



2018 HireRight EMEA Employment Screening Benchmark Report





Welcome to the 2018 HireRight Europe, Middle East & Africa Employment Screening Benchmark Report

This is a year of fundamental change for Europe, Middle East & Africa (EMEA) HR and risk departments, as they face a barrage of new and emerging challenges.

There is the long-awaited and fast-approaching GDPR implementation on 25th May 2018, the uncertainty of Brexit negotiations, the continued move towards contingent and flexible working, and ever-present technological disruptions.

Despite the fact that there is so much change to address, the 2018 *HireRight EMEA employment screening benchmark report* reveals that, for many businesses, growth is a top priority. As a result, hiring rates are expected to rise – in many cases, significantly.

The report, based on the thoughts of EMEA HR and risk decision makers, reveals a number of other key recruitment and screening trends this year. In particular, it looks at the shifting focus from attracting talent to retaining it and a continued emphasis on the candidate experience.

We hope that you find this report useful in reviewing how your company fares against peers when it comes to screening and making decisions for the year ahead. We hope that the challenges ahead form the basis of positive changes and opportunities for your business and, as always, do contact us to engage in a deeper discussion on issues affecting employers in our region.



Steve Girdler Managing Director EMEA, HireRight

Read on to find out



Are EMEA businesses
GDPR-ready?



Has Brexit uncertainty
hit confidence?



Is senior leadership
screening up to scratch?



What mindset sets high-
growth businesses apart?



Raising the Bar: GDPR

Few business issues have been discussed in EMEA in more depth than the General Data Protection Regulation (more commonly referred to as the GDPR).

This new legislation, which gives people more control over how their data is used, is going to impact almost every single EMEA business, whether they are EU-based, or conduct business from within the EU.



Are organisations ready for the May 25th deadline for this new standard for acquiring, transferring and storing data? Our research suggests that most are.

Two thirds (69%) of HR and risk professionals believe their organisation is fully prepared for the GDPR, and that they know exactly how to comply with the GDPR.

Only 18% of respondents state that they don't know how the GDPR differs from the existing Data Protection Directive, suggesting that overall understanding of the topic is high. For HR and risk professionals whose businesses aren't ready, this will make concerning reading.

Despite the overall confidence, there is still much up in the air when it comes to implementing the GDPR. Few countries have yet outlined how they will adapt the rules. Nor do we know exactly how the regulation will be interpreted and enforced. So, while businesses may be ready and raring to go, this is only the start for the GDPR.



69%

of EMEA organisations are "fully prepared"



18%

of HR and risk professionals don't yet know how the GDPR differs from the existing Data Protection Directive



The GDPR will impact almost every single EMEA business

Britain Remains Attractive Post-Brexit Decision

As the dust settles on Britain's decision to leave the EU, confidence in the country's business landscape is returning.

Things have certainly changed since the financial crisis of 2008, as organisations went from laying off workers, to moderately increasing their workforce, to competing to land top talent.



Business

38% of HR and risk professionals believe the UK is a less attractive place to do business than it was before the vote. While this may seem high, it is a significant 22% fall compared to the same time a year ago: just after the referendum, half (49%) held the same belief.



Regulation

33% of HR and risk professionals think regulatory uncertainty is making it harder to recruit and screen UK nationals, down from 44% last year.



Screening

Today, 40% of HR and risk professionals think it will be more complex to screen once the UK leaves the EU – another notable fall. Last year, that figure stood at 62%, which is 35% higher.

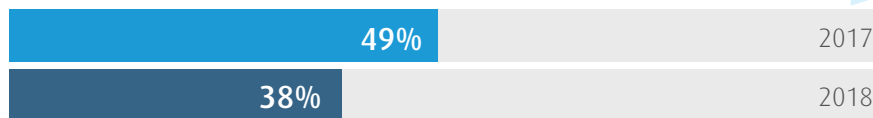


Recruitment

Just 4% of respondents are discussing stopping recruitment in the UK because of Brexit. In fact, they were particularly passionate on this point, with 64% strongly disagreeing that they will draw back recruitment in the UK due to Brexit.



UK is a less attractive place to hire since Brexit



CHANGE

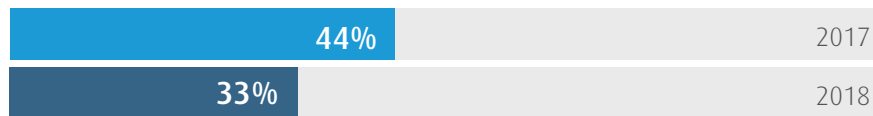
22% ↓



4%

May stop recruitment in the UK because of Brexit

Regulatory uncertainty is making it harder to recruit and screen UK nationals



25% ↓

It will be more complex to screen once the UK leaves the EU



35% ↓

The Biggest Business Concerns of 2018

By far and away the biggest issue businesses face is finding, retaining and developing talent. It's a key challenge for the majority (52%) of employers.

Managing costs is the second biggest concern impacting a third (34%) of companies significantly. Regulation is nearly as much of an issue – impacting just under a third (31%) of companies.

Attraction vs. Retention: What's the Priority?

If we look closer at the key issue of attraction and retention, we find that focus is shifting from attracting candidates to retaining talent. Some would say, we're battenning down the hatches; others that businesses are realising the value of employee engagement during a period of constant change.

Finding qualified candidates remains the number one talent issue – being a key concern in 44% of businesses. Concerns about this have fallen by 19% since last year.

Maximising employee engagement is the second biggest talent concern. It's a worry in 43% of companies, representing a rise of 30% since 2017. Half (52%) of companies are investing in employee engagement initiatives, making it the top investment this year. A large proportion (45%) are investing in improving company culture, again showing the focus on current employees.

Top Business Challenges

1	Finding, retaining and/or developing talent	52%
2	Managing costs	34%
3	Regulatory changes	31%
4	Growing revenue	29%
4	Finding and/or retaining competitive advantages	29%

Top Talent Management Issues

1	Finding qualified job candidates	44%
2	Maximising employee engagement	43%
3	Making HR processes more efficient	42%
4	Improving the candidate experience from application through onboarding	39%
5	Keeping good employees/employee turnover	38%

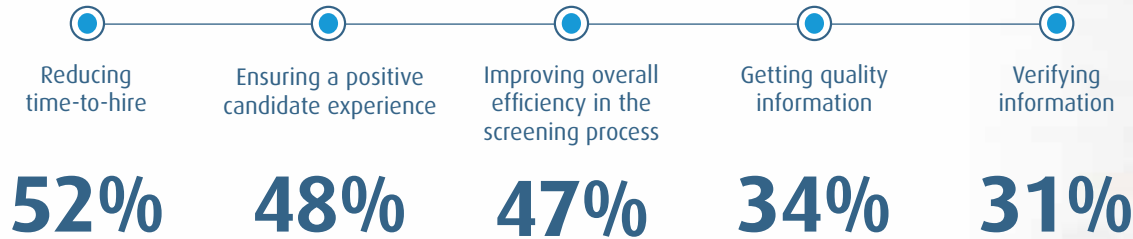
Top 2018 Investments

1	Maximising employee engagement	52%
2	Improving the candidate experience from application through onboarding	51%
3	Making HR processes more efficient	50%
4	Finding qualified job candidates	46%
5	Creating a positive corporate culture	45%



Screening in 2018: Candidates at the Core

Top Screening Challenges



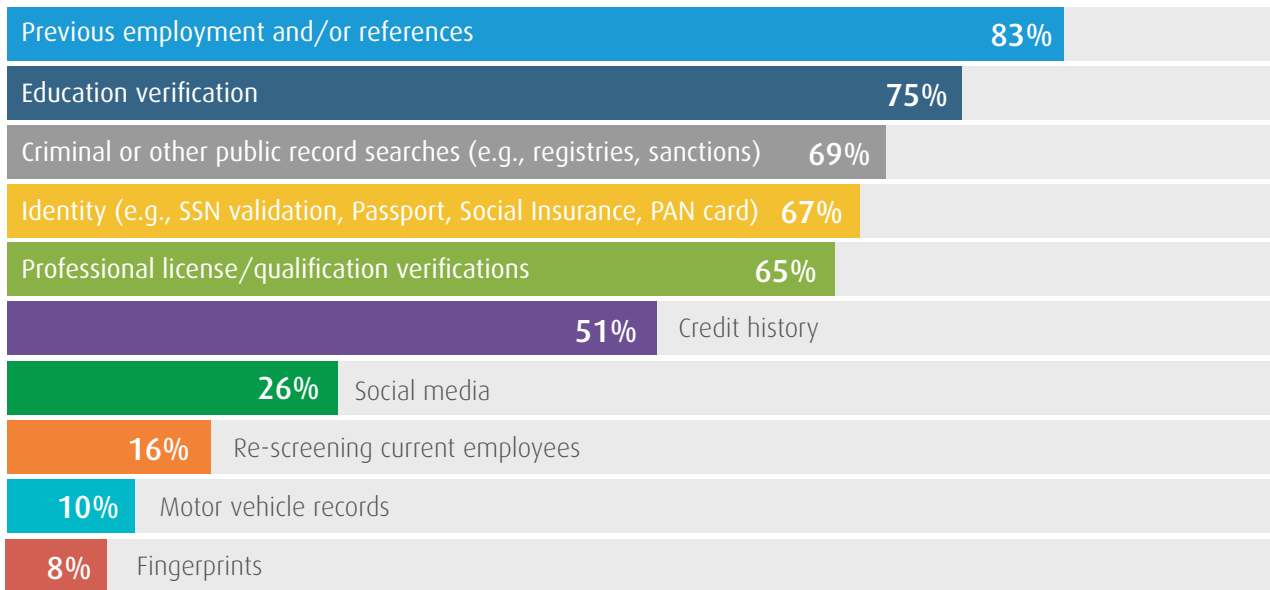
Getting the right people into roles faster is always going to be a key aim in recruitment – and it remains the top screening challenge in 2018.

Ensuring a positive candidate experience continues to increase in importance and this is the second biggest challenge in screening – rising 14% in a year. It’s also a key investment area with half (51%) of businesses putting resources into initiatives in this area.

Screening is seen as an imperative in many businesses with 89% of HR and risk professionals experiencing candidates misrepresenting information on their resumes or job applications. Screening has uncovered issues that would otherwise have not been discovered in 75% of organisations that screen.

What is Being Screened?

Top Screening Performed Pre-Hire



International Intentions

Despite workforces being increasingly international, global screening strategies are still in their infancy in many cases. 39% of companies don't have an international policy in place. For those that do screen globally, the top issues are:



Challenges sourcing information



Difficulty understanding laws by country



Cost is too high



Lack of cultural acceptance

Top Tactics to Help Ensure a Leading Candidate Experience



59%

Follow-up communication for all candidates



58%

Candidate-friendly emails



21%

Mobile-friendly application/screening process



28%

of HR teams have uncovered issues in senior applications

26%

of businesses said that it's possible people on the board have never been screened

Consistent and Compliant?

More than a quarter (28%) of businesses have uncovered issues during screenings of senior workers. The damage that undetected issues at this level could cause is massive. And, in a small but significant proportion of businesses, issues in senior applications could be going undetected.

In 26% of businesses, it's possible that people on the board have never in their career had their qualifications, experience and criminal records checked. 23% of HR and risk professionals see that every time their organisation recruits someone new to the board; a different process is used to check their background. In fact, in 28% of candidates go through fewer tests and interviews to secure a job as an executive than an entry level hire.

Fast Growth Businesses: What Sets Them Apart in 2018?

71% of companies are looking to grow their workforce this year compared to 59% in 2017. For those that are growing, many are doing so more aggressively with a third (30%) planning on growing by 6% or more.

So what sets these fast-growth businesses apart? Our research shows they are:



Less concerned about managing costs



More focused on risk management and rising to regulatory changes



More positive about all the benefits of screening



More concerned about creating a positive corporate culture and maximising employee engagement



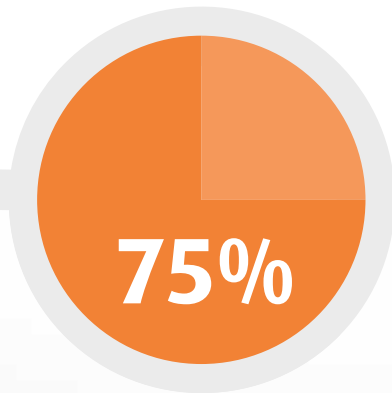
More likely to be investing during 2018, especially in their employer brand, corporate culture, developing leaders, retention, the candidate experience and using HR technology

Six Tips to Excel in 2018

- ✓ If you're one of the companies that isn't GDPR-ready, take action. For more on the GDPR and screening, please refer to our 12-part GDPR blog series.
- ✓ Continue to focus on finding, retaining and developing talent – because your competitors are.
- ✓ Work to improve the candidate experience and maximise employee engagement from the off.
- ✓ Don't ignore senior level screening and presume that it has been carried out in previous roles.
- ✓ Set in place a global screening policy to keep pace with increasingly international talent access.
- ✓ Learn from the mindset of the go-getting fast-growth 30% – taking positive action, investing in issues and putting people at the heart of their operations.



2018 Screening Snapshot



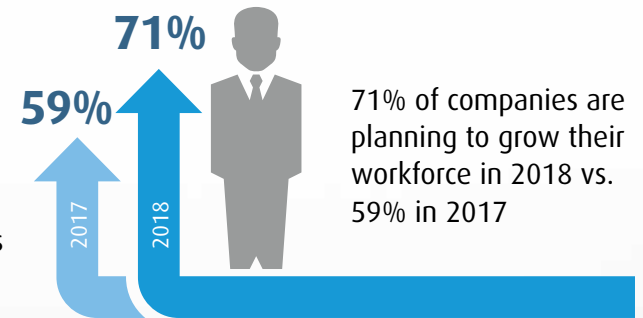
Screening has uncovered issues in 75% of organisations

89% of HR and risk experts have seen candidates misrepresent information on applications



Ensuring a positive candidate experience is increasingly important – up 14% this year

28% of businesses have uncovered issues during senior-level screens



In the News



EMEA HR and risk professionals are becoming more positive about the UK business environment following a drop in confidence after the Brexit vote



Just 4% of the people we spoke to might stop UK recruitment due to Brexit

Top of the Charts



Finding, retaining and developing talent is the number one business issue



Finding qualified candidates is the number one talent issue



Reducing time-to-hire is the number one screening issue




Employee engagement initiatives are the top area for investment



We're Here to Help

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About HireRight

HireRight is a leading global provider of background screening services helping organisations mitigate employee risk, make informed hiring decisions and meet compliance obligations.

HireRight works in more than 200 countries and territories, and has offices across the globe, including the UK, USA, and Hong Kong. Almost half of the Fortune 100 and over a quarter of the FTSE 100 use HireRight's services.

The 2018 EMEA Employment Screening Benchmark report explores trends and attitudes from EMEA HR and risk decision makers and was completed by 452 participants across the EMEA region.

www.hireright.com/emea

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