

All You Need to Know
To Hire Quickly & Effectively



Background Check Essentials

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Four Technology in Background Checks

We took over a home health-care nursing client account a few years ago. As per usual, we had a whole list of potential upgrades they could introduce to their background check Process to save time and money. To our surprise, though, Lee, their CEO, wasn't interested.

"We've already got some high-level systems in place on the HR end," Lee told me. "And I don't think we really have the bandwidth to make further changes at the moment."

He didn't want to hear a word about streamlining or integrating with us. He wasn't interested in talk of savings or speed. He had a process, and he liked it.

Despite Lee's confidence, though, that system had some significant lag to it. Their applications were still printed on paper. Once they were filled out, someone in the office would fax them over to us. The results of our checks had to be faxed back over to them. No matter how many times I suggested

changes to improve this very twentieth-century system—even something as small as switching to digital applications—Lee didn't want to discuss it.

"I'm simply too busy to consider anything right now. All I know is, what I have now works," he said, brushing me off.

It wasn't until I brought up our new app that I finally got his attention. The upgrades offered were simply too impressive for him to immediately shut it down.

I told him that our app-focused new process would email applicants directly using his company's name to show that the background checks were legitimate. Then, they would apply directly through us. They would put in their personal information and sign off on all the necessary legal documentation. If need be, we can even have the applicant upload any extra documents you need. All private information can be truncated, so no one in our office sees the full date of birth or Social Security number of an applicant. By limiting who sees the personal information of your applicant, both you and the applicant are protected against ID theft.

"As soon as we have the checks done, the information is uploaded to the app, along with the application and extra documents. All you have to do is log in to the system, put in the applicant's name, and you get the results."

Lee sat back in his chair, mulling over what I'd just said.

After a moment, he said, "Now, that really would speed up the process. That's quite a bit more of an upgrade than simply switching to a digital application."

I nodded. "Plus, the system is fully customizable, so we can make sure the app collects all of the paperwork your

company need while, at the same time, fulfilling the requirements of your legal team."

"I'll be honest with you," Lee said. "I had no idea such technology was out there. That's why I wasn't giving you much of a listen before. Seems like maybe I ought to pay a bit more attention next time."

You Have to Keep Up

It can take some convincing, but clients always eventually realize that background checks aren't one of those areas they can continue to ignore forever. One way or another, they eventually come to understand that they have to keep updating their application and background check process. I don't win over these hard-nosed, decisive executives because I'm a particularly compelling salesperson; it's simply the nature of business. If you refuse to change, you're undoubtedly wasting money and time—at the very least. Even worse, you are potentially exposing yourself to the risk of fraud and lawsuits.

Think about all the steps in the background check process that we covered in the last chapter. Each one of those steps represents a moment when things can go wrong. Let's say you use multiple background check companies for various services. For the most part, that's fine, but if you don't have those companies in direct communication and integrating their information, any number of problems can develop. Information can fall through the cracks because one party didn't know it had to share that information with another party. You might also simply be paying for the same information twice. Far worse, though, you could fall into potential liability issues with all that private information and all

those passwords floating around. Think of every person who is coming into contact with an applicant's information. The less coordinated and targeted your system is, the more risk there is that someone shares or reveals the wrong information. And then you will be facing a lawsuit.

But maybe you avoid all of this by using a single company. That's great, but if you are still relying on outdated technology, your process is still slower and more disorganized than your competitors. And those extra hours or days of delay can mean your best applicants take a job elsewhere.

Think about how the standard hiring process works. It often involves an application, an interview and a request for more documentation, a background check, and then potentially a second interview. This is a fairly laborious, extended process for the twenty-first century, and plenty of applicants simply won't see it through.

It's not always easy to take time off for that second interview or to return extra documentation, if necessary. If there were no other options, as was the case twenty years ago, we'd simply have to shrug our shoulders and get on with it, but now that you can speed up and digitize the entire process—and your applicants know that—there's no excuse to stick with the older process. Applications and documentation can be done online and immediately begin the background check process. An interview can be done online and streamlined into a single event. Hiring can become a lot quicker and easier for all parties without sacrificing any of the information you'd gather from the process.

And those improvements can further insulate you against the risk of lawsuits. With fewer hands on an

applicant's personal information and less time searching, collecting, and reviewing that information, there's simply less chance for mistakes to happen.

This transition is more important to reckon with than it was a few years ago. We're likely heading into a medium-term trend in which employees have a bit more power in the hiring process than they did before. There are simply not enough potential hires for the number of jobs out there. This is on top of industries that have been in chronic shortages for years. So you have to be competitive in the process you use. If you want the top applicants, you have to be aggressive in hiring quickly and making the process as easy as possible.

At the same time, applicants are far savvier these days, and information about their rights in the hiring process is far easier to access. It's now much more likely that mistakes can be noticed by applicants and lawsuits are filed.

All of which is to say that you can't afford to cut corners or fall behind anymore.

The good news is that streamlining the process doesn't have to be expensive or burdensome for you. The technology is there to make it easier for everyone. You just have to learn about it and implement it.

The Big New Advances in Background Checks

Keeping up with technology isn't something I really have to sell business leaders on. They know it's important—in their own industries. The harder sell is to open their eyes to the need to follow tech advances in the background check industry as well. Once they accept that, though, the possibilities very quickly become enticing. Again, the advances here have

been enough to win over skeptics like Lee. And I'm confident they can win over your company as well.

However, it's important to recognize that, like all technology, advances are always coming down the line. As with the background check products I laid out in chapters 1 and 2, I'm going to stick with the essentials here instead of trying to be exhaustive. This is certainly not the limit of what is available or what is possible in this industry.

With that said, there have been two big waves of changes in the last decade, with a third one on the horizon. The first advance was digital integration with HR. This innovation has allowed for every part of the application process to work within a single system and appear on a single dashboard. Our app in this space is what won Lee over. Essentially, an application no longer has to involve multiple parts that are scattered across paper and digital locations. Instead, it can all come together in one place, reducing time and cost, complexity, risk of missing information, and the risk of lawsuits. These advances also included features like applicant tracking systems (ATS) that manage lead flow, along with the background checks and HR information.

The industry has made further strides than that, though. In particular, in recent years, we've taken a massive leap thanks to automation. Nowadays, many parts of the background check process can run automatically, with data found, organized, and sent to the potential employer without a single person involved. Where automation is possible, it speeds up the process immensely while removing the risk of human error and liability issues. For instance, many courts have digitized their records, and we have an automated program that

can review those court records as effectively as if we'd sent someone to the courthouse. This program allows us to get the information to clients faster and at a lower cost.

Of course, these updated digital records aren't available in every jurisdiction, so the system is still slightly limited, but I expect it will continue to grow.

Perhaps just as importantly is the automation process in the education and employment verification systems. Before we had the technology for a computer to run these searches, verifications could be extremely time-consuming. Colleges can take weeks to respond to a request. Even when we could get through, many colleges wouldn't directly comply with our requests and would instead send us to The National Student Clearinghouse, which charges clients more fees for that same information. The same holds true with employment verifications and the high cost of The Work Number. Employment verification also had further risks. Because we were looking at years of employment and job-role history, there was always a risk of accidentally sharing information—such as previous salary—that employers aren't always legally allowed to see in some states.

Verifying employment has become much more difficult over the past few years. Many employers, if not all, will only verify that the employee worked for them. At most, they will verify position and the start and end dates. In this day and age, it seems everyone is afraid of a lawsuit.

With automation, though, a computer can solve all these problems. It can do the work almost instantaneously, with the program designed to only review the key information and never reveal anything else.

This is how it works. The system sends an email directly to the potential applicant with an introduction email that explains who we are and who we represent. That email also requests, via a secure link, the username and password that the applicant uses for their college or former employer. The program takes this information and logs into the system, pulls the necessary data—and only the necessary data—and logs out.

No security risk. No litigation risk. And it's all done as soon as the applicant shares their login information with no additional fees from the likes of The National Student Clearinghouse or The Work Number.

But for all its promise, there are still limits to automation in this industry. For instance, the government doesn't allow us to integrate with their databases. To get access, we have to create technology that queries each system one-on-one, very often using technology that scrapes the data from the state or county sites. And since this is only available for some municipalities and states, we have to keep track of which jurisdictions have up-to-date information online and which have special restrictions. We have to know which courts are reliable and what data is available. Additionally, many jurisdictions use multiple sites. Still, where we can use it, this is a vast improvement over our old process.

Fine-tuning automation won't be the end of the technological development in background checks. In the years ahead, Artificial Intelligence (AI) is likely to evolve enough to radically change our industry. However, it's important to recognize that that technology isn't available yet. So don't let a background check company woo you with promises of

AI-run processes. At the moment, that is a false promise. The technology will exist someday, but it doesn't exist yet.

When Not to Use Technology

Technology has and will continue to play a huge part in the evolution of the background check process across every industry, but that doesn't mean every opportunity to employ technology is necessarily an improvement. In fact, sometimes technology can lead companies to make very risky choices.

For instance, here's a straightforward question for you: When you are considering a candidate for a job, do you Google them?

Be honest. If you do, you're probably like the majority of companies out there, and you're probably opening yourself up to a lawsuit. Because Google searches can give you all sorts of information—not all of it accurate either—it's extremely easy to come across information you aren't legally allowed to use as a basis for your decision to hire or reject a candidate. If an applicant fails to get a job and their lawyers can prove you looked the applicant up on Google, you could easily be facing a serious discrimination case.

The same is true for social media. Looking up someone's Twitter account seems the most obvious thing in the world to do, but similarly, you may unintentionally come across information you aren't allowed to see, influencing your decision-making in ways it shouldn't legally be influenced.

Rather than search yourself, it's best to rely on an experienced and knowledgeable background check company—and to double-check everything with your employment lawyer. Let them guide your use of technology in this area. That's the only way to avoid putting your company at risk.

Changes Go Beyond Technology

The background check world is clearly constantly changing and innovating—but this isn't just because of technology. In fact, the whole background check system evolves with society. Society shifts perspective on some drug use, and background checks adapt. Employees use social media more frequently, and background checks adapt. Employers see new post-hiring needs, and background checks adapt.

Once you see that adaptable potential, background checks take on a whole new set of uses in business. That's how it was for Lee. After we updated his process to utilize the latest technology, he realized he needed to be able to keep up with potential risks posed by the people under his supervision.

I recommended we look at monitoring options to help him keep tabs. This time, there was no brushing off. He was ready to sit down and talk through the details right away.

"The world is changing," he told me. "And if we want to be the best, we have to keep up."

I told him that I couldn't have said it better myself.