# Successful onboarding in a competitive landscape

## HR Onboarding Trends Report 2019

**experian**™

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**HR Onboarding Trends Report 2019**

**Matthew Brooks**

Head of Background Checking
and Employee Retention Services
Experian

The world of work is changing. HR has changed too, evolving into a strategic business unit, recognised for the part it plays in managing what is often an organisation's most valued asset and biggest cost.

As a HR B2B Partner, we at Experian know how critical it is to recruit and retain the right people to help grow your business. It's predicted that by 2030, demand for skilled workers will outstrip supply, resulting in a global talent shortage of more than 85.2 million people and a financial impact of $8.452 trillion in unrealised annual revenue[1]. As a result, talent acquisition and onboarding teams are looking for ever more innovative ways to attract and onboard the right people.

One of the top onboarding trends for 2019 is pre-boarding – the concept of welcoming your new recruit from the moment they accept an offer. Get an employee to love their company before day one and you've got a best-in-class onboarding journey.

All organisations, regardless of their size or sector, must carry out pre-employment checks to ensure their prospective candidate is suitable. Carrying these out in a robust, quick and seamless manner not only contributes to a great onboarding experience for the candidate, but also provides insight for employers that informs hiring decisions, supports regulatory needs and reduces resource requirements.

This report reveals the results of our recent research project, where we surveyed more than 400 HR professionals to understand their thoughts and challenges in relation to onboarding and employment screening. I'm happy to be able to share the findings with you and hope you find them of interest.

*1 - dsqapj1lakrkc.cloudfront.net/media/sidebar_downloads/FOWTalentCrunchFinal_Spring2018.pdf*

# Introduction

The best employee checks aren't about ticking boxes. They're about understanding people. Making sure you hire the right person first time is essential for building the best workforce for your business.

Our 2019 HR Onboarding Trends Report provides HR professionals with valuable insight into industry perspectives on recruitment and the onboarding of new employees.

Carried out from December 2018 to January 2019, the report draws on data from 439 HR professionals from across a variety of sectors including education, local councils, utilities, housing, care organisations and the NHS. Our respondents were engaged in a variety of roles from office administration through to directors and business owners.

We surveyed our respondents about their hiring practices – from their biggest challenges when finding new employees, through to pre-employment checks and onboarding processes. The results reveal interesting trends, from the most commonly followed pre-employment checks to the length of time it can take to conduct due diligence on new recruits.

# What are the biggest challenges when recruiting new employees?

## Finding the best candidate as quickly as possible is a key aim

We asked our respondents to tell us about their biggest challenges when recruiting new employees. They were asked to rate time, resource, cost, paperwork, legislation adherence, conducting background checks and finding the right person for the role. We asked them to rate each issue from 1 to 5, with 5 being very challenging and 1 being not challenging at all.

Finding the right person for the role came out as the most challenging aspect with an average of 4.5, closely followed by time with an average of 4. Resource and cost were both rated with an average of 3.5; conducting background checks and paperwork with 3 and legislation adherence at the bottom with an average of 2.5.

### So how can you make sure you find the right candidate for your role without spending too much time on the process?

Firstly, take a look at your existing talent pool. Many organisations rush to search for external candidates without first considering who they already have within the business. Are you getting the best out of your current team? Have they experienced a change in circumstances? Or are they happy within your business but need a fresh challenge?

Once you've made a decision on your candidate, whether they are internal or external, using a partner with the latest in screening technology, such as our API or managed screening solution, can save you valuable time, particularly if you're hiring for multiple roles simultaneously.

## The biggest challenges

- Finding the right person
- Time
- Resource
- Cost
- Background checks
- Paperwork
- Legislation

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# Which pre-employment checks are businesses carrying out?

## 7.3% of businesses carry out no pre-employment screening at all

Respondents were asked whether they currently carry out pre-employment screening and if so, what checks they perform. 7.3% of respondents said they didn't currently carry out any pre-employment screening at all.

The most popular checks were right to work at 84.6%, identity and employment both with 65% and criminal record with 46.2%. Other significant checks included personal references at 44.4%, education at 41.5% and professional memberships at 32.5%.

Just 12.8% of respondents carried out a credit or adverse financial check and 16.7% carried out a DVLA check.
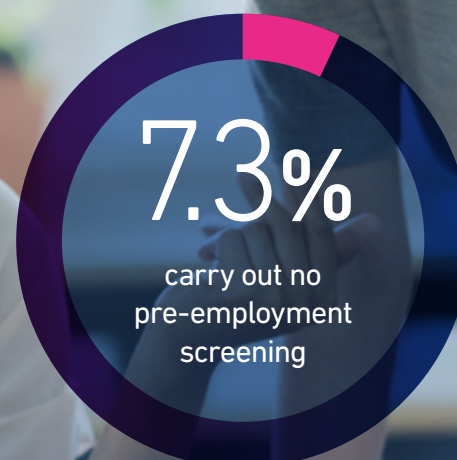
### Why pre-employment checks are so important

Right to work checks are a legal requirement in the UK and as such, carrying out no background checks at all runs the risk of not only costly bad hires and internal fraud, but also potential fines and in serious cases the possibility of a criminal conviction. According to research by fraud prevention service CIFAS, employment application fraud remains the second most common type of internal fraud[2]. With the right due diligence, you can reduce your exposure to risk and protect your brand reputation.

Experian's pre-employment screening solution as either a managed or integrated option, provides you with the detailed insight you need including the candidate's identity, education, employment history, credit history and any relevant criminal record information. Our Right to Work Check app is a cost-effective and easy tool for HR teams, that gives peace of mind, while also enhancing the onboarding experience for candidates. We believe it's so valuable that Experian's own hiring managers use it themselves.

2 - www.cifas.org.uk/secure/contentPORT/uploads/documents/Cifas%20Fraudscape%202019%20Full%20Digital%20Report%20.pdf

**7.3%**
carry out no pre-employment screening

**7%**
increase in unsuccessful employment, due to application fraud[2]

# What are the most important elements of the onboarding process?

## Selecting candidates with relevant experience comes out on top for hiring managers

When it comes to the most important aspects of the onboarding process, candidate experience was a clear priority. Respondents were asked to rate the following from 1 to 5, with 5 being very important and 1 not very important at all: candidate experience, time, compliance, resource, cost, fraud prevention and candidate screening.

Candidate experience achieved an average score of 4.5, followed by time and compliance at 4. Resource, cost, fraud prevention and candidate screening all achieved average ratings of 3.5.

Ensuring that your stellar candidate has all the experience they say they have can be a time-consuming process. Time is of the essence and many companies don't carry out extensive checks unless it's a necessary box to tick. By partnering with Experian, your screening checks can be performed quickly and efficiently, allowing for extra capacity within internal HR teams and providing a smooth, positive experience for your candidates. Some of our background checks, such as adverse financial and identity can be carried out instantly. These types of checks should be a standard practice and a basic requirement in any recruitment process to minimise any risk to the business.

If you're unsure as to which background checks need to be conducted, or want to review how robust your screening process is, get in touch with us at Experian and our HR solution specialists will work with you in order to develop a process suitable for your operations.

## Onboarding process

**Candidate experience**

**Time**

**Compliance**

**Resource**

**Cost**

**Fraud prevention**

**Candidate screening**

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# Which onboarding checks are carried out in-house before you onboard a new employee?

The majority of onboarding checks carried out by our respondents are currently conducted in-house. 82.3% said they performed right to work in-house, 61.2% said they checked identity and 73.7% said they carried out a reference check.

When it comes to outsourcing, 19.8% of respondents said they outsourced some of their onboarding checks. Referencing was the most popular, with 21.1%, followed by right to work at 18.5% of respondents and identity checks at 17.2%.

Conducting background checking in-house can be very time consuming and complex. HR teams and their organisations could save valuable time and money by outsourcing their background checks. By doing so, your internal resource can focus their time and effort on other aspects of the on-boarding journey, ensuring you're providing the best experience possible.

At Experian we have a wealth of knowledge and expertise, with a focus on creating an efficient, candidate friendly screening process. Plugin to our single system and you can have access to a range of background checks from identity and adverse financial checks to criminal record and reference checks.

Right to work checks, which have to be conducted in-house, can even be done by using outsourced technology. Our handy Right to Work app provides simple and efficient processes that give you peace of mind that your checks are compliant with UK law.
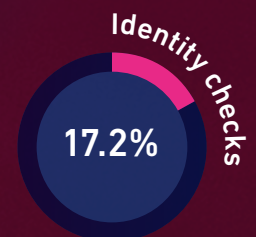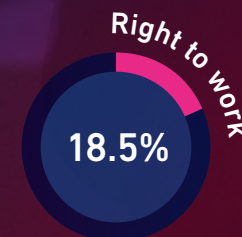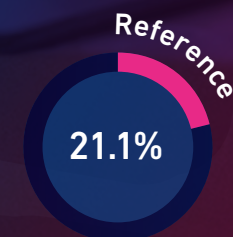
## Onboarding checks

| | |
|---|---|
| In-house right to work | 82.3% |
| In-house reference | 73.7% |
| In-house identity | 61.2% |

**19.8%** Outsourced some onboarding checks

Reference **21.1%**

Right to work **18.5%**

Identity checks **17.2%**

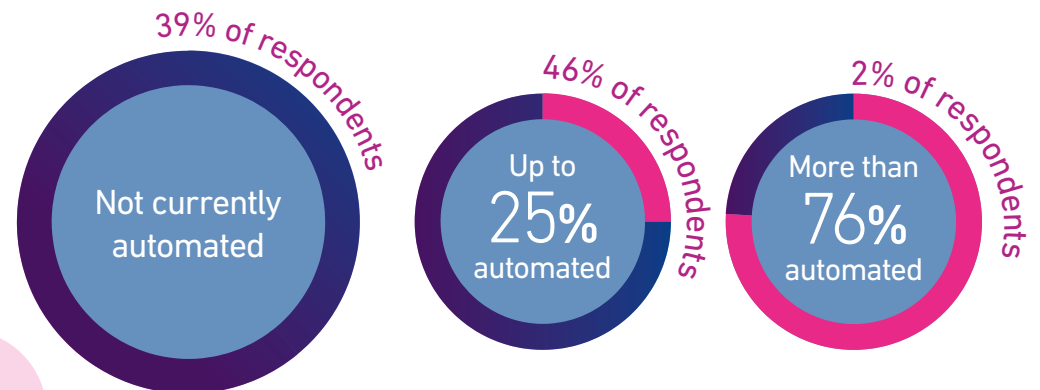# How much of the onboarding process is automated?

⚙ **39% of businesses don't automate their onboarding process at all, while just 2% are automating most of it**

When it comes to automation, 39% of respondents said that their onboarding process is not currently automated at all. 46% of respondents said that up to 25% of their process is automated and only 2% said more than 76% of the process is automated.

Automation is a valuable tool for reducing pressure on internal HR teams, speeding up processes and providing your candidates with an excellent first impression of your business. With our `pre-employment screening`, you can process the checks yourself using our online system, take our full managed service where we do the work for you, or use API integration to combine our data and systems with yours.

The character recognition technology within our Right to Work app uses captured biographical data to auto-populate fields, meaning the majority of checks can be automatically approved, saving yours and your candidates' time.

**39% of respondents**
Not currently automated

**46% of respondents**
Up to **25%** automated

**2% of respondents**
More than **76%** automated

# How long do right to work checks take?

**We asked respondents whether they conduct checks through a digital provider and if not, how long it took to perform each check**

38% said their checks were completed within a day, but 5% said it could take more than a month.

There's no doubt that right to work checks are vital. Home Office legislation states that you can be fined up to £20,000 per person for each member of staff found to not have the full right to work in the UK.

Experian's Right to Work app is a handy online tool that gives you peace of mind that your checks are compliant. The step by step instructions pop-up throughout the app to tell the user exactly what information is required and make sure they capture the correct type of visa and supporting documents. The facial recognition and document validation features also provide extra peace of mind, making it straightforward and easy to use.

Watch our animation to discover five reasons to use our Right to Work app

# What does the future hold for the HR industry?

## Artificial Intelligence and test hiring were the most popular buzzwords

We asked our respondents what they thought the biggest future opportunities were for the HR industry and what steps they were taking to prepare for them. Popular answers were Artificial Intelligence (AI) and test hiring.

Many businesses are already using AI to conduct time-consuming tasks and increase efficiencies, but there is a big opportunity for HR to use data and technology effectively to power better HR decisions. Previous research from Experian revealed that more than 40% of businesses believe they are making decisions based on instinct rather than data[3].

Having accurate insight on new candidates and your existing team members can help you conduct more effective hiring and retain the best talent. At Experian, we're proud to be a certified 'Top Employer' and continue to use innovative data driven techniques which help us in creating a top performing, happy workforce. The solutions we successfully use and develop are also offered to clients and as technology continues to advance these capabilities will grow. Having a data driven HR function allows you to make evidence based decisions that will transform your HR strategies and behaviours. This approach is being taken by more organisations who want to stay ahead in the global war for talent and gain the executive leadership buy-in they deserve to be a strategic business function. The use of data in HR is vital to protect your business, your employees and drive better workforce decisions; a priority for staying ahead in a data-driven world.

Discover how Experian can be your HR B2B Partner and help power better HR decisions.

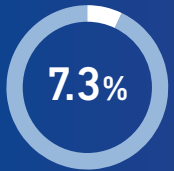## Get in contact with our specialist team to find out more

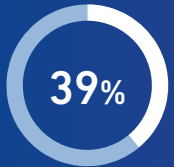**40%** make decisions based on instinct rather than data

# Key take-aways

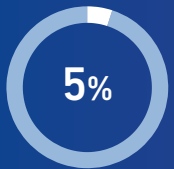Hiring managers are focused on **finding the best candidates** as **quickly as they can**

**7.3%**

**7.3%** of businesses carry out **no pre-employment screening** at all, and only **84.6%** carry out **right to work** checks

**39%**

**39%** of businesses **don't automate** their **onboarding process** at all. Just **2.1% automate** most of it

**5%**

**5%** of businesses take **more than a month** to conduct **pre-employment checks**

# In conclusion

## Pre-employment screening is key to protecting your business from bad hires

Our report shows that even though a small percentage of companies are still not carrying out any form of pre-employment checks (despite a legal requirement to do so), for most, pre-screening is an integral part of the onboarding process.

In an ever-increasing candidates' market, creating an onboarding process that is fast, efficient and positive will help to make your business stand out from the pack. Speed and efficiency can easily be achieved through automation and there's huge potential for the companies we surveyed to make better use of this.

We understand that your employees are your most important asset and the demand for top talent is ever more prevalent. To stay ahead of the competition and achieve your business goals, you need to ensure you're retaining your employees, and reducing the high costs of employee churn. Using predictive modelling technology could help you to make intelligent decisions on the future of your workforce. By becoming your HR B2B Partner, we can provide you with the data, analytics and technology to empower you to take control and use HR insight with confidence.

## Understand your employees

Our in-house predictive modelling technology strategically analyses your employee data, helping you to make intelligent decisions on the future of your workforce. Visualised in a simple to use online portal, Experian Workforce Analytics for Retention enables organisations to truly understand their employee population. Allowing the right HR strategy to be implemented to retain and develop a happy and motivated workforce.

**To discover how to use predictive workforce analytics to drive better workforce decisions or for a free demonstration of our tool, visit:**
experian.co.uk/workforce-analytics

## Protect your workplace

Regular re-screening of your workforce is an important practice to protect your workplace, your customers and manage any changes in circumstances. Re-screening is likely to include checks such as adverse financial, criminal record or DVLA. Re-screening employees could be done annually, periodically, at the point of promotion or following a merger or acquisition. Our specialists can help advise you on the best approach for your organisation.

**Contact us to find out more**
experian.co.uk/background-checking/contact.html

## Recruit with confidence

Pre-employment screening provides a detailed history of a potential hire's background, to help you review for any inconsistent or adverse information you should be aware of before employment. You can process the checks yourself using our online system or take up our full managed service where we do the work for you. We can even offer API integration to combine our data and systems with yours.

**If you'd like to find out more about Pre-Employment Background Checks, visit:**
experian.co.uk/PoweringHrDecisions