

HireRight Smooths Candidate Screening with Integration, Mobility

HireRight
Best Advance in Candidate Experience
Management Technology
March 2018



Company Background



Company At-a-Glance	
Headquarters	Irvine, California
Year Founded	1981
Revenue	Private
Employees	1,700
Global Scale	Approximately 240 countries across North, Central, and South America, Europe, Africa, the Middle East and Asia-Pacific regions.
Customers/Output, etc. (Key customers and services offered)	Criminal Background Checks, Identity Checks, Verifications, Drug & Health Screening, I-9 & E-Verify, Candidate Experience, Extended Workforce Screening, Executive Intelligence, Additional Services, Global Screening
Industry	Background Screening
Website	http://www.hireright.com/

Value Proposition

Working with approximately 40,000 employers worldwide, HireRight provides background screening for approximately 13-million job applicants annually across 240 countries. The company offers more than 100 types of screenings from employment



verification and criminal background checks to professional licensure verifications and drug screening. Clients include 70% of the Fortune 100 and 25% of the Fortune 1000.

In all instances, the goal is to provide thorough, meaningful results that enable clients to hire the best employees while providing an exceptional, low-stress experience for each candidate.

Launched in beta form in November 2015 with worldwide rollout in mid-2016, Applicant Center 2.0 is HireRight's newest software offering. With an app optimized for desktop, mobile, and tablet, Applicant Center 2.0 is designed to:

- Provide the candidate with transparency in the background-screening process.
- Reduce likelihood of mistakes in candidate-supplied data.
- Offer a highly customizable interface that enables employers to stay "on brand" through the background screening process.
- Integrate with more than 50 leading applicant-tracking system (ATS) technologies, including Taleo, JobVite, iCIMS, ADP, SAP, PeopleFluent, Workday, Oracle and Ultimate Software.
- Streamline the background-screening process, thus reducing unnecessary communication between the applicant and HireRight and/or the employer.
- Decrease the total time spent on background screening.
- Reduce the volume of information that cannot be verified.
- Improve overall candidate and employer satisfaction.

Value: Risk Mitigation

On the employer side, the hiring process can be risky. One small misstep and a company could face a lawsuit, government fines, and long-lasting damage to its brand and reputation. The background screening, in particular, is one aspect of the process that is fraught with legal minefields.

From privacy regulations to Fair Credit Reporting Act mandates, from varying national and state laws to industry-specific regulations, each background check presents a unique set of legal challenges depending on the country or state where the applicant and employer are based, the types of information being collected, and even the way the information is gathered, stored, transmitted, and disseminated.

HireRight Applicant Center 2.0 helps companies mitigate the risks during the background screening. With a legal team that spans the globe, HireRight ensures it complies with



applicable laws in the 240 countries where it conducts background screening of applicants and employees.

Risk Mitigation Client Example

HireRight counts among its clients one of the largest non-profit, senior-care organizations in the Unites States. The client's name has been intentionally omitted because of the sensitive nature of the regulatory action that the organization was facing.

The organization, with more than 20,000 employees, was aware of federal regulations that prohibit hiring sanctioned individuals and had dedicated personnel at each of its 240 facilities checking every job candidate against the U.S. Department of Health and Human Services (HHS) Office of Inspector General (OIG) List of Excluded Individuals/Entities (LEIE).

Yet, during a routine federal audit (and before working with HireRight), authorities uncovered one employee with outstanding sanctions who was prohibited from working for health care providers that accept federal funds. In the end, the government fined the senior care organization \$500,000 and warned that fines would increase if the organization did not improve its employment screening system and auditors found future violations.

It may seem that the OIG has a straightforward solution for preventing sanctioned individuals from being employed in health care, but there are a few big challenges to meet its requirements.

- There may be time gaps between when a person is sanctioned at the state level and when that offense is reported to the federal level and published on the OIG LEIE.
- Individuals can alter their names, change locations, and falsify identifying information, such as Social Security numbers, to hide past sanctions.
- Many large health-care organizations employ thousands of workers, which increases the chance for lapses in screening and mistakes due to human error.

After the audit, it became clear that immediate changes to the organization's screening program were necessary. The audit prompted the senior-care organization to partner with HireRight and its sister company Kroll to design and implement a comprehensive employment screening program.

"Other screening vendors could not match the turnaround time, accuracy, high level of coverage, and value which HireRight offered," the company's Director of Risk Management said.



HireRight uncovered several weaknesses in the provider's previous employment-screening program. The old process was too decentralized. Hundreds of employees at 240 different locations across the country handled sanctions screenings with no central system to double-check the work for human error. Further, there was no way to discover aliases or maiden names applicants used when sanctioned.

Like most large decentralized health-care employers, this senior-care organization found that many individuals responsible for hiring were unaware of regulatory requirements related to employment screening and the penalties for an oversight. Workers also were unaware of the risk to the organization's brand caused by employing sanctioned workers.

Finally, although the organization had sanctions screening and criminal background checks in place, those checks were meeting only the minimum-regulatory obligations. To account for transient workers, name changes, false identifying information, and time gaps between state sanctions and federal reporting, the organization needed to greatly increase the scope of its screening.

To strengthen its program, the organization centralized its employment screening processes through an automated web-based platform integrated with its applicant tracking system. As recommended by HireRight, the organization changed the way it screened candidates and employees by layering a complete criminal history check on top of robust sanctions and exclusions screening.

The organization expanded its criminal-records searches beyond the state where the hiring location is based to include every location the applicant had lived in for the previous seven years. Further, it expanded its sanctions database screening by comparing the name used by the applicant on his or her employment application and all other names associated with the applicant's Social Security number against the OIG LEIE and U.S. General Services Administration (GSA) Excluded Parties List System (EPLS). The new employment screening software also runs the job candidate's name and other identifiers through national databases for positive matches related to criminal activity or sanctions and exclusions violations. This broader search helps ensure that red flags in a candidate's history are uncovered.

For increased efficiency, the employment-screening process was integrated with the organization's Lawson payroll system. A Human Resources staff member at each of the centers enters a new hire's basic information into the payroll system. Any new payroll data is automatically detected and uploaded to the employment-screening solution's central database several times a day. The employment-screening solution then runs the



new-hire data through the series of background and sanction checks—a process that typically takes one to two days to complete.

The senior-care hiring personnel can access a centralized and simple dashboard where they can monitor the status of their new hires and see when someone is cleared in real time. Further, the organization, with HireRight's help, educated its hiring personnel about the serious consequences associated with noncompliance and how the new program automatically helps to ensure both regulatory- and-policy compliance enterprise-wide.

As an additional level of security, the senior-care organization has a team of 10 workforce consultants who oversee the entire screening solution. The team, based in the organization's national campus, also scrutinize any background check or sanctions-screening results that do not meet the system's automated rules and require human review.

With the new HireRight system in place, the organization can be assured that the sanctions screening is being done according to policy at all locations. Corporate staff can run internal audits right from their desks using HireRight's screening-solution dashboards to ensure that all individuals on the payroll have been properly screened.

When the solution was implemented, the company ran all of its current employees through the new sanction-screening system and received about a dozen indications of potential hits.

After investigating those hits, the central campus found that five individuals needed to be released. "While five out of 20,000 employees doesn't sound like a lot, when you think of that number in terms of a \$500,000 penalty per person, you can quickly see the value in screening and releasing ineligible workers," the Director of Risk Management said.

The company's management team reports that the new system has given its current employees and residents greater peace of mind, reassuring them that they will be working and living with safe, high-caliber individuals.

Value: Stress Reduction for Candidates

Risk reduction is not the only area where Applicant Center 2.0 delivers value. The background-screening process often is stressful for the candidate — the final hurdle standing between them and a position with a new employer or new job with their current employer. "How long will it take?" "Why haven't I heard anything about the status of my background check?" "When should I put in notice at my old job?" In many ways, this final interaction can help set the tone for the candidate on the first days in a new job.



Applicant Center 2.0 is designed to reduce such stress factors and improve overall satisfaction among candidates, ensuring that their transition into a new company or role is satisfying for both candidate and recruiter alike.

In an effort to improve the candidate workflow and demystify screening, the HireRight team incorporated videos and custom instructions into Applicant Center 2.0 that provide background information about the process.

Pre-populated fields, intelligent data-entry tools, and the ability to upload photos of documents mean candidates are providing complete information and specific documents upfront to prove self-employment, bankrupt businesses, and other difficult-to-verify scenarios. This ability speeds up the verification process, reduces discrepancies and limits communication to fewer points of contact. With improved accuracy of Hire data, the turnaround time for background screening has been reduced by 34 percent for companies using Applicant Center 2.0.

In addition, the patented Turnaround Time Predictor estimates how long it will take to complete the requisite background checks. Thus, HireRight and its clients no longer have to deal with a barrage of calls and emails from candidates checking on the status of their background screenings.

In fact, communication with candidates has fallen by 50 percent since Applicant Center 2.0 was launched. If, however, candidates have questions about the process, they can contact the company via live chat in Applicant Center 2.0, email or telephone.

Candidates have enthusiastically embraced Applicant Center 2.0, offering such feedback as:

- "Excellent UX [user experience] design, very intuitive and easy to use. The best (and easiest) background check process I've ever gone through."
- "One of the smoothest & fastest background check applications I have used."
- "Amazing! Works in mobile? Unbelievable!"
- "I have had several background checks done in the past. This is by far the easiest, and most user friendly way to do it. So great job!"
- "I love your website. Great UI [user interface]!"
- "This is the most user-friendly website I have ever used to complete the background check process. Thank you."



- "I have completed background information with different sites but this was by far less complicated and user friendly. Thanks!"
- "All background checks should be as convenient as this one."

Product or Program Innovation

HireRight developed the industry's first internet-based background-screening solution and launched it in June 1997. The company also was the first to develop pre-integrated background-screening solutions with leading eRecruiting applications.

The company's fundamental platform, HireRight Enterprise with Applicant Center, was created in 2008 to help ensure compliance with regulatory requirements and employment-screening policies. Since then, the screening landscape has changed dramatically.

Therefore, HireRight rebuilt the product in 2015 with revamped functionality and enhancements to the customer experience, candidate experience, and backend processes for a smoother, faster workflow. Applicant Center 2.0 is the most innovative version with its end-to-end candidate mobile experience supported in more than 22 languages within a fully-configurable customer portal.

Among its notable features:

Designed for the mobile user. Today's job candidates, particularly those who fall into the Gen X and Millennial demographics, are highly reliant on their mobile devices. They may check personal email infrequently and are not in front of personal laptops or desktop computers as often as their older counterparts.

To address the mobile, on-the-go workforce, HireRight designed a candidate experience that includes text invitations/notifications, a mobile-optimized application, and the documents that can be uploaded by taking pictures with mobile devices. This key feature allows candidates to manage the entire verification-process across devices, creating a seamless experience. This increased reliance on text notifications also reduces the likelihood of delays due to emails going to spam and clutter folders.

As a result, HireRight has seen an increase in mobile adoption among candidates, with more than 35 percent of them using the mobile version of Applicant Center 2.0.

Patented Turnaround Time Predictor. Anyone who has used an app to order food or a ride-sharing service is familiar with tracking technology that eliminates the need to ask,



"How much longer do I have to wait?" Similarly, Applicant Center 2.0 removes the stress of waiting for background-check results with its unique Turnaround Time Predictor.

Using a statistical model based on HireRight's historic data, the Turnaround Time Predictor analyzes a number of factors to estimate – with 95% accuracy – how long it will take to complete the background-screening process. Factors taken into account include:

- Type of screening being conducted.
- Specific school, employer, government authority, or other organization from which information is being gathered. For example, the Turnaround Time Predictor takes into account whether an entity provides records electronically or requires HireRight to appear in person to request documents.
- Time of year. For example, a university registrar's office may be slower to respond over the summer break, at the start of each semester, and in the month approaching graduation.

Integration across 50+ applicant tracking systems. Applicant Center 2.0 integrates with many of the most popular applicant-tracking systems, automatically importing key pieces of candidate data and, thus, reducing the need for applicants to re-enter information.

Candidates receive a number of benefits from applicant-tracking systems and background-check integrations. HireRight focuses on improving the candidate experience by asking for the right information the first time. By doing so, Applicant Center 2.0 reduces data entry errors when filling out forms, creates an improved experience on any device from desktop to mobile, provides a faster hiring process, and reduces phone calls and emails needed to verify forms.

By coupling a company's ATS with a background-check integration, the employer or the candidate has no need to repopulate relevant and corresponding information, such as names and addresses. Those are auto-populated into Applicant Center 2.0, reducing the candidate's data-entry time and potential inaccuracies. This ability streamlines the candidate-verification process for both the employer and the candidate, improving the experience overall.

For example, Gonzaga University selected HireRight, in part, thanks to its seamless integration with PeopleAdmin, the applicant tracking system it uses. HireRight also improved the hiring process for HR staff, enhanced the recruitment experience for candidates, and helped the university increase security.



The Gonzaga team reports that its research showed that no other provider had a built-in integration like HireRight. Some had no integration, others had integrations that were still being developed but weren't workable, and others had early, less-substantial versions that enabled limited capabilities. HireRight was the only solution with a robust integrated offering that had been designed from the ground up with PeopleAdmin for full functionality and seamless operation.

Predictive text and auto-suggest to reduce data entry errors. Specific fields in Applicant Center 2.0 will auto-suggest text to decrease the likelihood of errors, which can delay the background-screening process or may result in information that HireRight is unable to verify. For example, when a candidate enters his or her address, Applicant Center 2.0 uses Google Maps API to auto-suggest addresses and ensure proper formatting. As a candidate starts to type the name of an employer, the application will suggest nearby companies based on the candidate's location. The system also has preloaded information about countless degrees offered by colleges and universities worldwide.

In addition, the fields and keyboard adapt based on the applicant's location and specific types of data being entered. When a phone number is needed, mobile users will automatically see a 10-digit keypad. A user in Canada would be prompted to provide a city, province/territory, and postal code, while a user in the United States would be asked for a city, state, and zip code.

These innovations allow Applicant Center 2.0 to gather complete, pertinent, and verifiable information from candidates on a global scale, using an interface that has been localized depending on the candidate's location and language and the context of information being gathered. Across the board, those innovations have had a dramatic impact on key performance indicators (KPIs), including reduced turnaround time for background screenings, lower "unable to verify" rates, decrease in the number of candidates who contact HireRight with questions, and improvement in candidate satisfaction.

Global in nature, locally focused, compliance emphasized. This global product extends beyond the interface to the screenings, which are processed according to all relevant local laws. This process enables employers to maintain consistent branding and screening standards across jurisdictions while ensuring a legally-compliant report delivered at a local level. Not surprisingly, smaller companies that may not have employment lawyers in every country appreciate HireRight's compliance solutions, but larger companies also benefit from its expertise.



As an example, HireRight works with a multinational IT company with 60,000 employees worldwide, including 22,000 outside the United States and Canada. The client has requested that its name not be used.

Initially, HireRight handled the company's U.S. and Canadian work. When the company decided to implement a comprehensive international background-screening process, it again turned to HireRight.

The HireRight team helped the client implement a consistent, fair process in the 93 countries where it hires employees. At the same time, Applicant Center 2.0 helped the company comply with all relevant background-screening regulations in each of the countries and continuously monitor for changes in those regulations,

"In some countries, it's not legal to run a criminal check and we have to search public information for evidence of criminal activity," the HireRight customer representative said. "Some cultures consider it disrespectful to check a person's past employment. We wanted to be fully informed and sensitive to each country's rules while trying to apply our screening program without bias."

The resulting background-screening solution from HireRight required one and a half years of planning. It now provides recruiting teams all over the world with immediate, seamless access to a central background-checking environment. The streamlined solution provides an online-application form complete with a background screening questionnaire and digital signature. The all-digital resource eliminates multiple inputs, faxing, and printing so private data is never left vulnerable and the potential for error is greatly reduced. Screening results are returned rapidly and are adjudicated against corporate hiring standards. If the screen meets standards, the recruiter is flagged to proceed with hiring.

Measurable Results

Since rebuilding the HireRight Enterprise platform with Applicant Center 2.0, HireRight has transitioned a wide spectrum of accounts, including enterprise, midsize, U.S. domestic, international, vendor, and integrated accounts. The HireRight team has received positive feedback from both customers and candidates, streamlining the hiring process for HR managers and improving the candidate experience.

Key performance indicators are tracked across all clients and monitor client-specific metrics. Across all clients, measurable improvements from Applicant Center 1.0 to Applicant Center 2.0 include:



- Mobile use has increased from 15% to more than 35%.
- Overall candidate satisfaction has increased by 20%.
- From the moment a candidate receives notification that the background-screening process has commenced, there has been a 30% reduction in the amount of time it takes for the candidate to log into the system.
- Turnaround time has dropped by more than 10% for major types of background screenings, including verification of past and current employers, education, and self-employment status.
- The rate of information that HireRight is unable to verify ("UTV") has declined between 10% and 65%, depending on the specific type of information. In the earlier Applicant Center 1.0, the HireRight team was unable to verify current employment information for 9% of applicants. With Applicant Center 2.0, the UTV rate has decreased to 4%, a 56% decrease. The UTV rate for self-employment confirmation has decreased from 20% to 7%, a 65% drop).

In addition, Applicant Center 2.0 has:

- Launched to more than 40,000 diversified-customer accounts without any major issues or rollback.
- Shown a 95% accuracy rate in the Turnaround Time Predictor.
- Played a key role in securing new clients and retaining existing clients.

HireRight has done KPI analysis for a major multinational-telecommunications company that uses its services for drug and background screenings in North America. The client has requested that its name not be used.

The analysis compared data from Q2 2016 when the company used Applicant Center 1.0 to the same period in 2017 after the company fully migrated to Applicant Center 2.0. Notable results:

- A 19% decrease in volume of contact with candidates since the client upgraded to Applicant Center 2.0.
- On a five-point scale with five most satisfied), candidate satisfaction improved from 3.3 to 4 after migration to Applicant Center 2.0.
- Applicant log-in time after the initial notification decreased dramatically. Across all HireRight clients, 18 hours is the average log-in time. For this client, the average for all candidates is 16 hours, with mobile users at \approx 10 hours and those notified by SMS at an average of 2.5 hours.



- Using Applicant Center 1.0, it took an average of 65 hours to verify candidates' educational information. (That number was about five hours more than the average turnaround time across all HireRight clients.) Since the client migrated to Applicant Center 2.0, the time it takes to verify a candidate's education has dropped by ≃20 hours.
- The time it takes to verify a candidate's current employment also dropped dramatically. Using Applicant Center 1.0, on average, it took just under 60 hours on average to verify each candidate's current employment. Since the client migrated to Applicant Center 2.0, that verification time has dropped by ≈10 hours and, in some instances, by ≈20 hours per candidate. (These numbers are significantly lower than the average of all HireRight clients.)
- The company also saw a reduction in turnaround time and in the amount of unverifiable information for candidates who were self-employed, worked for companies that are no longer in business. and/or held contract positions.

In short, key performance indicators for all applicants, as well as KPIs for specific clients, have improved across-the-board improvements after the client migrated to Applicant Center 2.0. But success is measured by more than just KPIs. It's also measured by the enthusiastic reception on the part of applicants and clients alike.

Gratification comes from such feedback as: "I've never had a Background Check portal be this precise, concise and thorough. Well done!" and "As a retired Director of Talent Acquisition, who has used H[ire]Right as a background check provider, I find this presentation and interface the best ever. Congrats."



About Brandon Hall Group

Brandon Hall Group is a HCM research and advisory services firm that provides insights around key performance areas, including Learning and Development, Talent Management, Leadership Development, Talent Acquisition, and HR/Workforce Management. With more than 10,000 clients globally and more than 20 years of delivering world-class research and advisory services, Brandon Hall Group is focused on developing research that drives performance in emerging and large organizations, and provides strategic insights for executives and practitioners responsible for growth and business results.

Inspiring a Better Workplace Experience

Our mission: Empower excellence in organizations around the world through our research and tools each and every day. At the core of our offerings is a Membership Program that combines research, benchmarking and unlimited access to data and analysts. The Membership Program offers insights and best practices to enable executives and practitioners to make the right decisions about people, processes, and systems, coalesced with analyst advisory services which aim to put the research into action in a way that is practical and efficient.

Membership Offers Tailored Support

Our membership delivers much more than research. Membership provides you direct access to our seasoned team of thought leaders dedicated to your success, backed by a rich member community, and proactive support from our client services team.

RESEARCH ACCESS & EVENTS

- Reports
- Case Studies, Frameworks & Tools
- DataNow[®] & HireRight's Newest Software Smooths Candidate Screening

With Integration & Mobility ®

- Webinars and Research Spotlights
- Annual HCM Conference

ADVISORY SUPPORT

- Ask the Expert
- 1 on 1 Consultations
- Research Briefings
- Benchmarking



CLIENT SUCCESS PLAN

- Your Priorities
- Executive Sponsor
- Client Associate
- Monthly Meetings

Strategic Consulting Offers Expert Solution Development

Our consulting draws on constantly updated research and hundreds of case studies from around the globe. We provide services that simplify and target efforts to produce business results.

BENCHMARKING

- Competitive/Comparative
- Maturity Model
- Custom Research

STRATEGY

- Business Case
- Planning
- Organization & Governance

TECHNOLOGY SELECTION

- Vendor Selection
- Architecture Design
- Systems Evaluation

DEVELOPMENT & INTEGRATION

- Program Design
- Assessment
- Survey
- Process Integration

For more information, contact us at success@brandonhall.com.