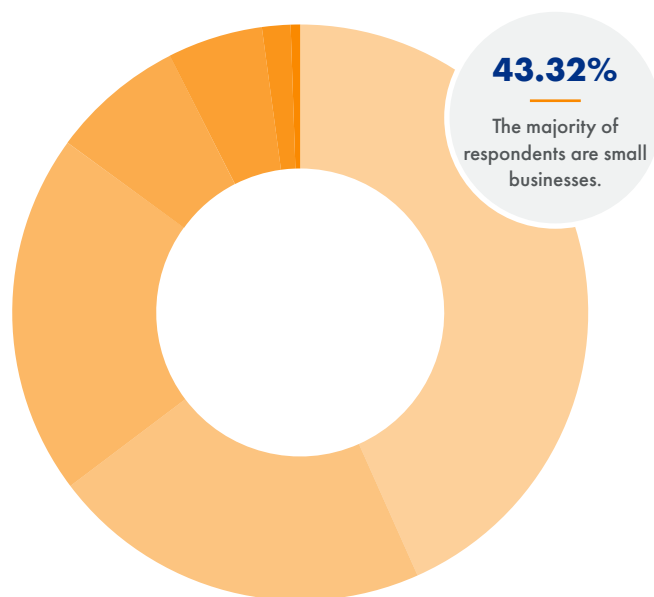


TABLE 3: What is your organization's total workforce size, including employees and non-employees?

43.32%	101 to 500
21.39%	501 to 999
20.32%	Less than 100
7.49%	1,000 to 2,499
5.35%	5,000 to 14,999
1.60%	2,500 to 4,999
0.53%	15,000 or more



TECH & SYSTEM INTEGRATION ARE KEYS TO SUPPORTING GROWTH

The abrupt closure of many offices and workplaces starting in March of 2020 ushered in a new era of remote work for millions of employed Americans and may portend a significant shift in the way a large segment of the workforce operates in the future. Most workers who say their job responsibilities can mainly be done from home say that, before the pandemic, they rarely or never worked from home, according to an October 2020 Pew Research Center study.¹¹ At the height of the pandemic, approximately 70% of corporate workers shifted to remote work swiftly, which left a lot of HR and company leadership teams scrambling to support communication for suddenly dispersed workforces.

“Doing work remotely is not new, but more intense than ever with the health crisis. Virtual work changes the boundaries of work from a focus on the ‘place’ to a shared set of values. Employees are ‘at work’ when they are creating value for customers regardless of their physical location. A customer value work boundary means that each day an employee should be able to articulate why today’s work will impact a customer either today or in the future,” said Dave Ulrich, speaker, author, professor, and HR thought leader.

The same Pew study¹¹ reported that 81% of employed adults who are working from home all or most of the time say they use video calling or online conferencing services like Zoom or Webex at least some of the time (59% use these often). And 57% use instant messaging platforms such as Slack or Google Chat (43% use these often). Among those who use video conferencing services often, 63% say they are fine with the amount of time they spend on video calls; 37% say they are worn out by it. In general, teleworkers view video conferencing and instant messaging platforms as a good substitute for in-person contact – 65% feel this way, while 35% say they are not a good substitute.

HR teams began seeking different ways to mirror in-person processes like interviewing, all hands meetings, onboarding, performance reviews, and so on – with many employers relying on technology and system integration to accomplish what had formerly been face-to-face interactions. HR technologies became critical during this time, particularly for segments experiencing growth during the earliest days of the pandemic so they could continue to meet increased demand for goods and services.

But it isn’t just communication technology and all-hands meetings that HR leaders need. Technology should support

and enhance HR processes and systems that enhance the different areas of the employee life cycle. As companies ramp up their hiring and recruiting efforts, recruitment is one key area that employers are focusing on to quickly scale their hiring to support their changing business needs.

One critical piece of HR technology for the hiring process is the applicant tracking system or ATS. The ATS is a technology component for effective and efficient hiring to support business objectives. The Cisive survey asked whether or not participants use or integrate with ATS technology (see Table 4). A strong majority of respondents (73%) reported use of and integration with an ATS, 14% reported they use an ATS but do not plan to integrate, 10% reported they plan to integrate in the next 12 months, and only 3% reported that they do not use an ATS, nor do they plan to use one.

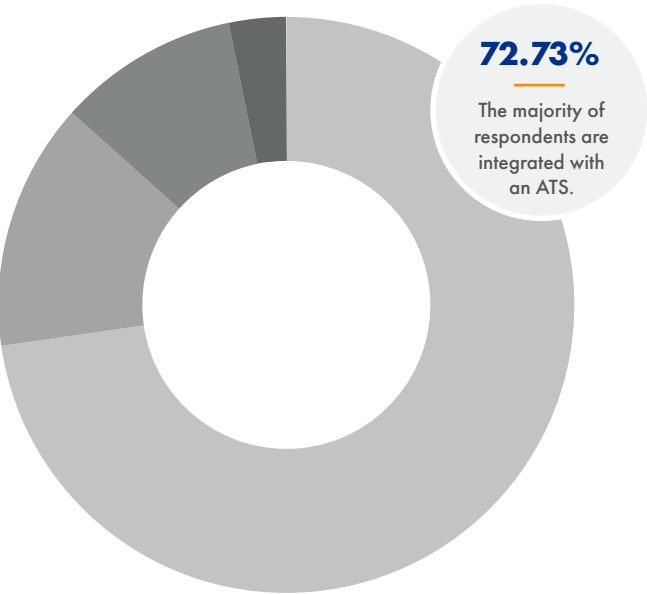
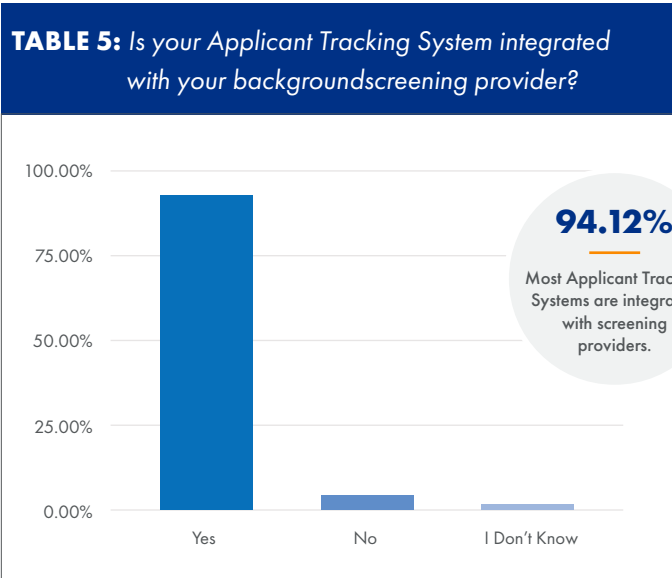


TABLE 4: Does your company use or integrate with an Applicant Tracking System (ATS)?		
●	39.07%	No, and we do not plan to use one
●	28.48%	Yes, but we do not plan to integrate
●	27.15%	Yes, and it is integrated
●	5.30%	No, but we plan to in the next 12 months



Integration of HR technology can be key to streamlining processes like applicant tracking, screening, sourcing, reporting, onboarding, and more. When asked if their ATS is integrated with a background screening provider, the majority of respondents (94%) reported that their ATS is integrated, 4% reported that it did not integrate with a background screening provider, and 1.5% report that they did not know whether or not their ATS integrates with a background screen provider (see Table 5).



Integrations with HRIS technologies are a smarter way to remove bottlenecks from your recruiting and hiring processes.

Ben Eubanks, HR Analyst and Principle at Lighthouse Research and Advisory, said, “talent leaders today do not have the time or patience for doing busy work or duplicate efforts to accomplish their tasks. Technology integrations allow them to not only solve those problems, but also creates an accurate picture of what’s happening within their data. Forward-thinking business leaders rely on integrations to make them more effective and efficient at critical tasks like hiring and onboarding.”

WHY INTEGRATE BACKGROUND SCREENING WITH YOUR ATS?

Integrating background screening with your ATS has many benefits for recruiting and human resource teams, including a better candidate experience, improved productivity, metrics and analytics, and better accuracy and compliance. Here are the five primary areas that can be improved by integrating your background screening with your ATS.

- 1. **Improve candidate experience.**
- 2. **Fewer hiring bottlenecks and improved productivity.**
- 3. **Fewer errors, improved accuracy and compliance.**
- 4. **The recruiter experience.**
- 5. **Improved hiring metrics and analytics.**

HR and hiring managers are now pivoting to scaling up hiring efforts in a post-COVID economy. We’re faced with recruiting and hiring in a very different landscape that may be mostly or fully remote, meaning that we have to use technology to help us find the best candidates, engage them, build relationships, and perform outreach digitally. Additionally, this new talent economy requires companies to assess how they can bring remote employees into their company culture and get them up to speed so they can be productive as quickly as possible.

Cisive asked survey respondents about how their organization’s turnover was impacted by the COVID-19 pandemic. Almost half (48%) reported that their turnover increased compared to before COVID-19, 30% reported that turnover decreased, and 22% reported turnover was about the same (see Table 6).

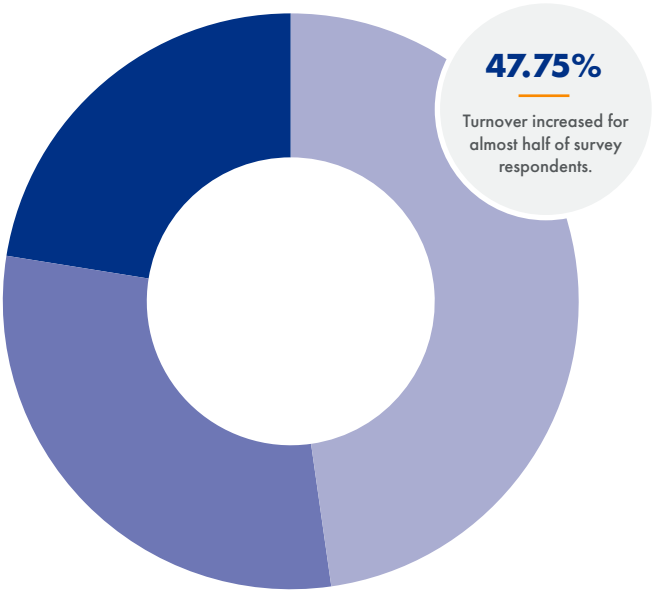



TABLE 6: *How was your organization’s turnover impacted by the pandemic?*

	47.75%	Our turnover increased compared to before COVID-19
	29.78%	Our turnover decreased compared to before COVID-19
	22.47%	Our turnover remained about the same



Being able to move from attracting talent to candidate application to offer to hire quickly is crucial to keeping your talent pipeline stocked and your hiring funnel robust. When considering which areas to target for improving productivity, your recruiting technology should be front and center.

Technology integrations at every stage of the employee lifecycle are key to being able to hire in a tight talent marketplace, from recruitment to selection to onboarding and career development. These can be as simple as an interview scheduling tool that integrates with your HRIS to a multi-functional integration to speed up new hire paperwork, background screening, document verification; accelerating time-to-hire has never been more important.



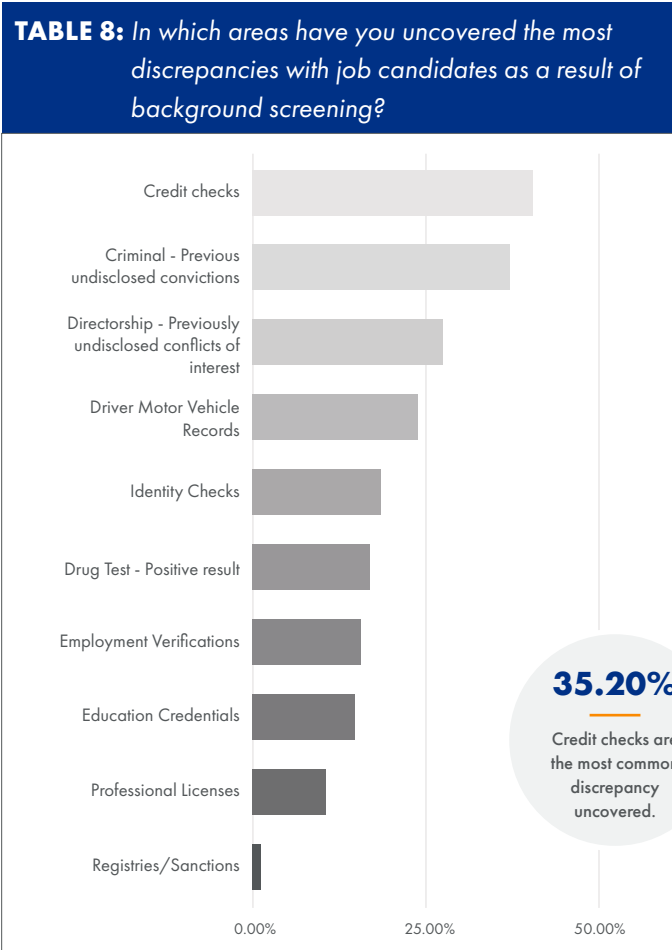
BACKGROUND SCREENING IN A COMPETITIVE TALENT MARKET

Cisive asked survey participants about the top benefits their organizations experience from an employment screening program (see Table 7). Better company reputation is at the top of the list (55%), followed by better quality of hires (48%), greater employee retention (33%), and improved regulatory compliance (26%).



By focusing on hiring quality talent, organizations can implement tactics such as pre-employment background screening programs that can help them improve retention rates and minimize staff turnover. Several industries such as financial services, healthcare, and transportation, for example, are subject to industry and even job-specific screening requirements. More than one-quarter of financial services survey respondents associate background screening with improved regulatory compliance. Regardless of the industry, however, employers must comply with the federal Fair Credit Reporting Act (FCRA) as well as the growing number of state and local “Fair Chance” ordinances, also known as “Ban the Box.”

Cisive asked participants which background screening components uncovered the most discrepancies with job candidates (see Table 8). Credit checks were the most common (35%), followed by previously undisclosed criminal convictions (31%), previously undisclosed conflicts of interest (27%), and driver motor vehicles (24%). Identity checks (17%), and positive drug test results (16%) were also among the most common discrepancies reported by participants.



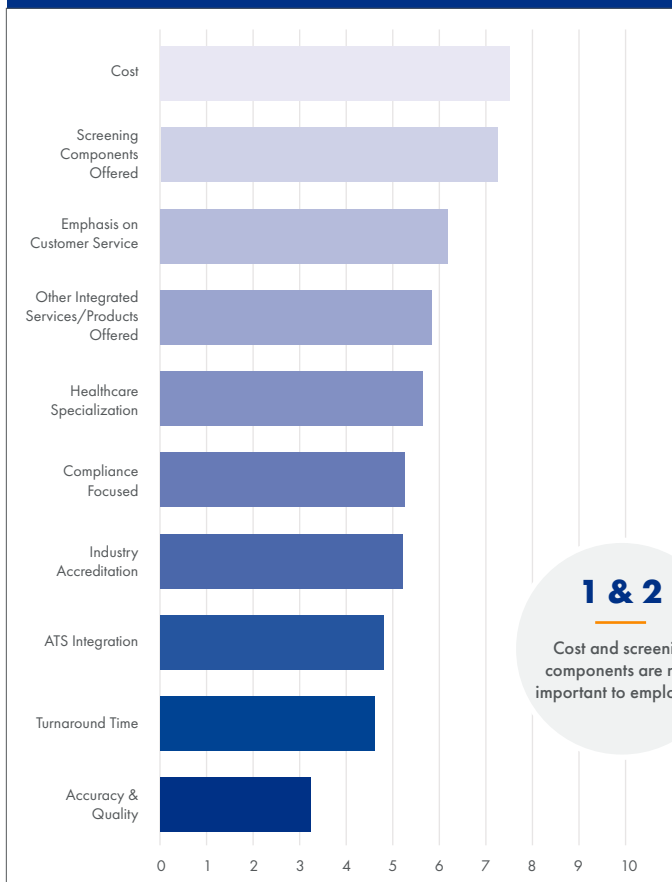
The frequency of undisclosed criminal conviction discrepancies emphasizes the significance of a thorough and effective background screening program. Positive drug test results, however, are also a common discrepancy among survey participants. This coincides with the latest workplace drug positivity research that indicates historically high records. In the general U.S. workforce, positivity increased 3.8 percent (5.3% in 2019 versus 5.5% in 2020), according to the 2021 Quest Diagnostics Drug Testing Index.¹² The study is the first large-scale analysis of laboratory workforce drug tests performed during the COVID-19 pandemic.

Cisive asked participants if their organization uses a criminal record adjudication matrix when deciding how to treat records from background checks (see Table 9). The majority of employers indicated that they do (87%), while only one-tenth (10%) do not. “Employers should set the criteria for adjudication matrix to be job-specific and be mindful of not violating any federal, state, or local equal employment laws,” states Chad Ascar, Director of Compliance and Product Training at IntelliCorp, a Cisive company.



Survey participants were also asked to rank what matters most when considering the services of a screening provider (see Table 10). Cost was selected as the most important factor, closely followed by screening components offered as second. Other integrated services/products offered and emphasis on customer service were a close tie for third place in respondents’ rankings.

TABLE 10: When considering the services of a screening provider, rank in order of importance the following during your consideration.

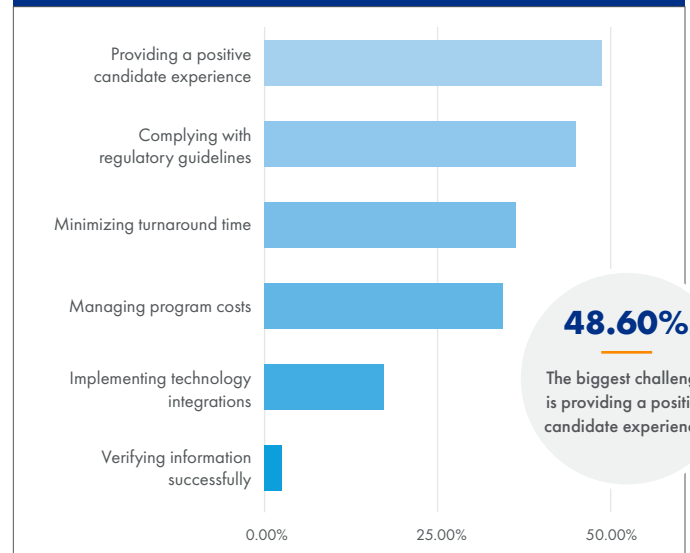


After the economic impact of the COVID-19 pandemic, it is understandable that employers have placed a heavier emphasis on cost than in other conditions. When safeguarding their organizations, however, employers should consider other factors besides program costs. Screening components offered also ranked high on participants' considerations. Incorporating the appropriate screening components can mean the difference between a compliant program and one that misses the mark.

When building an employment screening program, selecting a vendor that has integrated services can help organizations streamline processes and maximize efficiencies. Customer service, however, was also highlighted as an important factor. Not only is the customer experience important for employers as they interact with their screening partner, but it can also impact the candidate experience, which is an emerging area of focus for companies across the globe.

Cisive asked survey participants what their top employment screening challenges are (see Table 11). Providing a positive candidate experience is at the top of the list (49%), followed

TABLE 11: What are the top employment screening challenges your organization experiences?



by complying with regulatory guidelines at 44%. Minimizing turnaround time (33%) and managing program costs (31%) were a close third and fourth.

Candidate experience is defined as how job seekers perceive and react to employers' sourcing, recruiting, interviewing, hiring, and onboarding processes. If a job seeker had a poor experience during an interview a decade ago, he or she would be less likely to apply again in the future, accept a job offer, or buy that company's products or services. They would also probably tell their inner circle about the poor experience.

Workplace change agent, author, and consultant Jessica Miller-Merrell states: "This is even more critical in a post-COVID talent marketplace for both candidates and employees. The response your company had to the pandemic, with regard to employee safety and wellness, remote working policies, and so on, really matters to employees - and they will remember it and you'll see it on employer review websites. If you have been focusing on things like psychological wellness and offering resources for your employees, this should be front and center as you work to recruit candidates and treat them with empathy."

The ubiquitousness of social media and employer review sites have dramatically expanded the dynamic and size of our inner circles. As a consequence, news of a poor employee or candidate experience can travel much faster and further. Research shows that candidates who had a poor candidate experience are far more likely to tell others not to apply to a company and write a negative review.

Time is always a crucial factor in recruiting. According to the 2020 NA Talent Board CandE Benchmark Research Report,¹³ if employers make the offer within one week of the final interview, the candidates' great experience and willingness to increase their relationship with the employer increased 67% for all employers. More employers are investing more in communication and engagement with new hires before their start date. The more engagement prior to their start date, the better a retention starter it becomes. For candidates who were given multiple options to communicate goals, meet team members, and get questions answered prior to their start date, their great experience increased 83%. When they completed all their new hire forms online in an onboarding system, their great experience increased 68%. And if they get a call from the hiring manager, their great experience and willingness to increase their relationship with the employer increased 68%.

Throughout the pandemic, COVID-19 forced many state, county and federal courthouses to temporarily close, operate remotely, and oftentimes with a limited number of on-site employees. Additionally, laboratories that provide drug testing restricted in-person visits and candidates may have been reluctant to visit a lab due to risk of exposure. So what does this mean for companies that need fast and reliable background checks in order to screen candidates?

Despite the challenges presented by the pandemic, drug testing continues to be a valuable risk mitigation tool for employers. The stress and pressures from the pandemic have elevated the opioid epidemic to new heights. The Centers for Disease Control and Prevention's (CDC) National Vital Statistics System (NVSS) data show that total drug overdose deaths spiked to record levels in March 2020 after the pandemic hit, according to a report by The Commonwealth Fund.¹⁴ Our research shows that most financial services employers understand the value of drug testing and have a program in place (see Table 12). Only 7% of respondents indicated they do not conduct pre-employment drug testing while 1% did not know if their organization performs drug testing.

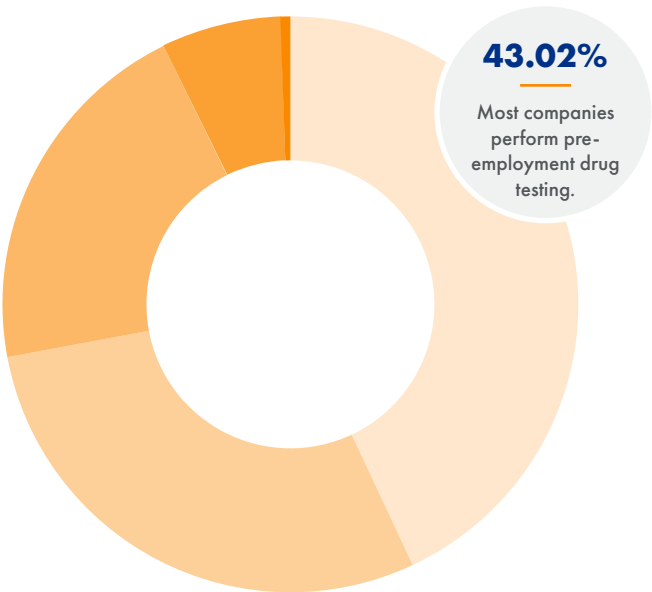


TABLE 12: Do you perform pre-employment drug testing?		
43.02%	Yes, and we outsource pre-employment drug testing	
29.05%	Yes, and we perform our own pre-employment drug testing	
20.67%	Yes, and we perform some pre-employment drug testing ourselves and outsource some pre-employment drug testing	
6.70%	No, we do not perform pre-employment drug testing	
0.56%	I don't know	



The latest pre-employment drug testing research suggests the pandemic has not reduced the amount of drug tests conducted by the majority of employers. Half of employers (50%) reported the same pre-employment drug testing volume as past years while more than one-fourth (28%) even increased the amount of drug tests, according to the Current Consulting Group's 2021 Employer Drug Testing Survey.¹⁵ The same study found that more than four-fifths (82%) of employers did not alter their drug testing practices as a result of the pandemic and 86% did not suspend any type of drug testing.

Cisive asked how the pandemic affected participants' background screening programs (see Table 13). Slightly over 43% said they introduced background screening for new hires. Tied for second were introducing a rescreening program and introducing an ongoing monitoring (continuous screening) program for employees at 39%. Just more than one-fifth (22%) said they reviewed the component checks of their current screening program. Only 3% temporarily stopped conducting background checks.



TABLE 13: How did the pandemic affect your background screening program in 2020?

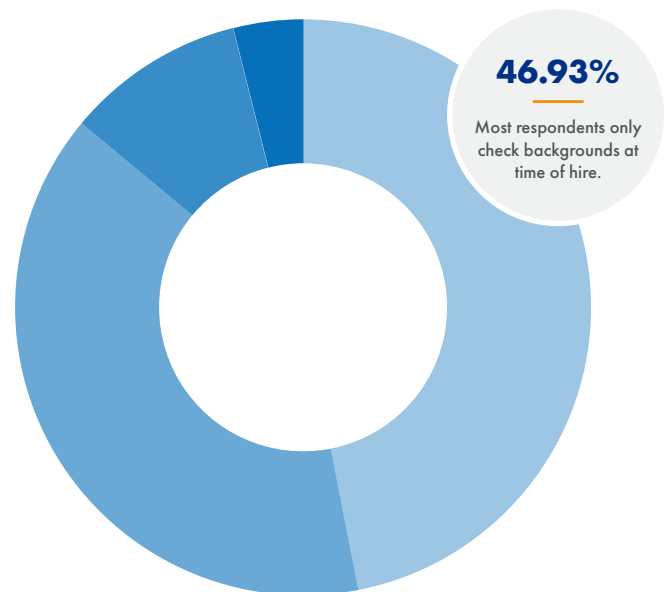
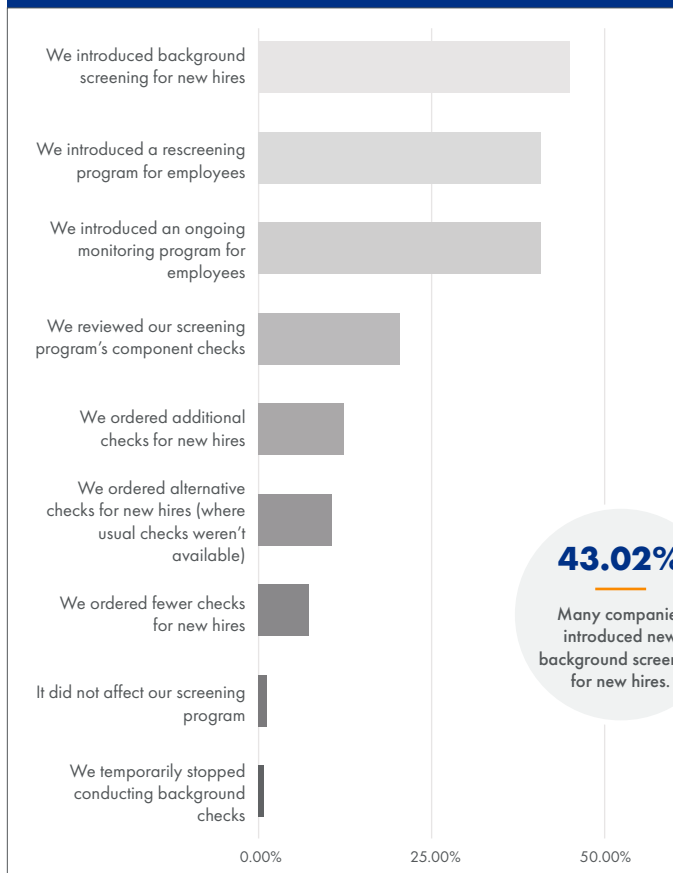


TABLE 14: How often are employees at your organization subject to employment criminal background checks?

46.93%	Time of hire only
39.11%	Every two years
10.06%	Annually
3.91%	I don't know



Our study also asked participants how often employees at their organization are subject to background checks (see Table 14). Time of hire is the most common frequency in the financial services industry at 47%, according to participants, followed by every two years at 39%. Only 10% of companies surveyed conduct background screening on an annual basis.



Cisive asked participants how often they reviewed their background screening policy (see Table 15). The majority of respondents indicated they review their background screening policy every 2-5 years (57%), and almost one-fourth review their policy annually.

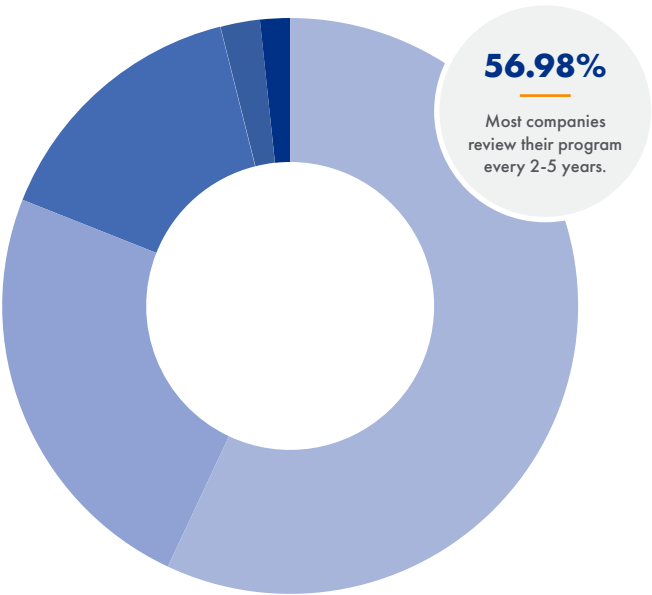


TABLE 15: How often does your organization review its background screening policy for changes?

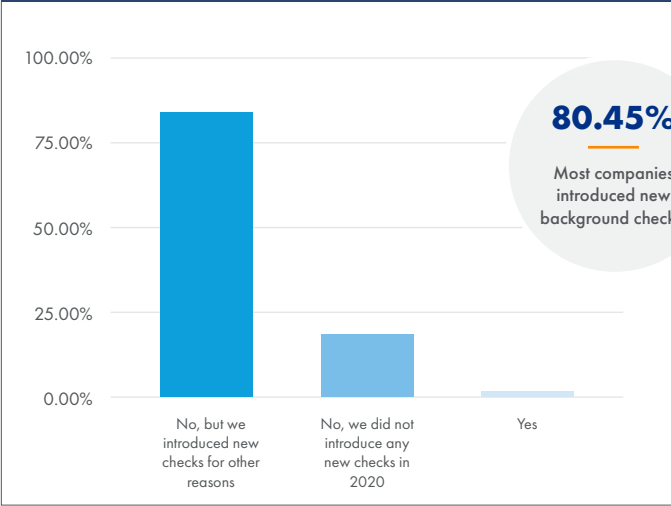
56.98%	Every 2-5 years
24.02%	Annually
15.08%	Every 5-10 years
2.23%	I don't know
1.68%	Never

Almost one-fifth of participants indicated their organizations do not review their background screening policy more frequently than 5 years. While 2020 was an unprecedented year, it is a reminder of how rapidly change can affect the workplace. “With the proliferation of Ban the Box/Fair Chance regulations, employers should review their screening process at a minimum annually,” says Chad Ascar, Director of Compliance and Product Training at IntelliCorp. “Staying abreast of these regulations can help organizations ensure they are following the law.”

Cisive asked whether participants introduced any new background checks in 2020 specifically to help mitigate

the risks of remote hiring (see Table 16). While only 1% of respondents introduced new checks such as fingerprinting as a response to remote work, the majority of respondents (80%) introduced new checks for other reasons. Our results indicate that almost two-fifths of organizations introduced an ongoing monitoring or rescreening program for employees in 2020, and companies have adopted other measures such as COVID-19 attestation tools to safeguard employees during the pandemic.

TABLE 16: Did you introduce any new background checks in 2020 specifically to help mitigate the risks of remote work/hiring?

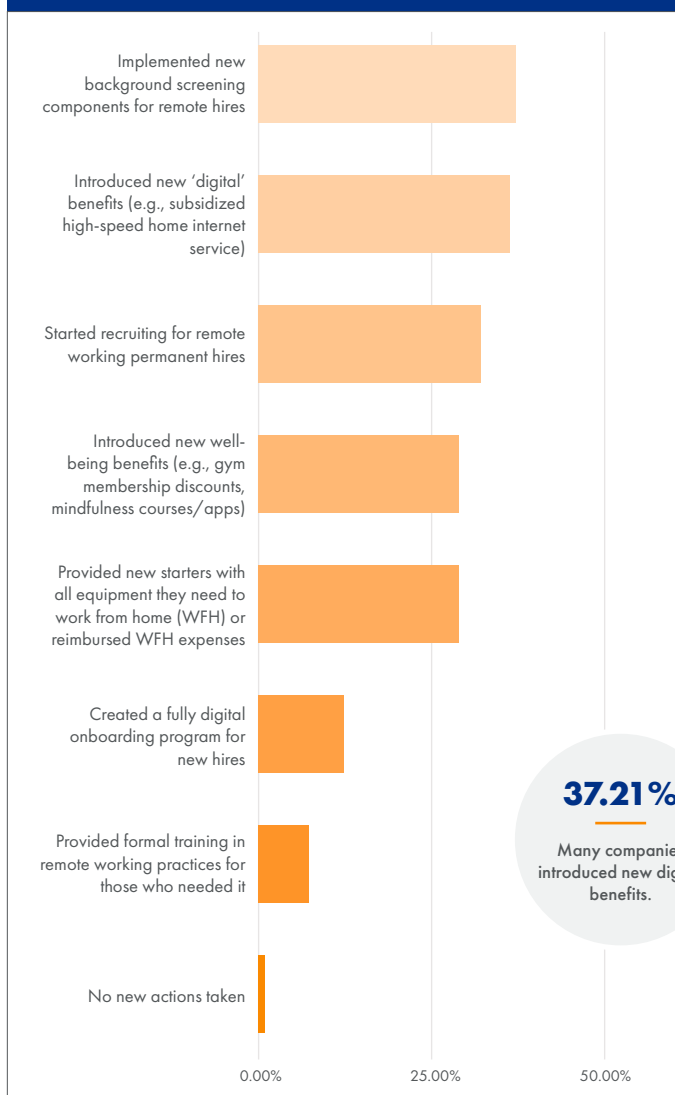


HOW COVID-19 CHANGED PRIORITIES OF HR LEADERS

The COVID-19 crisis was unprecedented and many company and HR leaders have had to quickly pivot to a new remote work model that requires companies to assess how they can bring remote employees into their company culture and get them up to speed so they can be productive as quickly as possible.

Cisive asked survey participants what actions they have taken around new hires as a result of the pandemic (see Table 17). Just over 37% said they have implemented new background screening components for remote hires, 36% introduced new digital benefits (such as high-speed home internet service), and 31% said they have started recruiting for remote working permanent hires. Additionally, 27% introduced new well-being benefits (such as gym memberships) and provided new starters with all equipment they need to work from home, or reimbursed for work-from-home expenses.

TABLE 17: As a result of the pandemic, which of the following describe actions your company has taken around new hires?



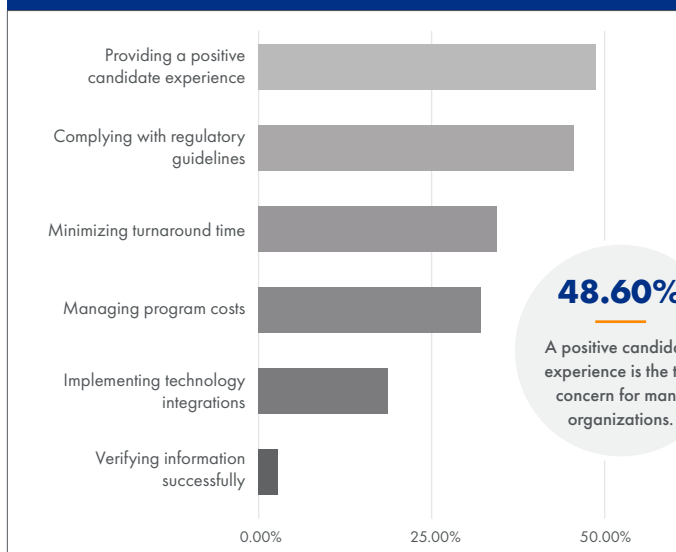
As time to hire becomes one of our most important HR metrics, organizations are focused on speeding current processes and eliminating bottlenecks, especially around screening talent. Survey respondents (see Table 18) reported that providing a positive candidate experience is a top priority (49%), followed by complying with regulatory guidelines (44%). These are followed by minimizing turnaround time (33%), managing program costs (31%), implementing technology integrations (20%), and verifying information successfully (4.5%).

VIRTUAL ONBOARDING TIPS

When selecting the right onboarding technology, it is key to select a user interface that is simple, task-oriented, and works with your organization's internal workflow. [Cisive's onboarding solution](#), for example, provides a real-time view into the status of current and past background checks and offers a customizable dashboard that enables HR teams to easily manage tasks associated with the new-hire process. Additionally, it allows remote applicants to complete onboarding documents such as employment applications and direct deposit forms, to name a few examples.

The Form I-9 is a time-sensitive document that must be completed by the third business day of an employee's hire date, but employers can actually start the I-9 process as soon as they accept an offer for employment. Take advantage of this extra time and consider using an electronic system capable of handling I-9s for remote hires, such as [Cisive's Electronic Form I-9 and E-Verify solution](#). Using an electronic I-9 system can assist your company in maintaining compliance even when you use an authorized representative who is not familiar with I-9s.

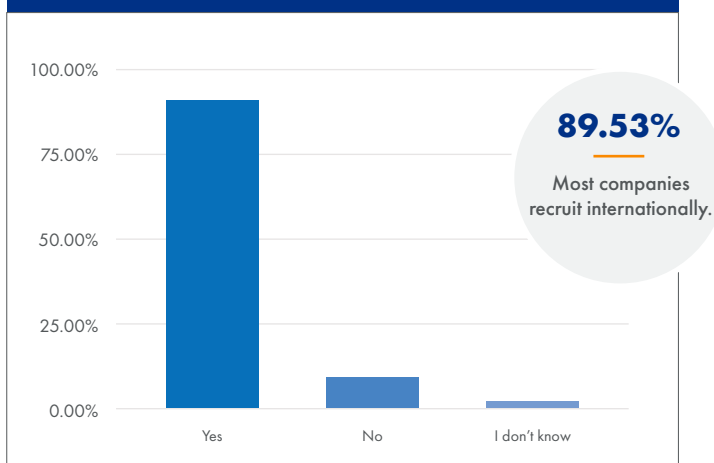
TABLE 18: What are the top employment screening challenges your organization experiences?



The candidate experience can make or break a successful hire. A 2021 Candidate Expectations Survey¹⁶ from Cronofy reports that responsiveness during the hiring process came out on top as the thing that matters most to candidates in the U.S. In fact, 64% of US candidates said that the process of interview scheduling directly impacts their perceptions of an employer, and even more so with those applying for senior roles.

Global markets are also a priority, as we are now working in remote and hybrid work environments. Cysive asked survey participants if their organization recruits internationally, and the vast majority (90%) do (see Table 19).

TABLE 19: Does your organization recruit internationally?



Global background check programs are necessary for both international organizations as well as US organizations that hire a diverse set of candidates. With remote employment broadening your talent pool from your immediate geographical location to nearly everywhere in the world, global background checks are expected to be more common. This can present a challenge for organizations not equipped to handle international background checks.

For example, if an employer has made the decision to keep its workforce working remotely for good and employees move out of the immediate vicinity to another country, domestic background screening isn't sufficient for continuous background checks. Employers will need to abide by the laws of their employee's country of residence and be able to access information in that country. Additionally, more employers are taking advantage of a productive remote workforce to expand talent pools so they can recruit and hire citizens of other countries and will need to be able to conduct background screening in their candidate's countries of origin.

Global background screening isn't just for organizations that have offices or locations in other countries—it also refers to performing background checks on domestic-based candidates who have lived, worked, or studied in another country. With the sharp rise in remote working and the number of companies choosing to retain a dispersed workforce, your formerly US-based employees could relocate anywhere in the world. This complicates a number of things for employers (including payroll), but especially for continuous screening on a global scale.

The three most important areas to focus on when developing a policy for background screening are verification, consistency, and legal compliance.

Verify candidate experience and education. Employers should know who they are hiring by verifying the candidate's educational background, employment history and other licensing credentials. Employment verification is done in the US and globally. This includes both long term and short term work history. It also includes start and end times and reasons for leaving employment. Employment verification can be one of the hardest things to pre-screen, as sometimes past employers may not be easy to reach or they might have closed operations.

Consistency in hiring practices. Your company policy around new hires or continuous background checks should have a consistent set of requirements and standards supported across the organization, and should be developed with



an understanding of all the regions in which they will be implemented and supported. Not verifying applicants' foreign experience creates an inconsistency in your hiring process and may lead to claims of discriminatory hiring practices. For example, if you run a domestic background check on two applicants for the same position and one of them claims to have a degree from a foreign institution, you will end up checking the educational claim of only one of the candidates, potentially exposing your company to litigation. Additionally, negligent hiring claims can arise when an employee causes harm to another employee and your company cannot demonstrate that it exercised due diligence when evaluating that worker's fitness for the job.

Ensure legal compliance. The legal implications of international background screening involve the intersection of U.S. and foreign laws and they can be extraordinarily complex. It is important to understand both the laws that apply in both the U.S. and the relevant foreign country. For example, the obligations of the Fair Credit Reporting Act (FCRA) still apply for international screening. If you're working with a vendor partner to outsource international screening, the vendor has an FCRA obligation to take reasonable procedures to ensure accuracy. If there is a negative public record, such as a criminal-record "hit," then the firm must make sure the information is correct and up-to-date and supplied in a way that does not violate any data- or privacy-protection rules.

It's also important to know and understand the country's data-privacy regulations, such as the EU's General Data Protection Regulations (GDPR), because the background screening process involves collecting and transferring personally identifiable data. These complexities are the primary reason many companies choose to work with a third-party vendor that has particular expertise with international background checks and hiring employees globally.

"Cisive has embraced remote work to thrive in the new normal," said James Owens, Cisive's CEO. "The pandemic has catalyzed innovation for our company. As a founding member of the Velocity Network Foundation,¹⁷ Cisive is at the forefront of an exciting paradigm shift in self-sovereignty of career credentials that will transform the world of talent acquisition. It is more important than ever to have a global strategy when it comes to talent acquisition and background screening, and leveraging the best technology and global-capable platforms such as Cisive's solutions can help companies succeed in the workplace of the future."

CONCLUSION

Through the pandemic, most financial services organizations stopped recruiting for a period of time. Top challenges moving forward out of the pandemic are providing a positive candidate experience, complying with regulatory requirements, minimizing turnaround time, and managing program costs.

"There are still some challenges that need to be addressed in financial services, but overall the outlook is positive," Cummins said. "The industry is prepared to face whatever challenges come its way, and it is confident in its ability to overcome them."

In order to remain competitive, financial services employers need to strike a balance between speed and quality throughout every part of the employee life cycle. By creating processes and systems that prioritize these updates and changes, companies can gain a competitive advantage in effective recruitment, onboarding, and ultimately retention in a post-COVID workplace.

For companies who are looking to hire quickly, recruitment and onboarding are the biggest areas of opportunity. This is in part because of the competitive recruitment and hiring markets combined with the business need to train and acclimate employees quickly in order to drive productivity and maximize revenue within the employee's first six months of hire. Organizations should lean on vendor partnerships and technology integrations with HR, including background check screening companies like Cisive, allowing organizations to scale and pivot quickly to meet the rapidly changing needs.

If the pandemic has taught us anything, it is to expect the unexpected and that organizations who can quickly scale, adapt, and pivot will reap the benefits this changing environment brings. The ability to find talent is a key component, and even more important is the ability to quickly adjust to the market conditions whatever the future might bring.

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ABOUT CISIVE

At Cative, we are experts in the specific risks and regulations that apply to the financial services and other highly regulated industries. For many years, we have provided tailored solutions to meet the unique requirements of our enterprise clients.

Cative's service model provides a single, integrated system throughout the globe using complete applicant information and country-specific forms. Cative returns information to our clients through a centralized system for analysis, quality control, presentation, and billing.

With over 4 decades of experience and expertise in working with many of the world's largest financial services institutions, Cative's deep insight into employment screening practices and industry knowhow, is unlike any other background screening provider in the industry.

Your business will not only get a background screening provider, but a lifelong partner – a company that stands by their work; protects their clients and provides the consultation and guidance world class act organizations are looking for.

CONTACT US

 www.cative.com

 info@cative.com

 866.557.5984



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