

2021 Global Benchmark Report

# Back to the Future of Work

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# Foreword

2020 was a year like no other for businesses around the world. Many, like HireRight, had to pivot to a remote working model, which, despite the widespread adoption of video conferencing software, was not without its challenges. Companies had to make difficult decisions regarding their workforces, with millions of individuals worldwide losing their jobs or being placed on furlough as many employers struggled to stay afloat in challenging economies. Meanwhile, industries such as healthcare needed to hire and onboard high volumes of candidates quickly and safely, as the demand for trained healthcare professionals continued to grow apace.

Before the pandemic hit, many of us were looking forward to 2020 and beyond, preparing for what might be in store and planning for the future. This year's report will take the conversation back to the future of work – has the pandemic changed the future of work forever, or simply sped it along a path it was already heading?

The opening section examines how background screening is being conducted at the start of 2021, over a year on from the first reported COVID-19 outbreak. This includes a look at the evolving global compliance landscape – are increased demands for remote working, mandatory vaccination policies, and employee testing programs influencing new legislation, and if so, what impact may they have on employers globally?



**GUY  
ABRAMO**

President and CEO

Next, a series of perspectives from HireRight's leaders around the world provides insight into many of our key geographies and verticals.

Finally, the report closes with an eye to the future, looking at the impact the pandemic has had (and will continue to have) on the future workforce and how talent is acquired and managed.

Many of you reading this will have completed our survey, so I extend my thanks to you for taking the time to share your experiences from the past year – this report wouldn't be the same without your contributions.

I hope you find HireRight's 2021 Global Benchmark Report a useful global snapshot of background screening and the HR industry in 2021, and that it helps you benchmark your future HR activities against those of your peers regionally and globally.

If you have any feedback on the report, [we'd love to hear from you.](#)

# Executive Summary

## Measures frequently debated by lawmakers were tabled, while bills addressing the COVID-19 pandemic rightfully took precedence.

- In the U.S., ban the box, pay equity, and marijuana accommodation laws continue to be implemented at a state level. However, federal laws are at various stages of consideration in these areas.
- Globally, Europe's GDPR continues to be a strong influence on data privacy laws including the India Privacy Bill and China's proposed new privacy law.

## The need for employment background screening remains.

- A better quality of hire was identified as a benefit more broadly in each region than in 2020.
- Candidate discrepancies are still commonly found in the employment histories and education credentials, particularly in EMEA and APAC.

## Due to the pandemic, two in five businesses globally stopped recruiting last year.

- Over a fifth of global respondents reported stopping hiring for over three months in 2020.
- Referrals, online job boards, and social media are expected to be the top recruitment channels in 2021.

## Boosting morale was a top challenge for around half of businesses globally in 2020.

- Online group chats and regular leadership email updates were the most common ways businesses sought to increase employee engagement last year.
- Across all regions, internal wellbeing initiatives were the most widely used to promote employee wellness during the pandemic.

## Globally, most businesses are looking to revisit their remote working policies.

- Over half of respondents from EMEA and APAC said they are making plans to be more flexible in their approach to remote working.
- In all regions, fewer businesses expect that their entire workforce will be office-based in January 2022, compared to January 2020.

# The State of Screening in 2021



**BRIAN  
COPPLE**

General Counsel

## Foreword

2020 was a year of significant change in the global compliance landscape. Despite COVID-19 related measures being brought to the forefront of the legislative agenda, universal topics such as data privacy remained a high priority in many countries and U.S. states, as new laws were being proposed, considered, and introduced worldwide.

This year's Benchmark compliance update focuses on several key areas of relevance to global HR professionals responsible for hiring and background screening.

In the U.S., we provide an update on Ban the Box laws, credit history restrictions, pay equity and equal pay reporting laws, and marijuana accommodation – both recreational and medical – as well as Philadelphia's new law that will ban pre-employment marijuana testing under most circumstances. In the rest of the Americas, we cover Canada's recently proposed Consumer Privacy Protection Act ("CPPA") and Brazil's swiftly enacted Lei Geral de Proteção de Dados Pessoais ("LGPD"), two new data protection laws with a potentially big impact on hiring and background screening.

In EMEA, we discuss the potential impact Brexit will have on data transfers between the UK and the EU, additional risks associated with mass remote working during the pandemic, vaccination policies, and the Schrems II case, which led to the elimination of Privacy Shield as a method of safe data transfer between the UK and the U.S.

In India, we talk about the upcoming India Privacy Bill and its implications for candidates' rights and the whole background screening process in India.

Lastly, in the wider APAC region, we review the impact of the GDPR on data privacy legislation, recent privacy law updates, and the proposed new privacy law under review in China.

New legislation affecting background screening is sure to continue during 2021 and beyond, including with respect to topics related to the pandemic, such as vaccination policies and remote working. As ever, we will monitor developments and provide key updates on the [HireRight blog](#) and [resource library](#).



# North America and Latin America

## Ban-the-Box and “Clean Slate” Laws

Within the last 25 years, 14 states and 22 cities and counties have passed ban the box measures, to help ensure that employment candidates aren't immediately excluded from consideration for a job by private employers simply because of their criminal past. In addition, numerous states, cities, counties, and the U.S. Federal Government, have passed measures providing applicants with criminal records a fair chance at employment with public employers.

Because many employers use a single employment application for all candidates across the U.S. and standardize their recruiting processes, most choose to eliminate the criminal history question from their initial employment applications. A candidate's criminal history is typically evaluated after a conditional offer of employment has been extended.

Thus far in 2021, legislation advancing new ban the box measures has largely stalled. However, lawmakers in three jurisdictions, Illinois, New York City, and Philadelphia, have progressed existing laws providing more protections for ex-offenders and new compliance responsibilities for employers. You can read more about these changes in [HireRight's 2021 Mid-Year Compliance Perspective](#).

At the U.S. Federal level, the “Workforce Justice Act of 2021,” recently introduced before the U.S. Congress, would create a nationwide ban-the-box standard by prohibiting private employers from requiring that candidates disclose their criminal history in an employment application form. In addition, it would prohibit employers from discussing criminal history or conducting criminal background checks until after a conditional offer of employment has been extended. While states could adopt more stringent measures, if passed, the Workforce Justice Act would establish a minimum standard for reintegrating candidates with criminal records into the workforce across the U.S.

**Additional Reading:** HireRight's [2021 "Ban-the-Box" Hiring Laws](#) white paper is available to help you unpack ban the box.



**ALONZO  
MARTINEZ**

Associate General  
Counsel

## Credit History Restrictions

Ten states (California, Colorado, Connecticut, Hawaii, Illinois, Maryland, Nevada, Oregon, Vermont, and Washington), as well as Puerto Rico, Washington D.C., Chicago, New York City, and Philadelphia, have passed laws prohibiting or restricting employers from requesting credit reports to assess a candidate's fitness for duty.

The variations among these laws can create compliance challenges for nationwide employers. For instance, although some of the laws specifically list the types of positions for which credit reports and information may be used, other states, like Washington, simply state that credit history only may be considered if the information is "substantially job related." Moreover, some states, like California, Colorado, Connecticut, Maryland, Oregon, and Vermont, require the employer to provide a written notice advising the candidate of the basis for the employer's use of credit information for employment purposes.

In recent years, lawmakers have largely left credit history laws untouched. While 2021 has been an unusual year for many reasons, a change to Philadelphia's credit history law was particularly noteworthy. The Philadelphia City Council amended and relaxed the city's Fair Practices Ordinance, which protects against Unlawful Credit Screening Practices in Employment (UCPE). Under the revised UCPE, employers no longer need to identify the specific items of credit history for the candidate causing a potentially adverse decision. Employers now only have to follow the FCRA's standard pre-adverse and adverse action procedure in order to comply with the law.

While employers have received a brief reprieve from new credit history laws, major changes are potentially looming on the horizon. At the Federal level, a package of legislation has passed the U.S. House and is headed to the Senate. The "Comprehensive CREDIT (Credit Reporting Enhancement, Disclosure, Innovation, and Transparency) Act of 2020" (H.R. 3621) includes a bill "Restricting Use of Credit Checks for Employment Decisions Act" (H.R. 3614). If passed, the compendium will bar employers from utilizing credit reports for employment decisions, except when a review of a candidate's credit report is required by Federal, state, or local law, or regulation, or for a national security clearance.



**While employers have received a brief reprieve from new credit history laws, major changes are potentially looming on the horizon.**



# Pay Equity and Equal Pay Reporting Laws

## Colorado's Equal Pay for Equal Work Act

While laws promoting equal pay for equal work made major advances in 2020, the pace has slowed in 2021. Nonetheless, lawmakers in Colorado managed to enact one of the country's most progressive pay disparity and discrimination laws, which took effect at the start of the year. In Colorado, employers are:

- Prohibited from seeking candidates' former compensation;
- Subject to civil actions concerning pay discrimination; and
- Liable for damages in the event of a pay equity violation, which may include liquidated damages.

Colorado's Equal Pay for Equal Work Act also broadly promotes transparency and fairness in employment by requiring that employers:

- Make "reasonable efforts" to announce promotion opportunities to current employees on the same calendar day the position is posted;
- Disclose in all job postings hourly or salary pay for the position and a description of all benefits and other compensation offered; and
- Maintain records of job descriptions and historical wage rates for its employees.

Supporters of Colorado's law applaud the state's efforts at advancing transparency in wage-setting, while critics fear that the law will have a chilling effect and cause employers to reconsider hiring within the state because of its compensation compliance obligations.



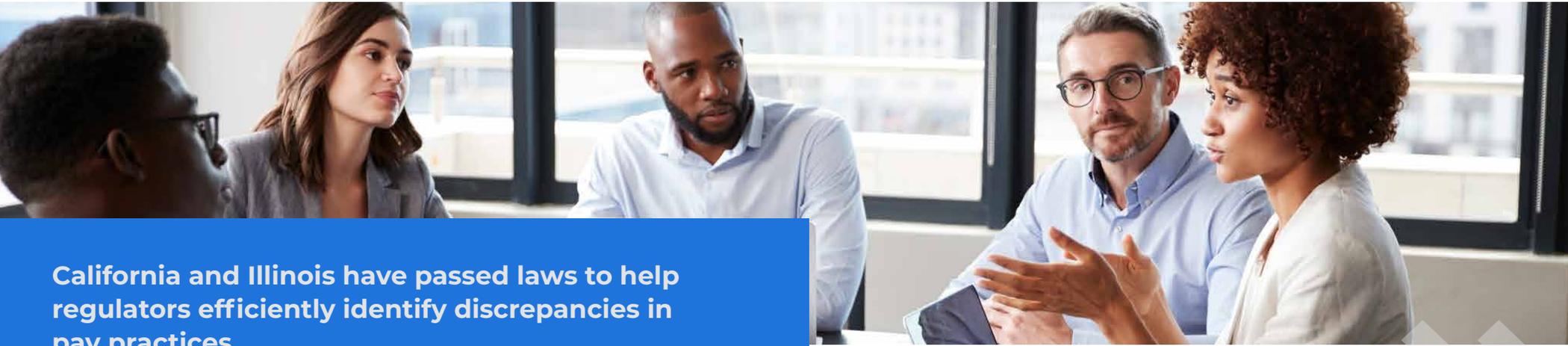
**While laws promoting equal pay for equal work made major advances in 2020, the pace has slowed in 2021.**

## Equal Pay Reporting

Two states, California and Illinois, have taken the concept of employer accountability for equal pay a step further and have passed laws aimed at allowing regulators to efficiently identify discrepancies and potential discrimination in pay practices.

In California, any employer with 100 or more employees in the state who files a federal EEO-1 report must annually submit a pay data report to the state's Department of Fair Employment and Housing (DFEH). The report must identify the number of employees by race, ethnicity, and sex (female, male, and nonbinary) within a statutorily established set of job categories, and their rate of pay within 11 pay ranges. The report filed with the DFEH is not public, however, DFEH may share information with the Division of Labor Standards Enforcement ("DLSE") for the purposes of pay equity enforcement by either agency.

Newly passed amendments to Illinois's Equal Pay Act requires employers with more than 100 employees in the state to certify compliance with the Equal Pay Act and obtain an Equal Pay registration certificate from the state's Department of Labor ("IL DOL") by March 2024. To obtain a certificate, employers are required to provide their federal EEO-1 report to the IL DOL, identify the number of employees by race, ethnicity, and sex, and specify wages paid to each employee over the previous year. The Illinois Secretary of State will publish the data on the race, ethnicity, and sex of each employer's workforce on the Secretary of State's website, providing public accountability behind an employer's hiring choices.



**California and Illinois have passed laws to help regulators efficiently identify discrepancies in pay practices.**

## Federal Legislation

Currently, employers are saddled with approaching compliance against a variety of laws passed at the state and local level. In January 2021, legislation was introduced at the federal level that, if passed, would create a nationwide ban on requesting a candidate's prior salary history. Employers would also be required to demonstrate that any pay disparity is job-related and consistent with business necessity, substantiated by evidence supporting the inequity, and is not itself derived from gender.

Lawmakers are embracing pay equity, and that means employers must get on board if they haven't already. Now's the time to tailor your workplace policies and practices to ensure that all workers earn an equitable wage based on their experience, work product, and skill.



**Additional Reading:** HireRight's [summary of pay equity legislation](#) available on our online Resource Library can help provide more details.

## Marijuana Accommodations

Not long ago, a workplace drug screening that turned up marijuana use was a sackable offense. These days, employers face a confusing patchwork of federal, state, and local laws regarding drug screening, and the consequences of a positive test aren't always clear.

### Current Marijuana Landscape

While the decriminalization of marijuana is [currently on the docket](#) at the federal level, marijuana remains an illegal drug under the [Controlled Substances Act](#). Action within the states has been far swifter. As of Election Day 2020, the number of states that have [legalized recreational marijuana](#) increased to 15 plus Washington, D.C., and the number of states that have [legalized medical marijuana](#) increased to 37 plus D.C.

Here are some recent updates on the use of recreational marijuana in Arizona, Montana, New Jersey, New York, and Dakota, and of medical marijuana in Alabama, Mississippi, and South Dakota.

**Additional Reading:** More information about these laws can be found in [HireRight's 2021 Mid-Year Compliance Perspective](#).



## Recreational Marijuana Accommodation

### Arizona

Voters in Arizona passed [Proposition 207](#), The Smart and Safe Arizona Act, with 59.8% of residents approving the Act. While the effective date of the law is unclear, once implemented, individuals who are at least 21 years old will be able to purchase and use one ounce or less of marijuana in its raw form lawfully. The purchase and use of marijuana concentrate is limited to five grams. Marijuana users with a green thumb may have up to six marijuana plants at their homes.

### Montana

In Montana, [Initiative 190](#) passed, with 56.9% of voters approving recreational marijuana in the state. Montana's new law legalizes the possession and use of one ounce or less of marijuana or eight grams or less of marijuana concentrate by persons over 21 in the state. Residents can also cultivate up to four seedlings and grow up to four mature plants.



### New Jersey

In November 2020, voters in New Jersey overwhelmingly approved [Public Question 1](#), amending the state's constitution to legalize the purchase and recreational use of marijuana for persons at least 21 years old. While the amendment became effective at the start of the year, it wasn't until February 22, 2021, when New Jersey Governor Phil Murphy signed the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (NJ CREAMMA) into law. NJ CREAMMA provides far-reaching protections for recreational marijuana users and saddles employers with many new considerations for their workplace drug programs.

## New York

After years of debating and advancing marijuana laws, beginning with legalizing the medical use of cannabis in 2014 to decriminalize minor marijuana-related offenses in 2019, lawmakers in New York have gone all-in legalizing the recreational use of marijuana by adults. On March 31, 2021, New York Governor Andrew Cuomo signed into law the [New York State Cannabis/Marijuana Regulation & Taxation Act](#), reducing barriers to employment for users and encouraging employers to rethink their positions on marijuana.

## South Dakota

Voters in South Dakota passed [Amendment A](#), with 53.4 % of voters approving an amendment to the state's constitution to permit the purchase, possession, distribution, and use of up to one ounce of marijuana for individuals 21 years old and older. Residents will be allowed to grow up to six marijuana plants. South Dakota's recreational marijuana law becomes effective on July 1, 2021.



### Additional Reading:

- [The Garden State Gets Greener – New Jersey Legalizes Recreational Marijuana](#)
- [A New York State of Mind – What Legalized Weed in The Workplace Means for Employers](#)

## New Medical Marijuana Measures

### Alabama

The Darren Wesley “Ato” Hall Compassion Act was signed into law in May 2021 and provides individuals afflicted by specific qualifying health conditions with access to medical marijuana. While the law became effective immediately, it will take the state at least a year to operationalize medical marijuana sales.

### Mississippi

[Statewide Measure 1](#) was adopted in Mississippi, with 67.9% of voters deciding to legalize medical marijuana for qualified persons with debilitating medical conditions. [Initiative 65](#) was also passed by 73.9% of voters who approved amendments to the state’s constitution to create a medical marijuana program administered by the state health department. Under the state’s new law, medical marijuana patients afflicted by any of 22 identified qualifying medical conditions could possess up to 2.5 ounces of marijuana over 14 days. Medical marijuana cards will begin to be issued no later than August 15, 2021.

### South Dakota

South Dakota’s [Measure 26 passed](#), with 69.9% of voters passing a law to allow medical marijuana use by patients who suffer from a debilitating medical condition as certified by a physician. Lawful medical marijuana cardholders are permitted to possess up to three ounces of marijuana compared to one ounce for recreational use. South Dakota’s new medical marijuana law becomes effective on July 1, 2021.

## A Patchwork of Progress

With progress towards marijuana decriminalization slowly being made at the federal level, voters in five states signal constituents’ desires to drive marijuana legalization at a faster pace. While laws passed by voters in 2020 are generally employer-friendly, new measures in New Jersey and South Dakota lack clarity. Employers should review their drug and alcohol testing, adjudication, and accommodation policies with their legal counsel to ensure compliance with these new laws. Experienced [drug and health screening providers](#) are available to work with employers to help craft testing programs that meet their organizations’ needs.



# Background Screening Marijuana Testing Legislation Update

## Philadelphia Bans Pre-Employment Marijuana Testing

Philadelphia becomes the second city, after New York City, to ban pre-employment testing for marijuana. Philadelphia's law, which becomes effective on January 1, 2022, notes that except as otherwise provided by law, or as provided in an exception to the law, that it is unlawful for an employer, labor organization, employment agency or agent thereof to require a prospective employee to submit to marijuana testing as a condition of employment.

Exceptions to the law include:

- Police officers or other law enforcement positions;
- Any position requiring a commercial driver's license;
- Any position requiring the supervision or care of children, medical patients, disabled or other vulnerable individuals;
- Any position in which the employee could significantly impact the health or safety of other employees or members of the public, as determined by the enforcement agency and set forth in regulations pursuant to the newly established Chapter 9-4700 of the Philadelphia Code.

Philadelphia's new law does not apply to drug testing required by:

- Any federal or state statute, regulation, or order that requires drug testing of prospective employees for purposes of safety or security;
- Any contract between the federal government and an employer or any grant of financial assistance from the federal government to an employer than requires drug testing of prospective employees as a condition of receiving the contract or grant; or
- Any applicant whose prospective employer is a party to a valid collective bargaining agreement that specifically addresses the pre-employment drug testing of such applicants.

New York City passed a similar law banning pre-employment testing for marijuana that became effective in May 2020.

**Philadelphia becomes the second city, after New York City, to ban pre-employment testing for marijuana.**

# Data Privacy Updates in Canada and Brazil

## Canada Considers New Privacy Legislation

An Act to enact the Consumer Privacy Protection Act and the Personal Information and Data Protection Tribunal Act and To Make Consequential and Related Amendments to Other Acts also known as the Digital Charter Implementation Act, 2020 (“Bill C-11”), has been introduced and is under consideration by Parliament. If passed, Bill C-11 will create the Consumer Privacy Protection Act (“CPPA”) and the Personal Information and Data Protection Tribunal Act (“PIDPTA”) implementing broad GDPR-like changes to privacy in Canada.

The CPPA would apply to any organization that collects an individual's data. It adopts the existing Ten Data Privacy Principles of the *Personal Information Protection and Electronic Documents Act* (“PIPEDA”) and creates new compliance requirements on organizations.



## Brazil's New Data Protection Law Moves Forward Without Warning

After just six hours of deliberation, the Brazilian Senate propelled a measure aimed at protecting its citizens' data to the desk of the country's President, an action that's been two years in the making. The Lei Geral de Proteção de Dados Pessoais, or LGPD, Brazil's General Data Protection Law, became retroactively effective on August 16, 2020 with penalties enforced on August 1, 2021.

Before the LGPD, data privacy in Brazil was managed by a patchwork of sectoral legislation that created confusion and ambiguity in the rights afforded to Brazilian citizens. In 2018, the LGPD was passed as the country's first omnibus data privacy measure. Between political turnover and the COVID-19 pandemic, getting LGPD implemented has proven to be challenging for Brazil, however, employers must take action now to understand the impact of the LGPD on their organizations, and concerning background verifications – transparency is vital.

### Additional Reading:

- [Canada CPPA blog post](#)
- [Brazil's New Data Protection Law Moves Forward Without Warning – Employers Race to Comply](#)

# Europe, Middle East and Africa (EMEA) and Asia-Pacific (APAC)

We interviewed Caroline Smith, HireRight's VP, Deputy General Counsel based in the UK, to get her opinion on several new and emerging issues impacting EMEA and APAC. Here are her words:

## What is Brexit's potential impact on data transfers?

From a legal perspective, due to the negotiations that have occurred regarding the trade deal itself and provisions within the trade deal, as well as the efforts of the UK Government and the EU Commission to ensure the ruling of adequacy, there is no practical impact on data transfers. By the middle of 2021, the UK will have its full formal ruling of adequacy, which essentially means that you can transfer data from the EU into the UK without having to take any further steps, because the UK is deemed to be a safe place and offer adequate security and technical measures to protect data.

Prior to the trade deal being agreed upon, one thing that was quite interesting was a reluctance of EU entities to engage with or be completely comfortable with the idea that data centres may not be in the EU, especially where they deal with personal data. Part of the reason for that was because of the Schrems II case ruling, which determined that the Privacy Shield in the U.S. was no longer applicable.

The ruling also shed some controversy around the standard contractual clauses, and that an entity really needs to be sure that contractual clauses are the right method for the data transfer, because with no ruling of adequacy, the method of transfer would have been these standard contractual clauses.



**CAROLINE SMITH**

VP, Deputy General Counsel

There was a certain reluctance because that adequacy ruling would be the best thing, and at one point at the end of 2020 the trade negotiations looked like they might fail and there would be a no deal, which caused some EU entities to be a little cautious.

Fast forward, there's still a little bit of caution, but ultimately the trade deal required that no EU country engages in any new laws, meaning that EU entities should not engage in activity whereby they make it a requirement that you on-shore data within the EU, because that would go against the principals of the trade deal, and also the adequacy ruling. The expectation is that any nervousness that would arise from a non-statutory basis, over time will hopefully diminish, and that data will free flow between the EU and the UK based on the adequacy ruling.



## What are some of the additional risks that businesses are faced with due to mass remote working?

The first thing to note is that there is no sort of legal bar, whether that is from a privacy perspective or an employment perspective, to people working from home. One of the biggest risks of mass remote working is the erosion of culture, and there are a couple of reasons why that is so important.

Firstly, your corporate culture and what you stand for is actually one of your unique selling points for attracting talent, and ensuring people have a happy work life, so the erosion of culture and the connection between teams and the impact that that has, for example, on collaboration, is quite significant.

The other reason why the erosion of culture is so important, and why it's a risk for mass remote working, is that unbeknownst to us, by commuting and going into the office, we shed our home selves, and when we step into our offices, we put on the clothing of our work selves. In that defined space and defined environment of the office, a different set of rules and responsibilities, ways of being and

interacting, and ethics apply to us, and when we're at home we don't have that.

By not having people around us that are also defined outside of their normal lives by their workspace, and are all being held to the same standards, we don't have a mirror being held up to ourselves, which can essentially mean that we can become a little bit more lazy with some of the things that we might normally do: we might be more careless with how we are discussing confidential matters, especially if you live in a shared home for example, where people can overhear you or you might not have your headphones on; or we might not use Control-Alt-Delete to lock our computers as we walk away from our desks. Without many of our normal behaviours, we might be more tempted to do things that we shouldn't do, so culture is a really big thing.

Additionally, specifically related to mass working because of COVID-19, an extra layer of risk is added on, which wouldn't necessarily be the case once the pandemic has passed. This is because COVID-19 in and of itself, for a variety of reasons, has put a lot of pressure onto people – this could be that your partner has been furloughed, they may have lost their job, or you may be feeling unstable because you can't see your family and friends.

There are lots of stresses, and we know that psychologically, if we become more stressed, we become more susceptible to doing things that are out of character of what we might normally do.

From a risk perspective, you've also got a risk of people's mental health suffering, leading to them not behaving as they normally would, which again can impact the culture of your organisation. Also, for anybody who is struggling financially for example, there may be temptations that are in front of them, dependent on what information they have access to, which means they might be more tempted to commit some sort of breach of policy or some kind of fraud. Again, this is why the erosion of culture is so important, because that probably wouldn't happen, or it would be less likely to happen, if you're sitting next to a colleague at a desk.

So I think those are two of the key things to consider – one of them is very unique to COVID-19, and one of them I think applies more generally as a risk of mass remote working.

## What are the legal challenges that certain countries face around mandatory vaccinations?

It's quite simple and straightforward – you are not currently allowed by law to make vaccination mandatory in the workplace. There are a variety of statutes etc. that apply in these situations and lots of health and safety guidelines, which do talk about what you might be able to do in relation to a mass pandemic and vaccinations etc., but none of them make vaccinations mandatory.

This means that you can't tell your employees that in order to come back to work or participate in a social event that they must be vaccinated. This is the biggest challenge, especially when the whole rollout of getting out of lockdown is dependent on the vaccination programme.

There are many reasons why a person may not want to be vaccinated, or can't be vaccinated: we know that pregnant women are being advised to be cautious or there are some vaccines that they shouldn't have right now; some folk won't take the vaccine for religious reasons; and some people are ideologically

opposed to vaccines. Aside from medical reasons, many of the reasons are a personal choice and aren't something that should be judged in a workplace context. If you started to make vaccines mandatory for participation in office life or events, you are essentially discriminating against a subsection of your employee population, which could lead to all sorts of claims.

The best advice to give yourselves in this situation is to encourage vaccinations, make sure that you're educating folk, and provide a forum where people can ask questions, but also make it very clear that whilst your organisation encourages vaccinations and will support people to go and get their vaccinations, for example allowing employees to step out of the office without taking time off, there will be no recourse to any individual if they choose not to or cannot have that vaccine. Lastly, following on from that, you need to make sure that relevant policies and procedures are in place.



## What impact has the General Data Protection Regulation (GDPR) had on data privacy legislation globally?

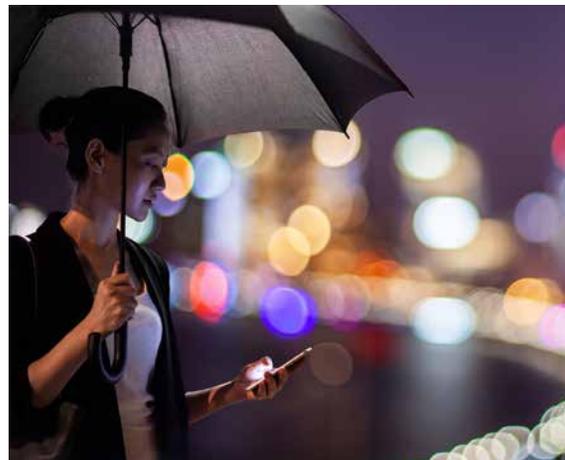
Back in 2011/2012 we saw a spate of APAC rules changing in response to a movement of EU-based businesses and U.S. businesses outsourcing certain functions to APAC, as well as a growing financial services sector in Singapore and Hong Kong. In order to ensure that a country retains and attracts those types of businesses, they need to have robust privacy laws, so we saw many of these being updated.

We predicted in our [GDPR blog series](#) that post-2018, and post-GDPR, we would start to see the APAC region, as well as Latin America and other jurisdictions, reacting to the GDPR to ensure that again there was an alignment with those privacy principals, to prevent businesses pulling out of a particular country due to a lack of robust privacy laws, which the customers of those companies would expect.

We have seen a domino effect, with Japan being the first to go in APAC – as well as China updating its ordinances in respect to data privacy (which actually went live before the

GDPR, but is very GDPR-esque). China is now further updating those privacy laws again. We are seeing India now has basically got a Bill which is very similar to the GDPR, and we've also seen Brazil enact its law, Australia change some of its data breach provisions, and Singapore introduce concepts such as legitimate interest, and beefing up its consent laws and its data breach notifications.

This is quite typical around the globe, and one of the biggest areas of focus that we've seen is around candidate rights, transparency in notifying people about what an organisation is going to do with their data, and how you notify breach. Those are the three main things that we're really seeing as themes in all the laws that have made those amendments, whether that is in Latin America or APAC.



## How is India's privacy bill going to impact background screening in the country?

India has never had robust privacy legislation. What it has had is an act called the IT Act (Information Technology Act, 2000), which is one of the laws I've referred to that was updated in 2011. That update categorised certain data as "sensitive personal information." It is only that category of data where any provisions that we would recognise, such as consents, ensuring that data is protected with technical and organisational measures, and data breach notifications, are actually found. That subset of data is quite specific, e.g. passwords, biometric data, financial information, etc., but didn't generally impact the types of data that we would look at from an employment perspective or from a background screening perspective.

The India Privacy Bill changes that – it is as near a replica of the GDPR as I've seen, but also in places is much more stringent. The biggest impact is that any processing of personal data is going to have to be in accordance with the Indian privacy laws, which means that organisations, as they did with the GDPR, are going to have to

really review all of their practices to ensure they align with those provisions. So, as we did under the GDPR, things like reviewing any notices you give to individuals as you are processing their data, making sure that these now doesn't just relate to "sensitive personal information" but to all personal information, making sure that you've data mapped and that you know where your data is going, understanding if there are any restrictions on a particular type of data being sent outside of India, understanding what ground of processing you are going to rely on, making sure you understand what technical and security measures you've got in place to protect the data, and to ensure you've got robust policies in place around data breach.

You're also going to need to ensure that you've got a data protection officer (or equivalent thereof), and that you understand all the relevant positions of the different players within, the people who can handle data, and also make sure you have robust policies in place in relation to individuals and their rights. All these things are brand new and have not been seen in India before.

For anyone who has already prepped for GDPR, you will have the majority of this in place. It'll just be the case of making sure that is rolled out in India, so hopefully many

organisations are raring to go already. But there are some interesting things from an employment perspective because there is going to be a specific provision under the Indian privacy laws that give you a lawful ground for processing data as it relates to employment.

Interestingly though, financial information can't be processed in respect to that, so financial institutions, for example, which would normally do a credit check on a prospective employee or a rescreen of an employee's credit history, won't be able to rely on that exception. It's going to be interesting to see if that exception is around being able to process that data at all for employment purposes, or whether you need to rely on another ground of lawful processing in order to process that piece of data. This will make screening a little bit more complex if the latter is the case, but also potentially expose companies to a gap if it is prohibited generally, so we are hoping it is the former and not the latter.

The India Privacy Bill will be hugely impactful, and will also impact how sources are accessed, creating some new challenges in respect to the current way that verifications are performed in India, which is typically a manual, on the ground, process, which is

very difficult to control from a technical and security measures perspective. India, as we know, has a huge amount of technology capabilities, and I firmly believe that the India Privacy Bill will push forward the use of technology and automation in this type of processing in India, and it is something that HireRight want to be at the forefront of.





## Are there any forthcoming major data privacy or compliance updates from the APAC region that will impact background screening?

We've had a couple very recently – New Zealand updated its laws and Singapore is in the process of updating its laws so, again, they align quite nicely with the GDPR. In addition, as already mentioned, the Indian Privacy Bill, we believe will come into force towards the end of 2021, and there will either be a 12-month or 24-month grace period for companies to get compliant – the final text is not yet agreed.

The other major piece of legislation that is currently being developed relates to China. China is currently updating its privacy laws, reviewing its cyber-security laws again, but also very importantly looking at putting in place formal privacy law. Right now, their structure is a number of ordinances that deal with privacy plus the guidance that was issued on May 1, 2018. All of that is changing and is going to be an actual law, so an actual consolidated ordinance relating to privacy.

It's going to be very interesting to see how the Chinese authorities tackle this, because there is an element of needing to be able to exchange information but there is also an element of wanting to retain sensitive data, which could be criminal or credit records, within Chinese borders. We believe that consents from an individual to have that data transferred will be maintained, but there may be a framework around that where you must notify the authorities of any of those transfers. HireRight will be keeping on top of that law, and it's a very interesting one for us to look at and tackle.

## Lastly, has there been anything that occurred in 2020, other than updates to legislation, which has been impactful from a compliance perspective?

There have been a few things that have been quite interesting from a case law perspective in 2020. There have been a couple of high-profile data breaches in the UK, which have resulted in quite large fines from the Information Commissioner's Office (ICO).

One of the things that privacy specialists wondered about with the advent of the GDPR and enhanced candidate rights is "would we start to see class actions or "ambulance-chasing" in effect, in relation to data breach claims?" We've started to see adverts both on the television and coming through into our emails of people affected by a particular data breach. Anyone who was a customer of that organisation will have received an email from them or have been invited to get in touch to join the class action and potentially win some damages. So not only is the company exposed to GDPR fines, but also potentially a class action where they might have to pay compensation directly to individuals – and

we're starting to see a little bit of a trend in relation to this.

The second large impact is the Schrems II case. Back in 2015, the Austrian privacy activist Max Schrems challenged Safe Harbour, and ultimately it was demolished, and in its place Privacy Shield was implemented. The Privacy Shield safeguards the safe transfer of data from the EU, and at the time the UK, into the U.S. and is a certification that you could obtain for your U.S. organisation. Mr Schrems challenged Privacy Shield as well, and in July 2020 his challenge was upheld, and Privacy Shield was deemed to no longer be an appropriate and adequate protection in respect to data transfers. That meant that any organisation that solely relied on Privacy Shield to provide that protection had to pivot and ensure that other measures were put in place, whether they be binding corporate rules or standard contractual clauses.

There are a couple of regulatory authorities, for example Norway and Germany, that overnight asked organisations within their territory if they did rely on a Privacy Shield certified organisation to store their personal data that they immediately ceased to do so. It was an incredibly impactful ruling.

Now, any organisation that has ring-fenced data, such as HireRight, so that they bifurcate their U.S. data and EU data, and keep their EU data firmly in EU or UK soil, was not impacted by that particular ruling, save for standard contractual clauses will now quite clearly have much more scrutiny paid to them, and the EU commission have issued updated drafts of those standard contractual clauses, which are designed to make them more robust. They have also introduced processes to processor model clauses, which are available for review and comment, which have been long overdue (we've been waiting for those since 2010).

The final thing that's impactful has happened just recently, where the EU Commission has issued its position paper on a new directive to govern the usage of artificial intelligence (AI) and how it interacts with data privacy. This is really interesting in respect to recognition that technology and automation are really driving how data is being processed, and that that in and of itself does carry some risk.

The consultation paper has now opened up, and I urge all organisations that do process data and want to utilise technology to have a look at that and to maybe participate in that consultation, for that legislation will also be impactful.



# The Benefits of Background Screening

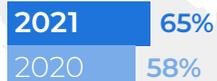
A lot has changed over the last 12 months, but the need for employment background screening remains.

With employers globally adopting remote hiring processes, independent verification of their candidates' details is vital to support hiring decisions before it is too late.

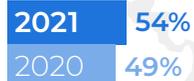
## What are the main benefits your company experiences from employment screening?

### North America

Better quality of hires



More consistent safety and security

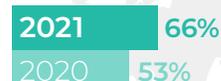


Improved regulatory compliance

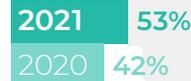


### EMEA

Improved regulatory compliance



Better quality of hires

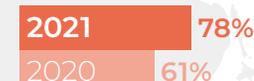


More consistent safety and security



### APAC

Better quality of hire



More consistent safety and security



Improved regulatory compliance



A **“better quality of hires”** was identified more broadly as a benefit in each region than it was in 2020 (58% in U.S. and Canada, 42% in EMEA, and 61% in APAC).

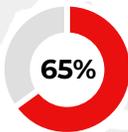
**“Improved regulatory compliance”** remains the top benefit seen by respondents in EMEA; however, this year, two-thirds of respondents from the region agreed, compared to just over half in 2020.

There is little variance between benefits of screening seen by global small/medium-sized businesses (SMBs) and global enterprises this year. However, more enterprise-sized businesses reported “improved regulatory compliance” as a benefit this year compared to their SMB counterparts. This could be due to larger organizations having more complex structures and a more comprehensive range of rules and regulations with which to comply.

## What are the main benefits your company experiences from employment screening?

### Global Small/Medium-Sized Businesses (<500 employees)

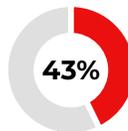
Better quality of hires



More consistent safety and security



Improved regulatory compliance



### Global Enterprises (500+ employees)

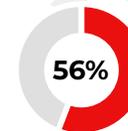
Better quality of hire



More consistent safety and security



Improved regulatory compliance



“ Student Transportation of America has received several key benefits as a result of conducting background checks on our employees. Most importantly, it has helped us maintain compliance and ensure we are hiring applicants that meet our company’s hiring criteria. We hope this will have a future impact on reducing our liability while ensuring we maintain a quality hiring process.”

**Shelly Hall,**

VP of Safety, Student Transportation of America Inc.

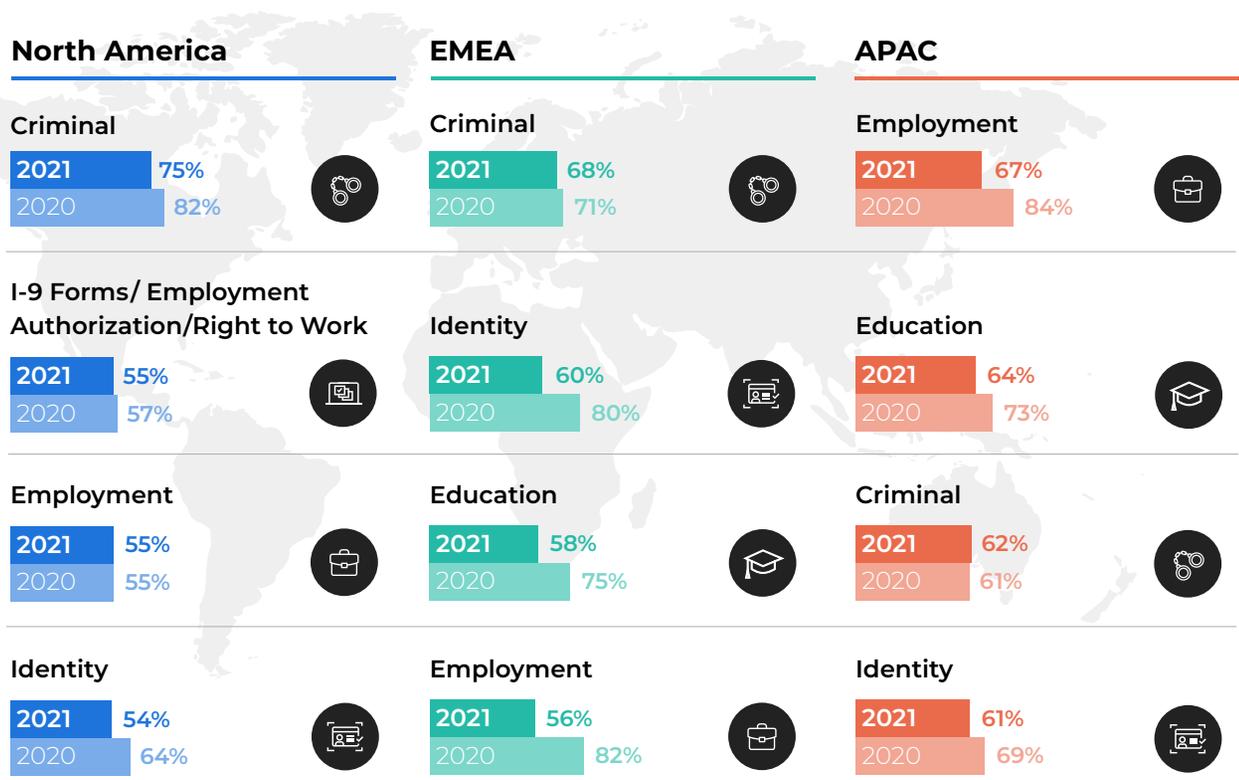


You can find out more about the benefits of screening in our recent blog post [“The Key Benefits of Conducting Background Checks”](#) discussing last year’s Benchmark Survey findings

# Global Background Screening

Criminal record checks are the most common checks conducted pre-hire in North America and EMEA.

## Which background checks does your company include in its pre-employment screening program?

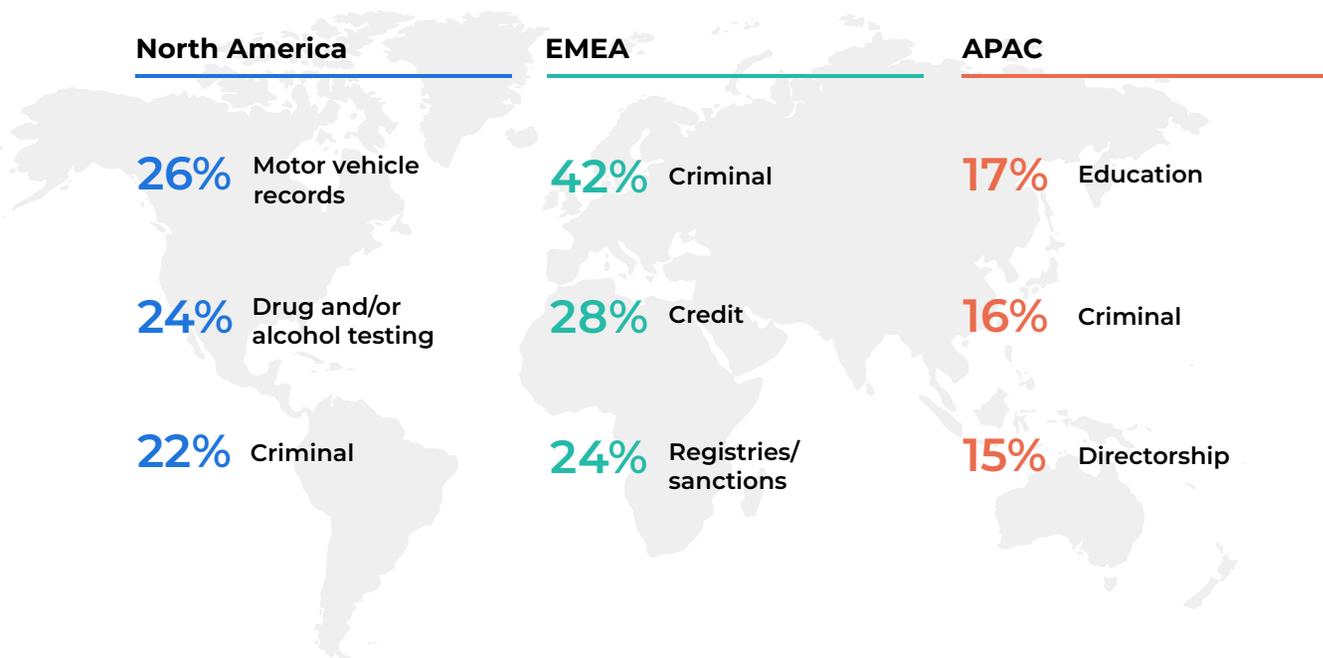


Across all regions, there is little deviation from 2020's survey results in the uptake of criminal checks, unlike other checks which fewer companies conducted in the last year. Identity checks (all regions), education credentials (all regions), and employment verifications (EMEA and APAC) have all seen a dip in this year's results. Have more companies been taking a do-it-yourself approach to these checks due to decreased hiring volumes or budget cuts during the pandemic? If so, this could be opening their businesses up to additional hiring risk by hiring candidates who may have elaborated their job experience or claimed false education credentials.

Find out more about the potential risks of conducting background screening in-house in our whitepaper, [No Shortcuts](#).

EMEA Businesses are the most likely to rescreen their employees, with criminal and credit checks the most common.

### Which background checks does your company include in its employee rescreening/monitoring program?



Employee rescreening and monitoring is still an emerging practice outside of certain regulated industries such as UK Financial Services, U.S. Transportation, and global Healthcare. This is reflected by the most common post-hire checks conducted in North America and EMEA.

In APAC, rescreening programs appear to be the least developed of the three regions. Education checks, criminal records, and directorship checks are being reported among the information most commonly checked post-hire, each conducted by around one in six companies that screens in the region.

➤ Find out more about employee rescreening in our [“Introduction to Rescreening?”](#) tip sheet.

# Global Background Checks: Enterprise vs. SMB

Enterprises are more likely than SMBs to conduct identity checks and employment verifications.

Which background checks does your company include in its pre-employment screening program?

## Global Small/Medium-Sized Businesses (<500 employees)

Criminal

2021 73%



Identity

2021 52%



I-9 Forms/ Employment Authorization/Right to Work

2021 52%



Employment

2021 51%



Drug and/or Alcohol Testing

2021 46%



## Global Enterprises (500+ employees)

Criminal

2021 73%



Employment

2021 66%



Education

2021 61%



Identity

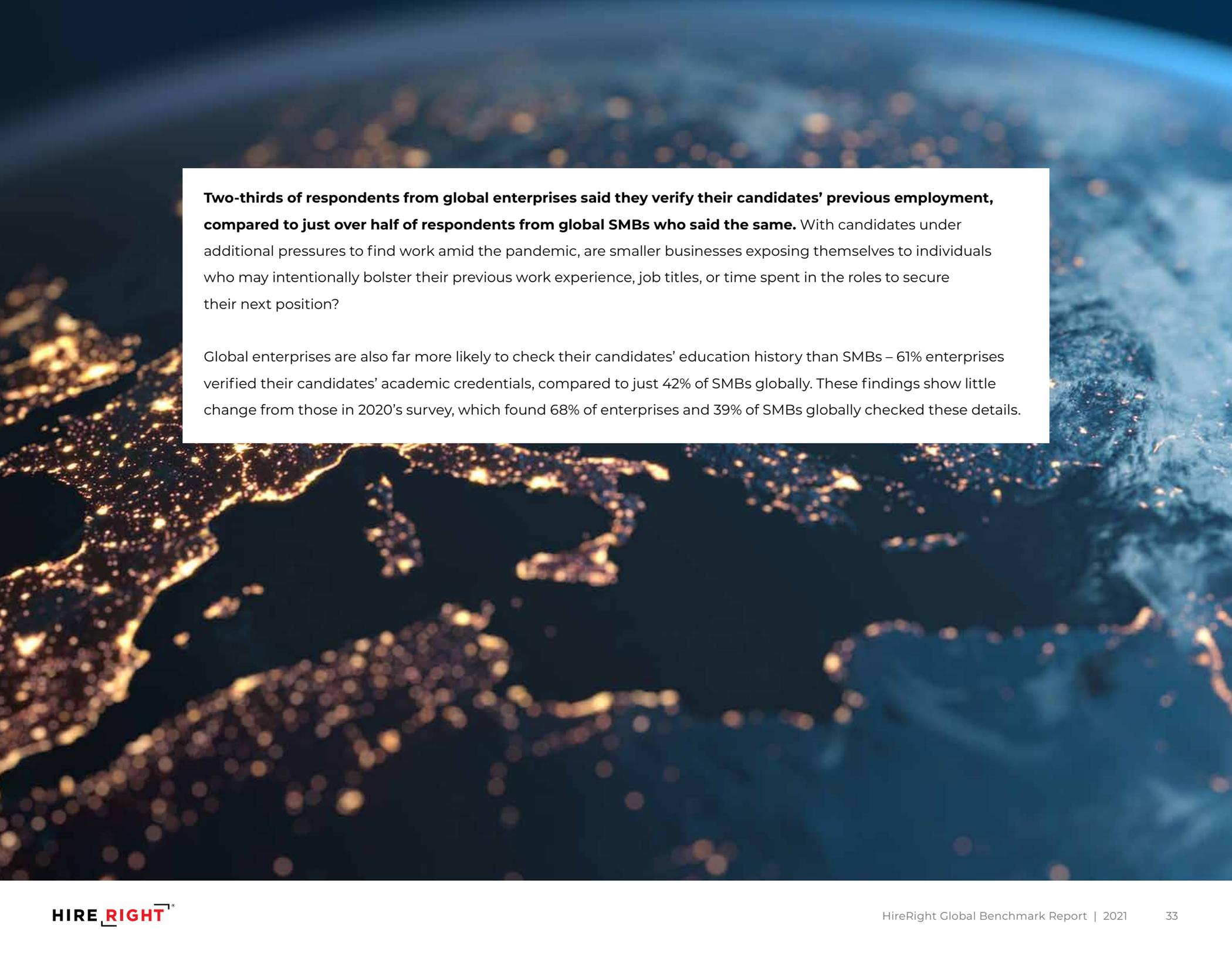
2021 59%



I-9 Forms/ Employment Authorization/Right to Work

2021 52%





**Two-thirds of respondents from global enterprises said they verify their candidates' previous employment, compared to just over half of respondents from global SMBs who said the same.** With candidates under additional pressures to find work amid the pandemic, are smaller businesses exposing themselves to individuals who may intentionally bolster their previous work experience, job titles, or time spent in the roles to secure their next position?

Global enterprises are also far more likely to check their candidates' education history than SMBs – 61% enterprises verified their candidates' academic credentials, compared to just 42% of SMBs globally. These findings show little change from those in 2020's survey, which found 68% of enterprises and 39% of SMBs globally checked these details.

# Candidate Discrepancies

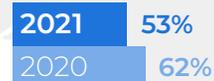
Global candidate discrepancy rates were down last year, although they are still found by most businesses.

In 2020, unemployment rates in many countries soared, reaching 23.5% in India<sup>1</sup>, 14.8% in the U.S.<sup>2</sup>, and 7.3% in the euro area<sup>3</sup> in April 2020, making the job markets in these locations even more competitive. However, despite fewer vacancies and a wider pool of talent vying for open positions, it appears that fewer candidates felt the need to stretch the truth a little to get ahead.

## In which areas have you uncovered discrepancies with job candidates as a result of background screening?

### North America

#### Criminal



#### Drug test – positive result

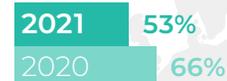


#### Driver motor vehicle records



### EMEA

#### Employment verifications



#### Education credentials



#### Criminal



### APAC

#### Employment verifications

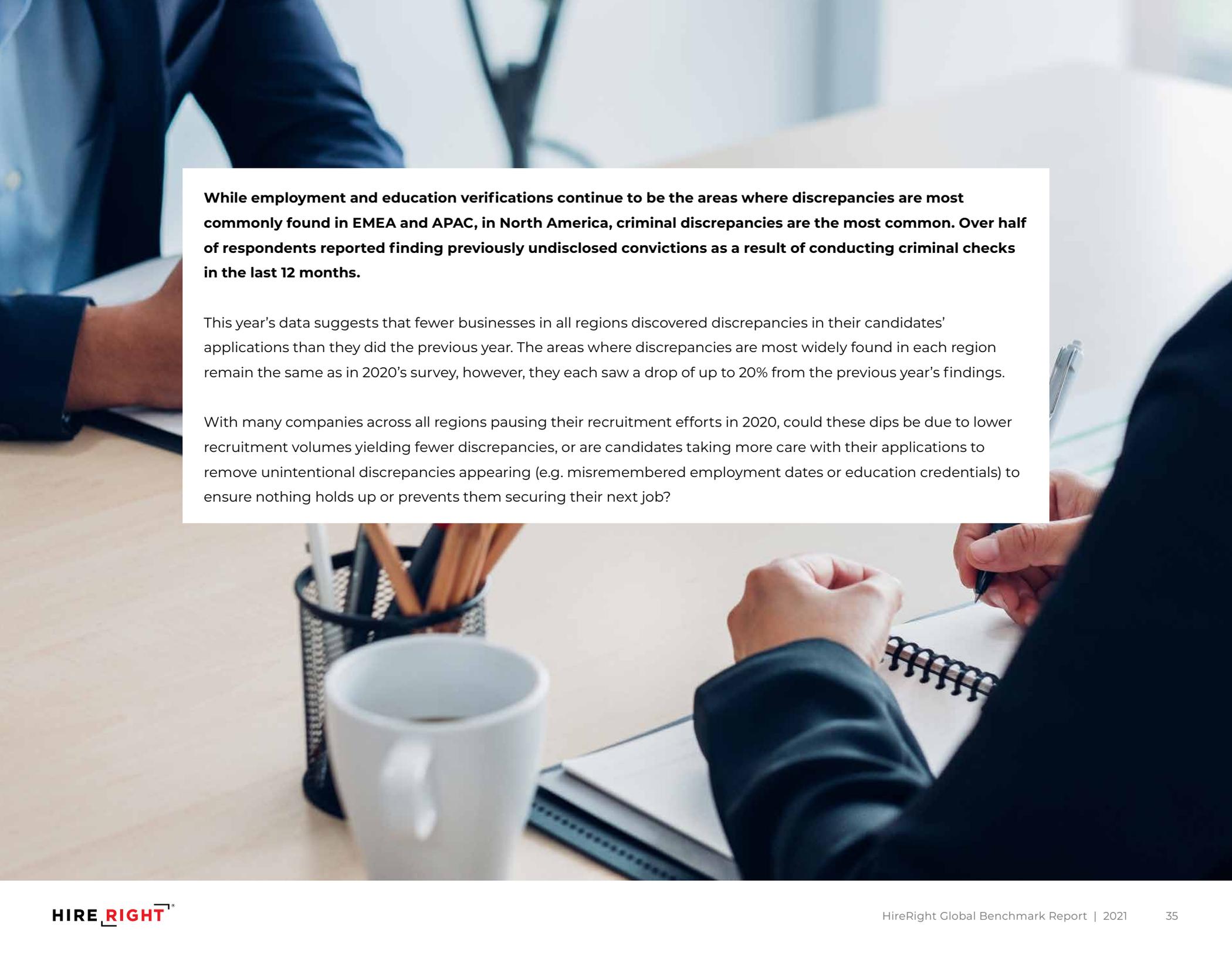


#### Education credentials



#### Credit checks



A person in a dark suit is sitting at a desk. In front of them is a white mug, a pen holder with several pens, and a spiral notebook. The person's hands are visible, one holding a pen over the notebook. The background is a blurred office setting.

**While employment and education verifications continue to be the areas where discrepancies are most commonly found in EMEA and APAC, in North America, criminal discrepancies are the most common. Over half of respondents reported finding previously undisclosed convictions as a result of conducting criminal checks in the last 12 months.**

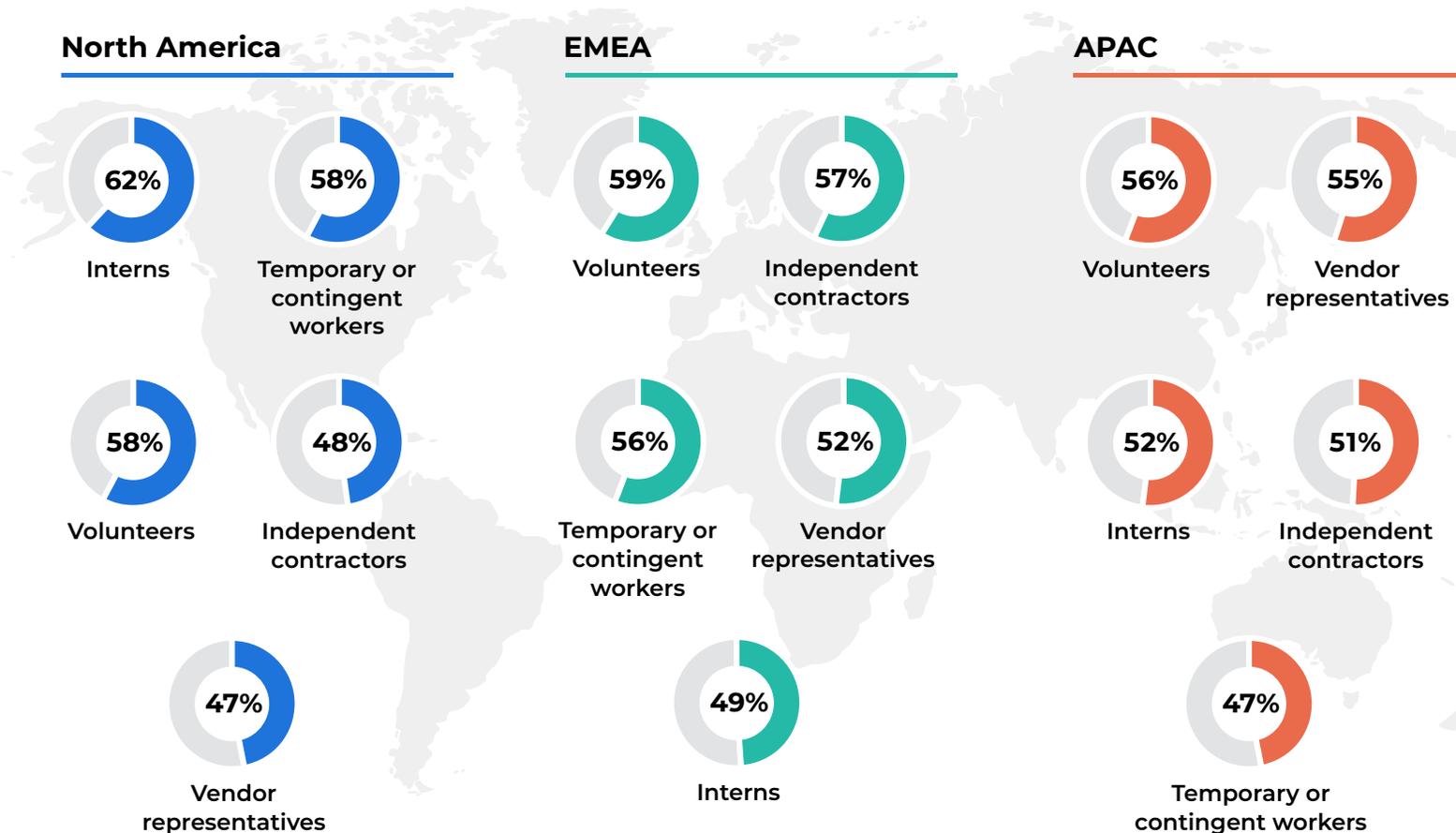
This year's data suggests that fewer businesses in all regions discovered discrepancies in their candidates' applications than they did the previous year. The areas where discrepancies are most widely found in each region remain the same as in 2020's survey, however, they each saw a drop of up to 20% from the previous year's findings.

With many companies across all regions pausing their recruitment efforts in 2020, could these dips be due to lower recruitment volumes yielding fewer discrepancies, or are candidates taking more care with their applications to remove unintentional discrepancies appearing (e.g. misremembered employment dates or education credentials) to ensure nothing holds up or prevents them securing their next job?

# Extended Workforce Screening

Globally, just over half of contingent workers are screened by the companies that engage with them.

**Which types of non-employee workers does your company utilize and are subject to pre-employment background checks?**



The most utilized non-employee workers in all regions are temporary or contingent workers and independent contractors, however, the table shows the percentages of these workers who, when used, are subject to background checks. This data indicated that interns in North America and volunteers in EMEA and APAC are the most likely to be screened.

With little or no financial incentive for their work, and possibly the same access to sensitive company information as full-time salaried employees, businesses may be wise to check these workers, but do their contractors and temporary workers really pose any lesser threat to their organization's security?



**Leveraging contingent talent to augment our full-time workforce is a key tenant to our talent strategy. Utilizing HireRight's Extended Workforce Screening program allows us to onboard contingent workers at speed, while also providing the peace of mind that all our talent suppliers follow the same background and drug screen processes to ensure compliance."**

**Andy Mott,**

Manager, Talent Acquisition Technology, Process, Operations, CDW

There is little difference between the rate of screening non-employee workers by small/medium-sized businesses and enterprises globally. Enterprises are marginally more likely to screen their contractors, interns, volunteers, and vendor representatives, but SMBs are slightly more likely to screen their temporary or contingent workers (57% vs. 55%).

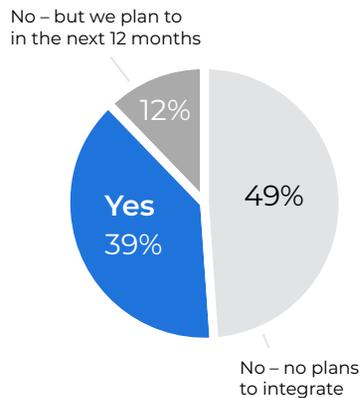


# Applicant Tracking System Integrations

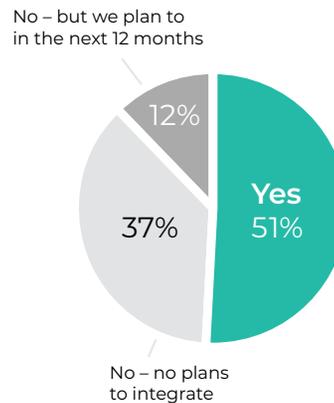
EMEA businesses are the most likely to use or integrate with an applicant tracking system (ATS).

## Does your firm utilize or integrate with an applicant tracking system (ATS)?

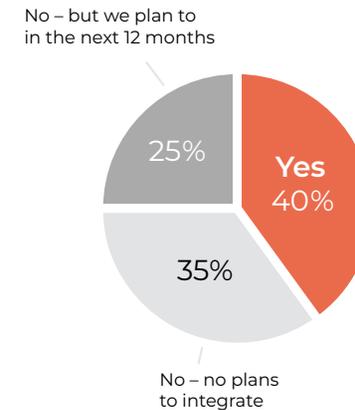
### North America



### EMEA



### APAC



Over half of respondents from EMEA said their company utilizes an ATS, compared to around two in five respondents from North America and APAC who said the same.

However, those from the APAC region are twice as likely to set up an ATS integration in the near future than the other regions – 25% of APAC respondents plan to integrate with an ATS in the next 12 months. This seems to correlate with the expected growth plans for most businesses in the APAC region, suggesting that as they expect to grow, the respondents anticipate a need for an ATS integration to support their candidates through the recruitment and onboarding processes.

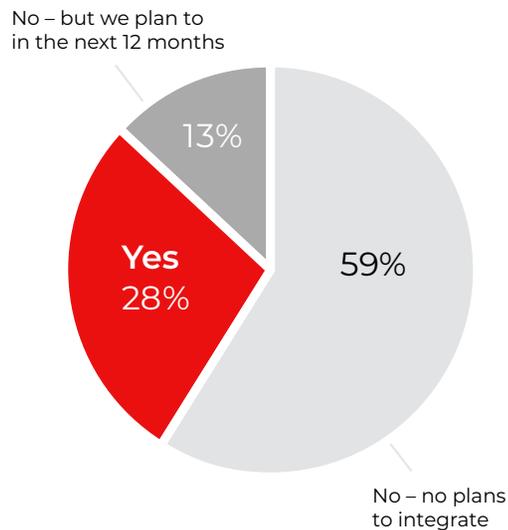


Global enterprises are twice as likely as global small/medium-sized businesses to integrate with an ATS.

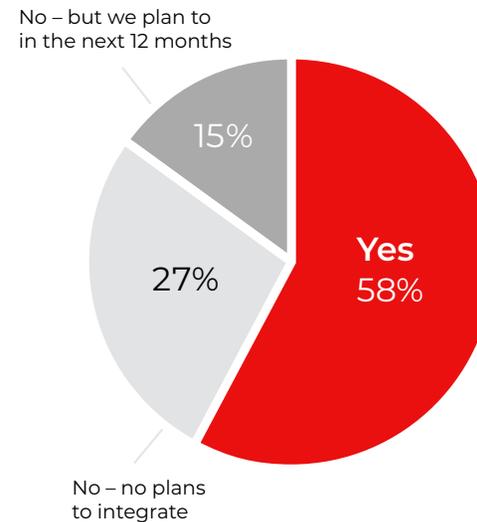
Nearly three in five enterprises said they currently integrate with an ATS, with an additional 15% saying they plan to in the next 12 months. Only 28% of respondents from SMBs said that they currently utilize an ATS integration. Perhaps smaller businesses with lower volumes of candidates do not see the need for an ATS integration, or maybe cost and time to set up could be prohibiting factors?

### Does your firm utilize or integrate with an applicant tracking system (ATS)?

**Global Small/Medium-Sized Businesses (<500 employees)**



**Global Enterprises (500+ employees)**



Businesses based in North America with ATS integrations are the most likely to integrate with their screening provider.

### Is your applicant tracking system integrated with your background screening provider?

North America	EMEA	APAC
Yes 59%	No 47%	Yes 46%
No 29%	Yes 44%	No 42%
Don't Know 12%	Don't Know 9%	Don't Know 12%

Around three in five respondents from North America said their screening provider is integrated with their applicant tracking system. With the benefits of integrating including streamlined ordering, real-time updates, and an improved candidate experience, companies without an integration between their background screening provider and their ATS are missing out on these key differentiators, which could help their business onboard new talent more efficiently.

Find out more about the benefits of integrating your ATS with HireRight in [our infographic](#). You can also watch HireRight's short webinars from HR Technology Conference 2020 which cover our integrations with [Workday](#), [iCIMS](#), and [Greenhouse Recruiting](#).

# Screening During the Pandemic

Despite the disruption caused by the global pandemic, most respondents reported that their screening program was not impacted.

However, some businesses used this time to bolster their screening program by introducing background screening for new hires – this was most prevalent in North America and APAC, with respondents from EMEA more likely to review the checks making up their screening program.

## How did the pandemic affect your company's background screening program in 2020?

### North America

58%

It did not impact our screening program

17%

We introduced background screening for new hires

### EMEA

66%

It did not impact our screening program

13%

We reviewed our screening program's component checks

### APAC

66%

It did not impact our screening program

14%

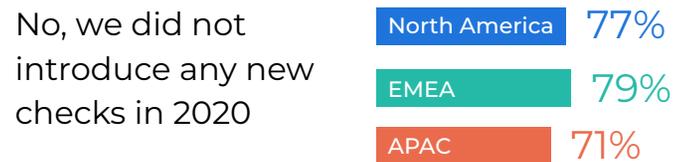
We introduced background screening for new hires



You can read more about the impact of the pandemic on background screening in our tip sheet [“The Impact of Coronavirus on Background Screening”](#) (EMEA/APAC), our blog [“How The Pandemic Affected Background Screening in 2020”](#) (North America), or watch our webinar [“Managing the Risks of Remote Working”](#) (GLOBAL).

Globally, most respondents said their company did not introduce any new background checks to protect against the risks of remote working, however, around one in five respondents did introduce new checks for other reasons. With many companies reporting a hiring freeze for part of 2020, this time may have been used to evaluate their screening programs and close any gaps with additional checks.

### Did you introduce any new background checks in 2020 specifically to help mitigate the risks of remote working?



We did not add any additional checks to our background check reports. Our focus was on getting what was ordered to our facilities as soon as possible to get staff in the door so we weren't looking to add additional checks or time service on the reports - plus we have a pretty robust process anyway so we were pretty happy with our packages already."

**Kate Warren,**  
Background Verification Manager, Sava Senior Care

# Global Perspectives

# Regional Spotlight: North America

Looking back on 2020, it has been an undeniable year of change for businesses throughout North America. For many of our customers, the move to remote working was made quickly and had surprising results; a majority found that their employees were able to work as effectively, if not more effectively, than they did in the office.

The impact of this is significant, resulting in many employers changing their perspectives on where their talent needs to be. It has the potential to shift the way in which, and where, millions of employees will work in the future – a transformation that would not have happened to this extent, or at this velocity, without the pandemic.

Another trend we have been hearing more of in the last year is the move towards a centralized talent acquisition process. This change was also likely induced by the pandemic, as many organizations started looking for a consistent approach to hiring and supporting a move towards globalization to drive the search for new talent.

The war for talent is fierce, with many businesses struggling to get new workers into their organizations. One example of this can be seen in the hospitality sector. Following mass unemployment early last year, the industry is now struggling to fill vacancies as the country is opening up again and demand has skyrocketed.

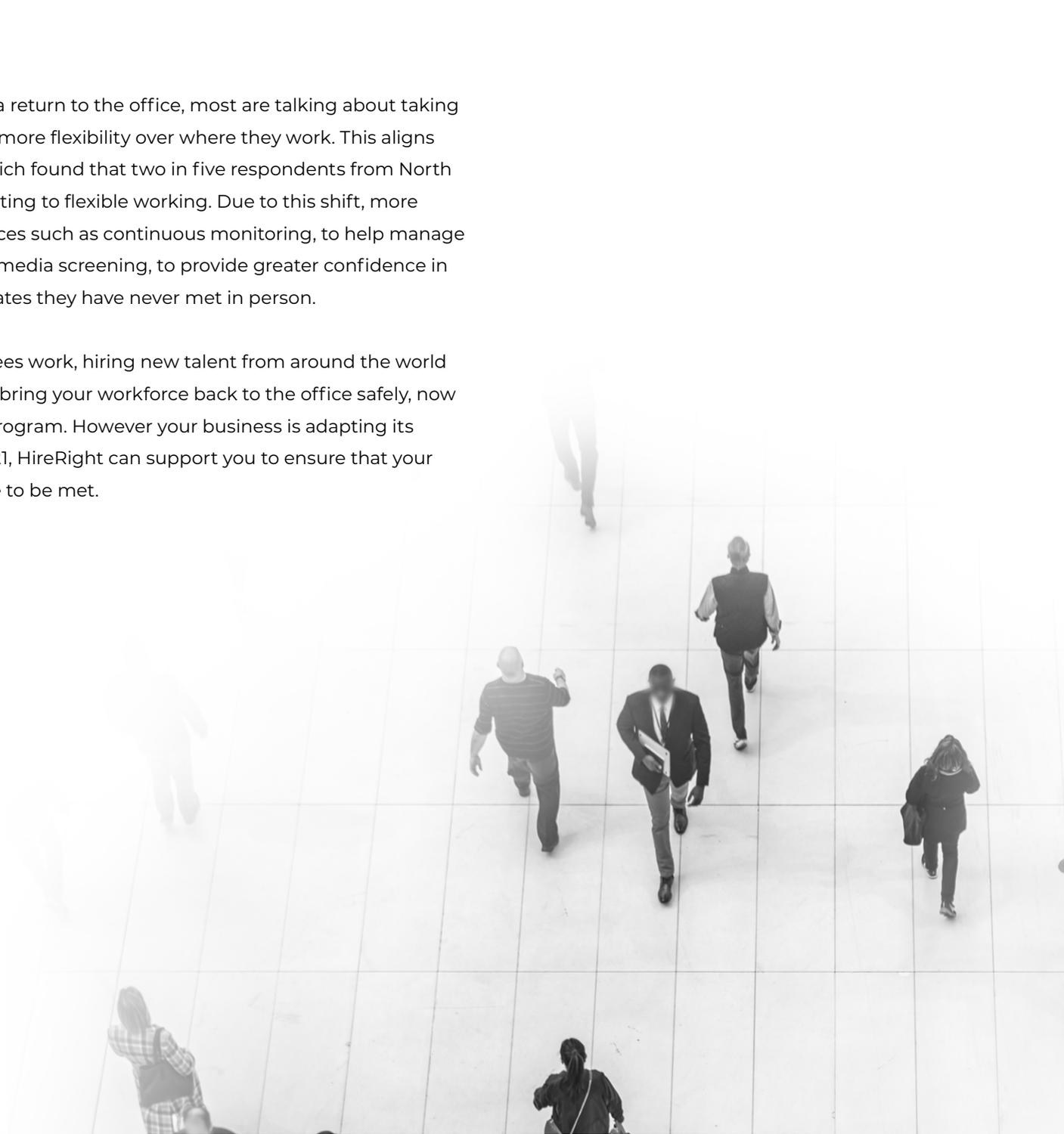


**SCOTT  
COLLINS**

Chief Revenue Officer

As many of our customers are looking towards a return to the office, most are talking about taking a hybrid approach, allowing certain employees more flexibility over where they work. This aligns with this year's Benchmark Survey findings, which found that two in five respondents from North America said they plan to be more accommodating to flexible working. Due to this shift, more employers are now considering screening services such as continuous monitoring, to help manage their increasingly diverse workforce, and social media screening, to provide greater confidence in their hiring decisions when onboarding candidates they have never met in person.

Whether you are changing where your employees work, hiring new talent from around the world to work remotely, or simply considering how to bring your workforce back to the office safely, now may be a good time to review your screening program. However your business is adapting its workforce and talent acquisition strategy in 2021, HireRight can support you to ensure that your evolving background screening needs continue to be met.



# North America Summary

## Most businesses still expect to grow their workforce in 2021 despite the pressures of the pandemic.

- Three in five respondents expect their company's workforce to grow in 2021, and over a third of businesses expect to stay the same size.
- Half of the respondents have an extended workforce, and of these, nearly a quarter grew their non-employee workforce in 2020.

## Over half the respondents found undeclared criminal convictions through their screening program.

- 53% of respondents identified previously undisclosed criminal convictions when checking their candidates' criminal histories.
- 35% had candidates who had a positive result in a drug test, and 29% found discrepancies in their candidates' motor vehicle records.

## Businesses are looking to be more flexible in their approach to remote working.

- Two in five respondents said they plan to be more accommodating to flexible working.
- Nearly a quarter have started recruiting for remote working permanent hires as a result of the pandemic.
- In January 2020, 70% of respondents said their company had "none" or "up to 25%" of their workforce remotely working in any capacity; by January 2022, just 51% expect this to be the case.

## Morale and wellbeing were among the top talent management challenges last year.

- Half of respondents identified boosting morale as a top challenge during the pandemic; two in five expect it will be an issue for 2021.
- A third of respondents launched internal wellbeing initiatives to promote wellbeing in 2020.

## Finding new talent is expected to be a significant challenge in 2021.

- 57% of respondents listed online job boards as one of their top recruitment channels in 2020, and 59% expect they will be this year.
- 40% of respondents said they stopped recruitment for a period in 2020, possibly placing more pressure to hire in 2021.



**PETER  
CLEVERTON**

General Manager,  
EMEA

## Regional Spotlight: EMEA

When the pandemic hit, HR professionals throughout the region had to mobilise, think through the likes of furlough, and quickly ensure that the right policies and procedures were in place to support working from home, as well as making sure their employees had the equipment they needed to perform their jobs. I am very proud to say that our entire EMEA workforce was working from home within around three days. This was due to a lot of hard work and support from many individuals, not least our IT and Info Security teams who were really thrust to the forefront to make the transition to remote working as seamless as possible.

Additionally, in the last year, the pastoral care of workforces has been more important than ever, ensuring people were cared for mentally, and also supporting managers and people leaders by giving them the right tools and talk tracks to help with any challenges faced by individuals in their teams. Like many of our survey respondents from the region, I've been in regular communication with my team via a number of channels, including daily group calls, regular one-to-ones, and informal check-ins, to ensure that everybody is OK.

Since the start of the pandemic, despite everything, it has been heartening to see some of the benefits that have come out of this dreadful situation. The work-life balance has never been better for many, with remote working cutting out commuting time and allowing individuals to spend more time with their families.

Many businesses have seen the benefits too, with fears of an unproductive workforce being widely dispelled – 37% of EMEA respondents said they expect over half of their workforce will work remotely in some capacity by January 2022, compared to just 19% who said this was the case in January 2020.

As the vaccine rollout continues apace in the UK, and within the rest of the EMEA region, it will be interesting to see how companies address the growing demand for remote working over the rest of 2021 and beyond. However, whether EMEA businesses will be hiring for office-based or remote workers in the future, HireRight will be there to partner with our customers to help ensure that their hiring risks are addressed and mitigated through an effective background screening programme.



# EMEA Summary

## Background screening is providing EMEA businesses with a variety of benefits.

- Two-thirds (66%) of EMEA respondents said that background screening helps improve their regulatory compliance.
- 53% attribute a better quality of hire to screening; around half of respondents have reported finding discrepancies in their candidates' education and employment histories.
- Criminal checks became the most common pre-employment and rescreening checks in EMEA – they were also named the most valuable in terms of risk prevention.

## Widespread remote working in the region looks likely to stay in 2022.

- By Jan 2022, only 8% of EMEA respondents expect that none of their workforce will be remote, compared to 34% in Jan 2020.
- 37% of respondents expect over half of their workforce to work remotely in some capacity, almost double the amount who said this in 2020.

## Driving recruitment efficiency is a priority for talent acquisition in 2021.

- 32% of EMEA respondents expect that making recruitment processes more efficient will be a top talent acquisition challenge in 2021.
- 51% said their companies utilise/integrate with an ATS; however, only 44% of these companies are integrating it with their background screening provider – could this be a way to streamline the onboarding process?

## Brexit has prompted geographical changes for some UK-based companies, but they are in the minority.

- 15% of respondents planned to relocate UK offices to mainland Europe.
- 26% had discussed or planned to change their corporate HQ to mainland Europe.

## Senior-level hiring is not always as airtight as you might hope.

- 27% believe senior-level roles go through fewer checks than entry level hires.
- 31% believe it's possible that board members in their company have never been screened.

# Regional Spotlight: Asia-Pacific

APAC has experienced substantial volatility over the past year. The ongoing fight against the pandemic has fundamentally changed business operations in the region including employee hiring and verification, as well as enabling and supporting remote workforces. Yet we already see broad-based progress across various sectors as businesses prepare for economies to reopen.

Recovery is happening in many forms across APAC. The 2021 report shows a direct correlation between the industries that were most resilient during 2020 and those now experiencing the strongest rebound. One of the most vigorous recoveries is not surprisingly the technology sector, which weathered the disruption by being flexible and adapted to the changing conditions.

This industry rebound accompanies a rise in hiring and business sentiments across Australia, Singapore, Japan, and China, with a general optimism as businesses ready themselves for the return to a more normal pace.

Today, new hiring trends continue to emerge as businesses adapt to the new 'Covid normal.' LinkedIn has been the most commonly used social channel for recruitment; however, more channels will likely soon be added as employers seek to reach quality remote candidates. In fact, social media is expected to be a top recruitment channel for 2021, along with referrals and online job boards.



**KO  
HUI YEN**

General Manager,  
APAC

Reaching quality candidates is just one of the challenges caused by the rise of the remote workforce. Over half of the businesses we surveyed plan to be more accommodating to remote working and expect between a quarter to a half of their workforce to be working remotely in some capacity in January 2022, up to double the number from January 2020.

On behalf of the APAC team, as we continue to help our communities and partners through this time of change, I extend our gratitude to you, HR and business leaders everywhere. We greatly appreciate your generosity in contributing to HireRight's 2021 study. I trust this report provides the insights and information to help develop your talent pipeline in the year ahead.



# APAC Summary

## Background screening is helping businesses to hire better quality candidates.

- 75% of respondents attributed a better quality of hire to background screening.
- 60% of respondents had found discrepancies in their candidates' employment details; 53% found discrepancies in their education credentials.

## Boosting morale is still a top concern in 2021.

- Boosting morale was the most common talent management challenge in 2020, with 55% of respondents reporting this as an issue.
- Looking onward to 2021, it was still seen as being the most common challenge, alongside developing leaders within their organisation.

## Over half of businesses plan to be more accommodating to remote working.

- 55% of respondents expect that between a quarter and half of their workforce will be working remotely in some capacity in January 2022, compared to just 20% who were working this way in January 2020.
- 55% plan to be more flexible in their approach to remote working, allowing workers to reduce their number of days in the office; however, 20% plan to bring all employees back to the office as soon as it is safe to do so.

## Social media is expected to be a key channel for talent acquisition in 2021.

- Over half the respondents (51%) believe that finding qualified job candidates would be a top talent acquisition challenge this year.
- Referrals, online job boards, and social media are expected to be the top channels for recruitment in 2021.
- LinkedIn is the most commonly used social channel for recruitment, but, surprisingly, 20% of respondents said they don't use social media for recruiting.

## Many companies are using non-employee workers but aren't screening them.

- 65% of respondents said their company used non-employee workers – they most often made up less than 10% of their total workforce.
- The most common types of non-employee workers used in the region are temporary workers and independent contractors.
- Only around half of companies using independent contractors or interns vetted their backgrounds.



## Regional Spotlight: India

The past 12 months have delivered many highs and many humbling experiences due to the pandemic. COVID-19 has disrupted life everywhere, especially so in India. Yet, over the past year, businesses have started to adjust to the current environment and return to productivity.

As businesses start to normalize their operations, flexibility has emerged as the key to successful operations. The trend in flexibility reaches across hiring, onboarding, and training.

Our 2021 study sheds light on how businesses are also adapting their recruitment strategies to our new normal. While many businesses stopped recruitment altogether for a part of 2020, we see definite hiring improvements in sectors like technology, banking, and healthcare, which were quick to adapt to the changing market demands.

The most significant change in the structure of recruitment has been in remote working permanent hires. In twelve months, this increased to 45% of businesses commencing remote hiring and 49% providing formal training in remote working practices for new employees. This shift alone is a significant adjustment for businesses, who naturally turn to technology to enhance the hiring process.

Finding creative solutions to employment screening is part of this evolving business landscape. We have adapted in the way we approach address verifications in India, by adding a platform feature that tracks and reinitiates COVID-impacted cases at a later date when safe. Our goal is to help our customers manage the ever-changing situation with ease.

India is also host to many large business hubs with increasingly large workforces. As business continues to pick up in developed countries, more projects are moving into India seeking back-end support functions and tech-skilled resources. This migration has created a sharp increase in hiring across our portfolio of customers.

From enabling work from home situations, to remote onboarding, hiring, and interviewing, companies are embracing new ways to manage their business requirements. On behalf of the India team, I would like to say a big thank you to those HR and business leaders who participated in this year's study. I know you will find valuable insights and information in this report to help you and your business.



# India Summary

## Candidate discrepancies are most widely found in their employment and education details.

- 70% of respondents have found discrepancies in their candidates' employment histories; 65% have found them in their education credentials.
- Four out of five respondents attribute a better quality of hires to their background screening program.

## Businesses adapted their recruitment strategies during the pandemic, with many stopping altogether for a part of 2020.

- 52% of respondents said they stopped recruitment due to the pandemic; 27% stopped it for over three months in 2020.
- 45% started recruiting for remote working permanent hires; additionally, 49% provided formal training in remote working practices for new hires who needed it.

## A third of respondents are looking to integrate with an applicant tracking system (ATS) in 2021.

- 46% of respondents said their business already integrates with an ATS, but 33% plan to within the next 12 months.
- Only 47% of those using an ATS integrate it with their background screening provider.

## Social media recruitment is expected to be vital in 2021.

- While online job boards took the top spot in 2020, 60% of respondents agree that social media will be one of their top three sources of recruitment in 2021.
- 85% of respondents use LinkedIn for social media recruitment – 20% use Facebook, but other social networks are not widely used for this purpose.

## Social activities and additional time off were key to driving engagement and promoting wellbeing in the workforce last year.

- 62% of respondents said their company held regular social activities during office hours to boost employee engagement.
- 38% said that additional time off was offered to employees to help promote wellbeing in 2020.

# Regional Spotlight: Latin America

Throughout January–March 2020, Latin America experienced heavy recruitment and screening activity, with the impact of the pandemic only becoming visible in late March. Several countries experienced major lockdowns and restrictions on movement, with the greatest impact on screening in Latin America reflected in the verification of education credentials, with many schools operating on reduced staff numbers or being closed entirely.

However, moving into the latter half of 2020, signs of recovery began showing with an uptick in recruitment and candidate screening, with volumes returning to pre-pandemic figures. With 81% of Benchmark Survey respondents from Latin America agreeing that screening has helped facilitate a better quality of hire, and 63% saying they'd found discrepancies in their candidates' employment histories, it seems that both the benefits of screening and the perils of not are well known in the region.

Additionally, this year's survey found that 53% of respondents from Latin America reported that recruitment had ceased in 2020, and 36% said workers have been furloughed. However, many of these furloughed positions are now beginning to be re-hired, and new positions are being filled, which are encouraging signs of a swift economic recovery in the region.

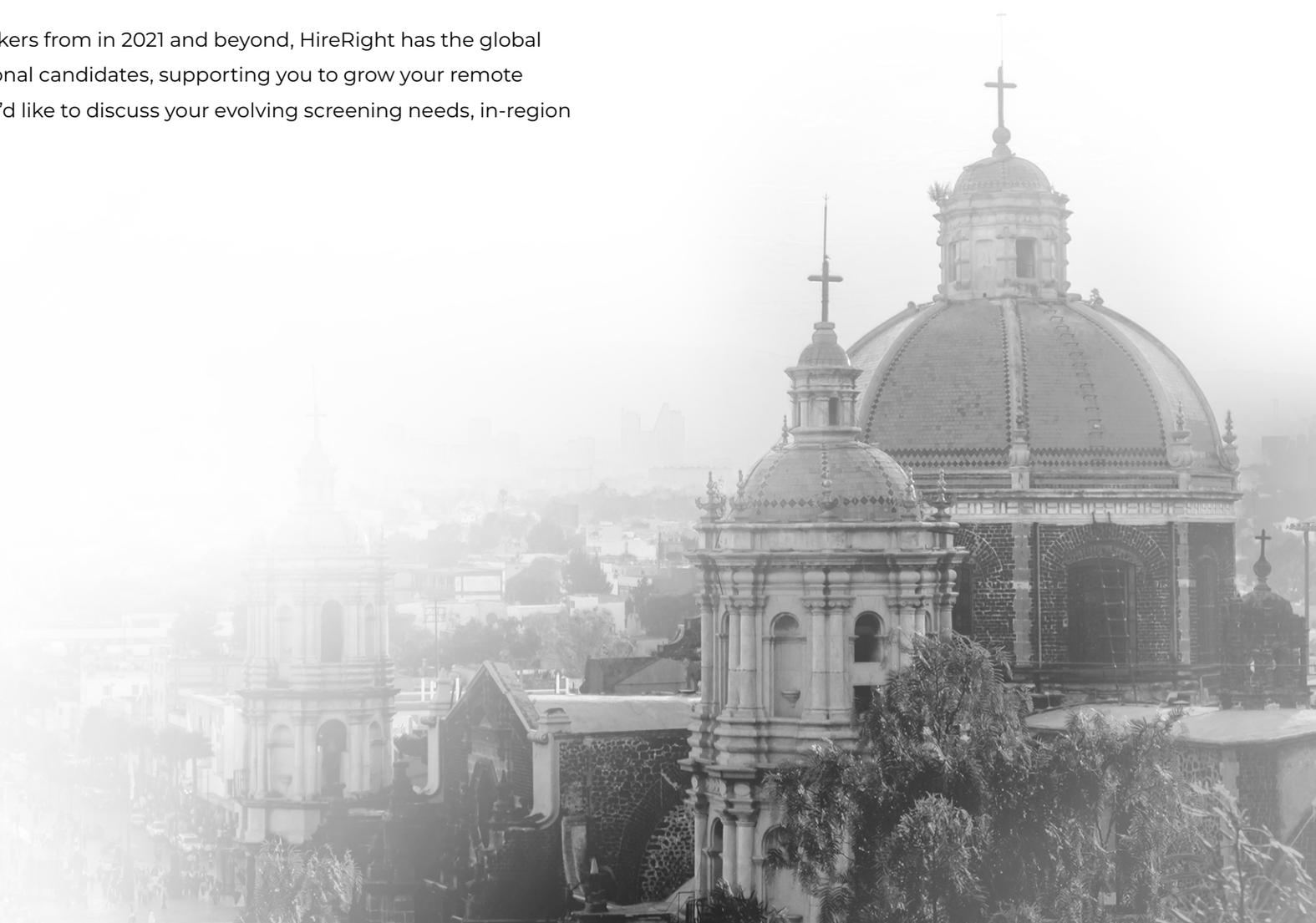


**RYAN  
CHRISTENSEN**

Regional Director,  
Latin America

For employers in Latin America, the hiring landscape has dramatically pivoted to a remote workforce, which for many is likely to stay. For example, 63% of survey respondents from the region said they expected up to half of their workforce to be working remotely in some capacity by next January. Many employers are also now hiring candidates from outside of the region to work remotely on a permanent basis, without the restriction of being tied to a physical office location.

Wherever you are hiring new workers from in 2021 and beyond, HireRight has the global footprint to screen your international candidates, supporting you to grow your remote workforce with confidence. If you'd like to discuss your evolving screening needs, in-region or beyond, please get in touch.



# Latin America Summary

## The most common benefit of background screening is a better quality of hire.

- 81% of respondents said that background screening facilitated a better quality of hire.
- 63% of respondents have found discrepancies in their candidates' employment histories.

## Over half of businesses stopped recruitment in 2020 due to the pandemic.

- 53% of respondents said they stopped recruitment in 2020; 32% for under three months, and 21% for over three months.
- 36% of respondents said that bonuses were cancelled; 36% also said that furloughs/redundancies were made.

## Referrals were a top source of recruitment for most respondents last year.

- 79% of respondents said that referrals were among their top three recruitment channels in 2020.
- Online job boards are expected to be the top source of recruitment in 2021, and social media is predicted to be the third.
- The top social media channels used for recruitment are LinkedIn (84%) and Facebook (47%).

## Finding top talent is expected to be the most common talent acquisition challenge in 2021.

- 58% of respondents said that finding qualified job candidates will be a top challenge this year.
- Making recruitment processes more efficient was also expected to be a major challenge for 47% of respondents – perhaps integrating with an ATS provider could help streamline the hiring and onboarding process?

## For most businesses remote working is expected to stay in some capacity in 2022.

- By January 2022, only 9% of respondents said they expect no remote working to be taking place in their company.
- Additionally, 63% expect that up to half of their workforce will work remotely in some capacity then, an increase from 36% who said this was the case in January 2020.
- 64% of respondents said their company kept employees engaged via group chats on Microsoft Teams or similar software.



# Vertical Spotlight: U.S. Transportation

Employers regulated by the U.S. Department of Transportation (DOT) were profoundly impacted by the pandemic of 2020.

The impact in this vertical was a bit different than other sectors of our economy with motor carriers showing the most significant differences. Some motor carriers, particularly those who supported last-mile shipments (shipments to peoples' homes) grew in 2020 due to the unprecedented use of internet ordering. Others stayed essentially the same since their businesses were not affected since freight still needed to be moved to distribution centers. The last group of motor carriers showed a contraction in business (and workforce) since their primary focus was distributing goods to small businesses. The mixed results in motor carriers was not shared by the other modes, particularly aviation. FAA-regulated employers' businesses shrank due to the pandemic restrictions with many of them still not recovered at this point in time.

As in any year, DOT-regulated employers are challenged with finding qualified staff. There are many candidates out there willing to fill these jobs (due to relatively good pay and benefits), but unlike many industries, DOT imposes rules on these employers regarding the vetting that must happen before fully-fledged employment. These regulations and the overall litigious environment that safety-sensitive transportation companies need to consider always makes attracting and retaining good employees their primary focus from a human resources perspective.

**DR. TODD  
SIMO**

Managing Director of  
Transportation

The following summarizes some of the highlights from HireRight's 2021 Global Benchmark Survey based on the respondents from the U.S. Transportation vertical. We will be looking at these in more detail in a spotlight report released later this year.

# U.S. Transportation Summary

## Motor vehicle records, drug testing, and employment are the most common background checks.

- The most common pre-employment checks in the industry are Motor Vehicle Records, National Drug and Alcohol Clearing House, Employment, Pre-Employment Screening Programs, and Commercial Driver's License Information System.
- 79% of respondents reported a better quality of hire as a benefit of screening.

## Poor driving history and/or citations top the list of candidate discrepancies found during background checks.

- 62% of respondents reported finding poor driving history/citations as a result of background checks.
- 49% found that candidates had omitted past employers, and 41% found discrepancies around reason for leaving their last employment.

## Finding new talent is expected to be the top talent acquisition challenge this year.

- 86% of respondents think that finding qualified candidates will be one of the top challenges in 2021.
- 34% believe that finding the right acquisition channels will be a top challenge.

## Social media is a key recruitment channel for the U.S. Transportation industry.

- 50% of respondents considered social media as one of their top three recruitment channels in 2020.
- 50% plan to use additional social media channels for recruitment in 2021; 48% plan to post more frequently.
- 49% are using social media more due to the talent shortage.

## Staff retention remains the top talent management challenge in 2021.

- 63% of respondents believe that staff retention will still be a top talent management challenge in 2021.
- The primary reasons people are leaving their jobs are to make more money (58%), to spend more time at home (35%), and better benefits offered elsewhere (27%).

# Vertical Spotlight: U.S. Healthcare and Life Sciences

In a year of rapid change and significant challenges, our Healthcare customers were impacted in a wide variety of ways. In early 2020, hospital HR departments were faced with two major challenges: the first was a desperate need for frontline workers to care for the sick as many caregivers became ill themselves or chose an early retirement to avoid such complications. Meanwhile, other highly skilled workers were brought out of retirement to help manage the growing number of patients.

Secondly, while the activity around COVID-19 brought with it a great demand for a specific type of care, all other non-essential procedures were halted, and doctor visits were forced to a telemedicine model. Due to this, facilities were not hiring new healthcare workers and hospitals were reallocating staff ordinarily responsible for the now “non-essential” procedures to serve on the front lines of the pandemic.

As the year progressed and the processes around handling spikes in cases were successfully implemented, the next challenge was to continue to care for COVID-19 patients while beginning to address the vast backlog of non-essential procedures, while keeping staff and patients safe at the same time.

HireRight takes great pride in helping support companies in the Healthcare and Life Sciences sector, from hospitals and health systems to those developing and distributing vaccinations.



**MARY  
O'LOUGHLIN**

VP Growth Verticals

Our account management and customer services teams worked closely with our customers to set up new processes around contingency hires until a time when the background checks could be finalized, once courthouses and education institutions re-opened. The development of these new systems allowed our customers to continue hiring and manage the work needed to keep their businesses running.

As an industry, Healthcare has had to transform the way they provide care and distribute products, think creatively about staffing their organizations, and manage the hiring and training of new caregivers during one of the most challenging years ever experienced.

We are grateful for our partnerships with the businesses and employees responsible for keeping us all safe and healthy during this time of change. We are proud to share the following insights to help you anticipate the ever-evolving ways of conducting business in 2021.



# U.S. Healthcare and Life Sciences Summary

## One in five respondents plans an Applicant Tracking System (ATS) integration within the next year.

- Only 32% of respondents said their company utilizes/integrates with an ATS, but 20% plan to in the next 12 months.
- Just under two-thirds (65%) of those currently using an ATS integrate it with their background screening provider.

## Improved regulatory compliance tops the list of background screening benefits.

- Over three-quarters of respondents reported improved regulatory compliance as a result of background screening.
- Three in five said screening improved the quality of their hires, and half said it helped their business achieve more consistent safety and security.
- Over half of respondents had discovered undisclosed criminal convictions due to background screening; nearly two in five found a positive result from a drug test.

## Social media recruitment is expected to rise in 2021.

- Nearly half of respondents predicted that social media will be one of their top three recruitment channels in 2021, up from a third who said the same was true in 2020.
- LinkedIn and Facebook are both used by over half of respondents for recruitment purposes.

## Staff retention and boosting morale are key talent management challenges for 2021.

- 56% of respondents believe that staff retention will be one of their top three talent management challenges this year; 46% think boosting morale will also be a top concern.
- In 2020, 51% of respondents said creating a positive corporate culture was a key challenge; however, just 31% believe it will be a priority in 2021.

## Offering employees additional time off was the most common way wellness was promoted last year.

- Over two in five respondents said that extra time off was offered to employees to help with their wellbeing in 2020.
- 39% launched internal wellbeing initiatives, and 28% provided additional contact from managers for this reason.

# The Future of Work

# Foreword

Whatever impact COVID-19 had on your business last year, it will undoubtedly have brought with it some new challenges for your HR department. Within HireRight, we have focused on maintaining a high-performing culture – supporting our team members in new ways, positively influencing productivity, and collaborating on an unprecedented scale as we navigated an unconventional remote working environment. In addition, HR has led business continuity plan communications, alignment, and overall strategy for our teams as we have responded to global and local changes caused by the pandemic, ensuring our employees feel informed and valued throughout times of uncertainty.

I have heard from my network of HR professionals that, in many other organizations, HR has moved from the peripheral to front and center of their businesses' strategic focus – providing an organic opportunity to put HR in the driver's seat of business significance. The traditional talent and teamwork initiatives that may have seemed like fluff in the past are now seen as bottom-line indicators of the success of a business, especially around the cost of regrettable loss or the cost of lowered productivity.

This final section of the report looks at what our 2021 Benchmark Survey data tells us about the future of work: what might the DNA of future workforces look like, have talent acquisition strategies, channels, and challenges changed for good, and what lessons can be learned from how companies managed their people during the pandemic?



**CHELSEA  
PYRZENSKI**

Chief Human  
Resources Officer

The data this year shows that in many areas, businesses from North America, EMEA, and APAC are aligned – online job boards were the most commonly cited top recruitment channel in 2020, LinkedIn is the most widely used social channel for recruitment, and internal wellbeing initiatives were the top way that businesses supported their employees last year.

However, in others aspects, regional variants in recruitment trends, retention activities, and remote working attitudes show that there are many different responses to the same challenges. Each business has to find the best way to deal with these to meet their specific needs.

I hope that you will find this section of the report insightful and can use to it to benchmark your business against peers globally, as well as perhaps opening your eyes to some alternative paths to consider as we continue to lead our workforces through the pandemic in 2021, and focus once more on the future of work.

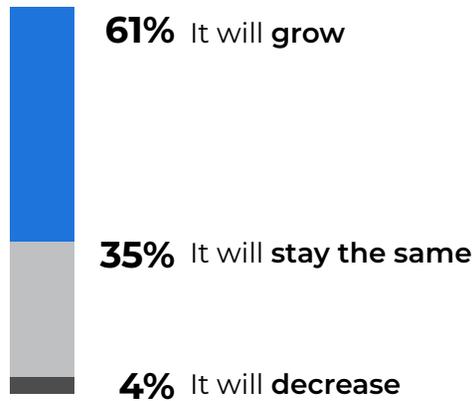


# The Future Workforce

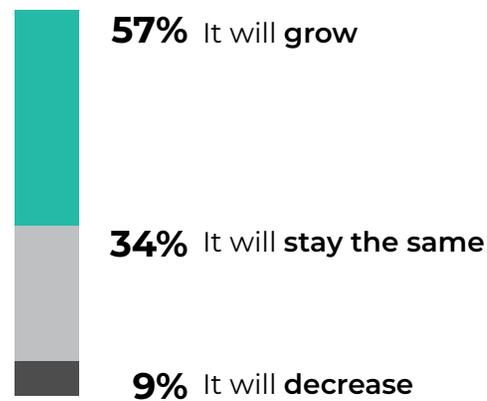
The outlook for 2021 is mostly positive as globally companies anticipate growth this year.

## How do you anticipate your company's workforce size will change by the end of 2021?

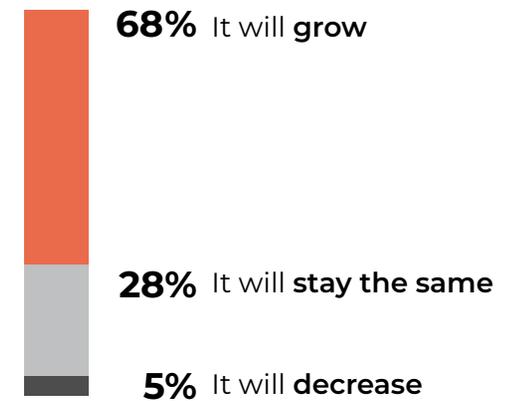
### North America



### EMEA



### APAC



Only a small number of respondents globally expect their company to be decreasing its workforce size in 2021. With many businesses reducing staff numbers to cut costs during the first wave of the pandemic, perhaps this is a sign that as economies are starting to recover, many of these companies are planning to replenish their workforces, or even grow to larger numbers than they had before the pandemic first hit.

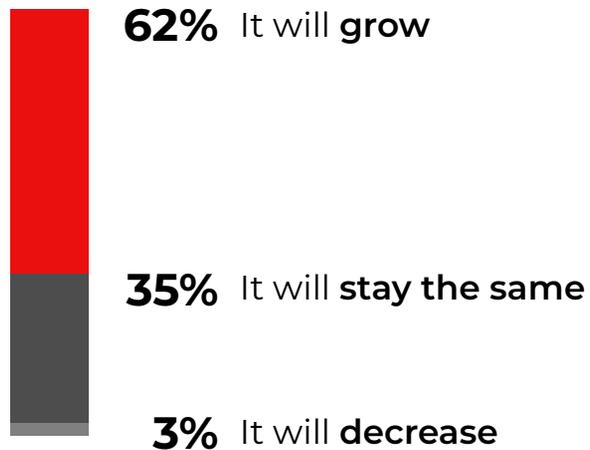
Respondents from the APAC region expect the most aggressive growth this year, with over half saying they expect their workforce to grow by at least 3% by the end of 2021, including 26% who are expecting a greater than 6% increase in their numbers.

## SMB vs. Enterprise

There is little difference in the growth expectations of businesses based on their current size, however, SMBs are more likely to expect growth of over 6% this year; 25% of SMBs globally said this compared to 20% of global enterprises.

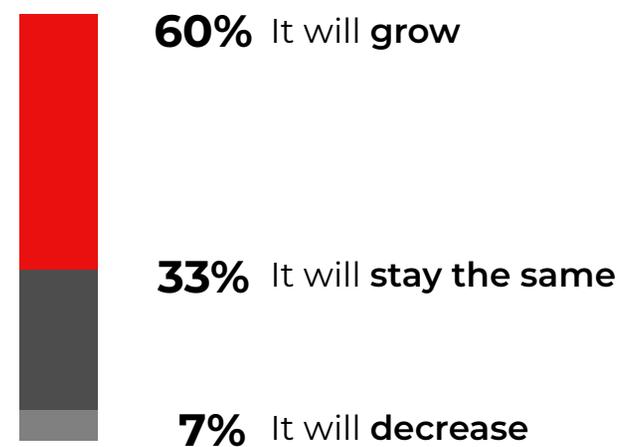
### Small/Medium-Sized Businesses (<500 employees)

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### Enterprises (500+ employees)

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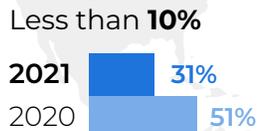
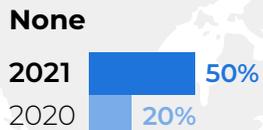


# Extended Workforces

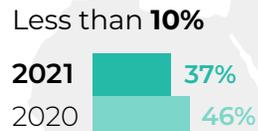
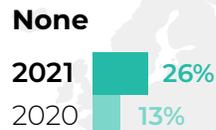
Fewer businesses across all regions reported using non-employee workers than in 2020.

## Approximately what percentage of your company's current workforce is comprised of non-employees?

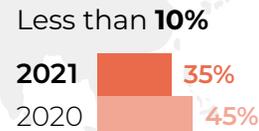
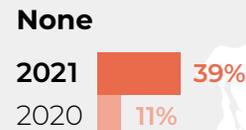
### North America



### EMEA

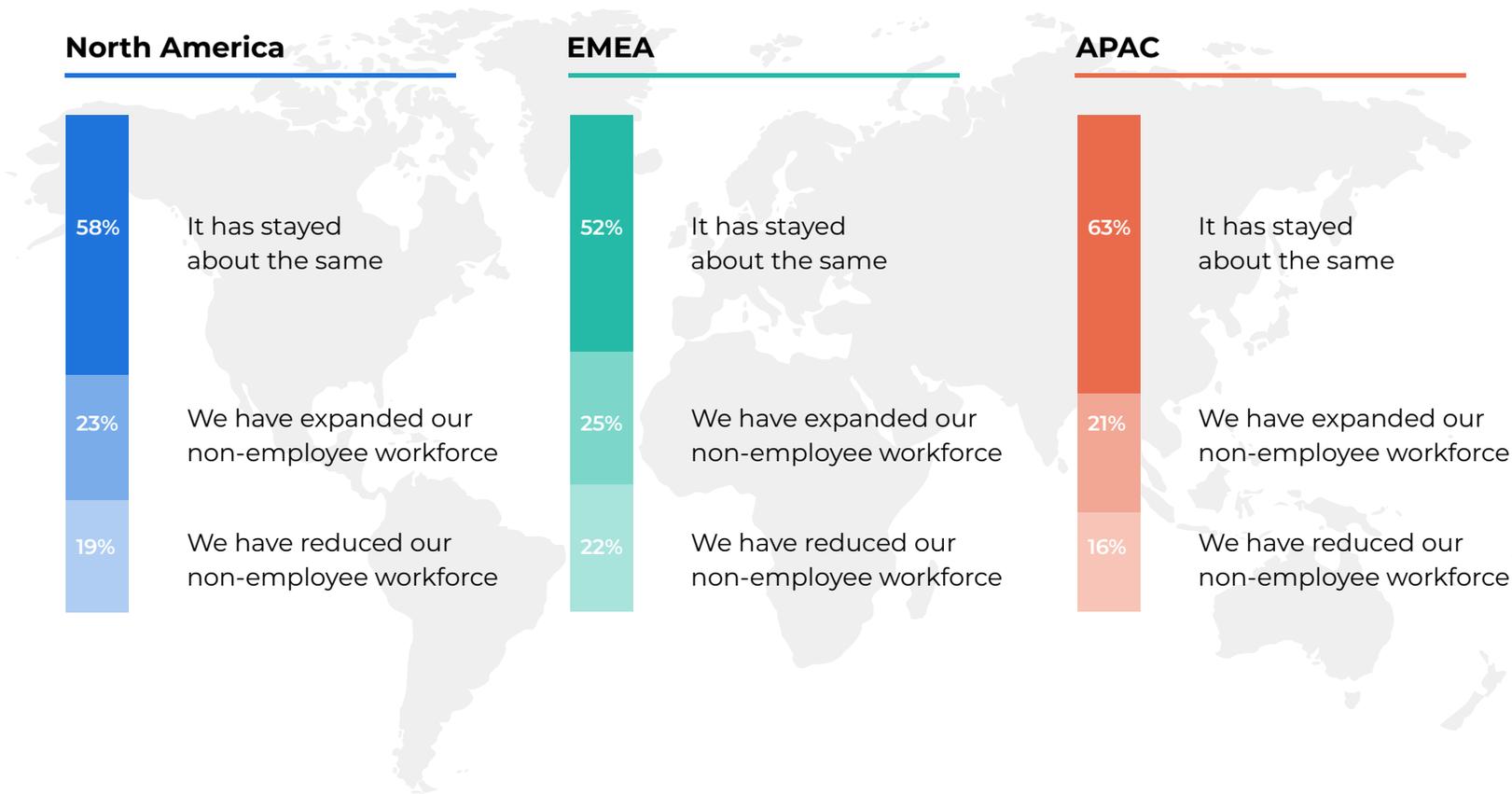


### APAC



Globally, respondents this year are over twice as likely to have reported having no extended workforce compared to last year's survey. This is most pronounced in North America where half of this year's respondents said their company uses no non-employee workers. Could it be that during the pandemic many companies withdrew the service of their non-salaried workers to reduce the impact to their permanent staff? Will the impact of COVID-19 slow the expansion of the gig economy in the U.S., which had previously been gathering significant momentum over recent years? If so, this could impact the way that many individuals choose to work, especially if supply exceeds demand for contract workers and if companies are now considering remote candidates from outside of their own country to widen the talent pool or lower their costs.

## How has your non-employee workforce changed since January 2020?

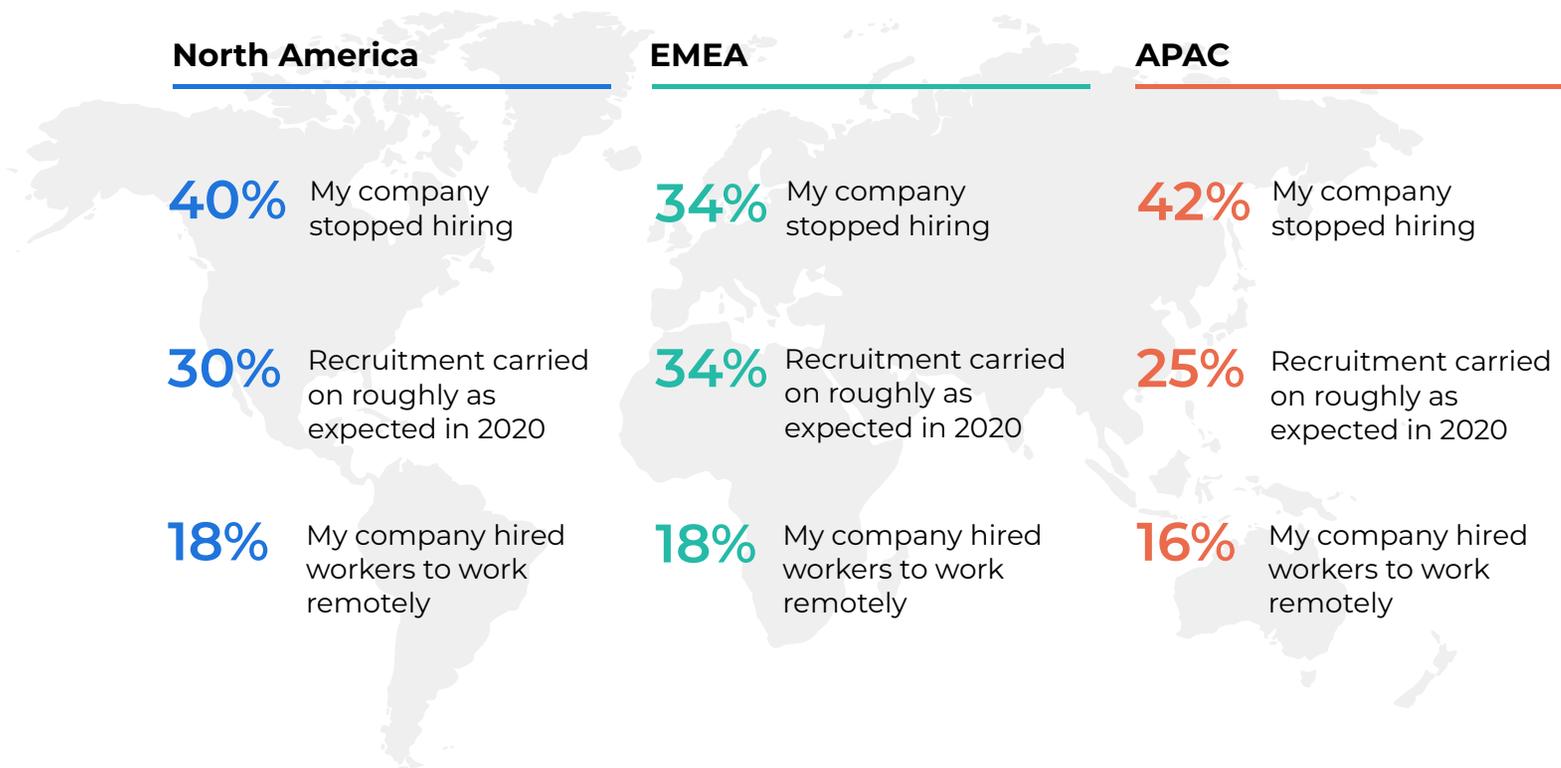


Over half of respondents whose companies have an extended workforce said that its non-employee numbers did not change significantly in the last year. Where a change did happen, it was a roughly even split between companies expanding and reducing their extended workforce, with respondents from North America more likely to have expanded their non-employee numbers, and those from EMEA or APAC more likely to have reduced theirs. It seems that while the pandemic has increased demand for certain outsourced functions (e.g. IT technical support), others may have been brought in-house, resulting in the decline in external contractors and temporary workers for some.

# The Future of Talent Acquisition

Due to the pandemic, two in five global businesses stopped recruiting in 2020.

## How did COVID-19 impact your company's recruitment in 2020?



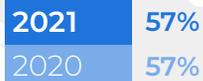
Of those who stopped recruitment in 2020, 18% did so for less than three months, and 22% stopped hiring for over three months. However, between a quarter and a third of respondents in each region reported that the pandemic did not significantly impact their recruitment activities. Also, over one in six respondents reported that their company had hired new workers to take up remote positions, possibly after seeing positive results from their office-based workers' performance when working from home.

Online job boards were the most effective source of recruitment in 2020.

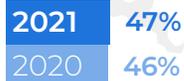
**Which of the following have been the most effective in recruiting and attracting new employees to your company in 2020, and which will be the most effective in 2021?**

**North America**

Online job boards



Referrals

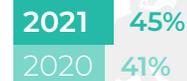


Social media



**EMEA**

Referrals



Internal recruitment

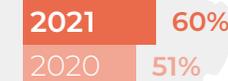


Online job boards



**APAC**

Referrals



Social media



Online job boards



Across all regions, respondents most cited online job boards as being among their top three recruitment channels last year. This looks to stay the same in North America for 2021, but respondents from EMEA and APAC expect referrals to play a bigger part in their recruitment efforts this year.

Social channels are also expected to become important for recruitment in 2021, with over half of respondents from APAC and over two in five respondents from North America listing social media among their most effective recruitment channels for the coming year. But which social media sites are most widely used for recruitment purposes?

LinkedIn is the most popular social network for recruitment.

## Which social media channels does your company use most for recruitment?

### North America

LinkedIn

61%



Facebook

43%



Twitter

24%



### EMEA

LinkedIn

64%



Twitter

32%



Facebook

27%



### APAC

LinkedIn

74%



Facebook

27%



Twitter

7%



Nearly three-quarters of APAC respondents and over three in five respondents from North America and EMEA said they use LinkedIn for recruitment. This is likely due to the tools available on LinkedIn for both recruiters and jobseekers, which make it well suited to the needs of those looking for new talent or for new employment opportunities.

Those working in EMEA are the most likely among the regions to use Twitter for recruitment. Facebook is taking the second place in North America and APAC by a reasonable margin.

Surprisingly, over one in six respondents from each region admitted to not currently using social media for recruitment purposes. With respondents across the regions identifying social media as a growth channel for recruitment in 2021, perhaps there will be an uptick in the use of social media to attract new employees in the coming year.

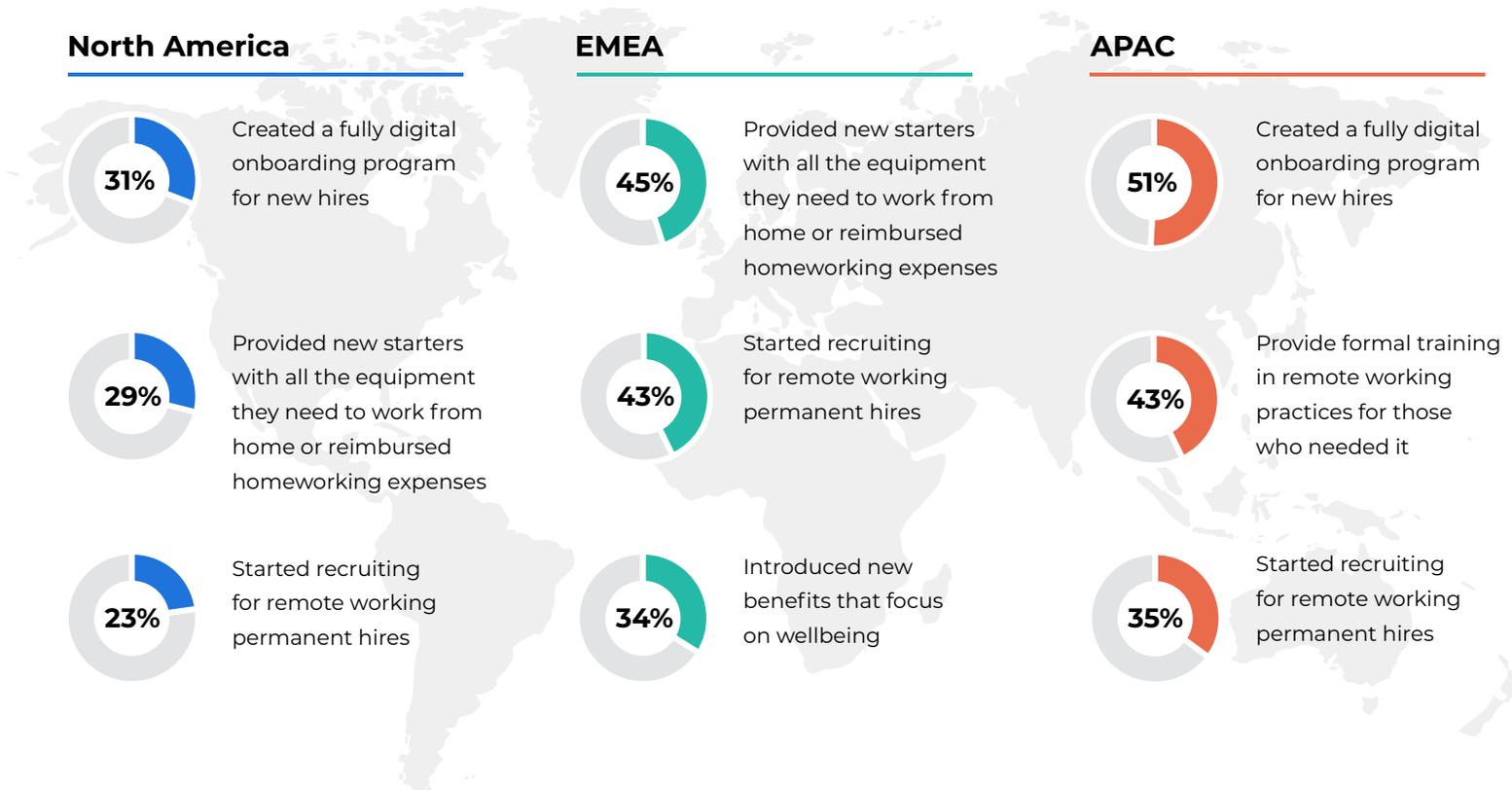


Social media will continue to play a crucial part in Ceridian's success in reaching customers, clients, candidates, and employees globally in 2021. From a business perspective, social media gives us the platform to highlight company and product successes, introduce new or enhanced product features and functionality, or even just share our employee stories. And from a recruiting perspective, social media is paramount in the talent attraction and talent acquisition process: these platforms allow us to personalize our outreach to prospective candidates and share the amazing Ceridian story in a very human way."

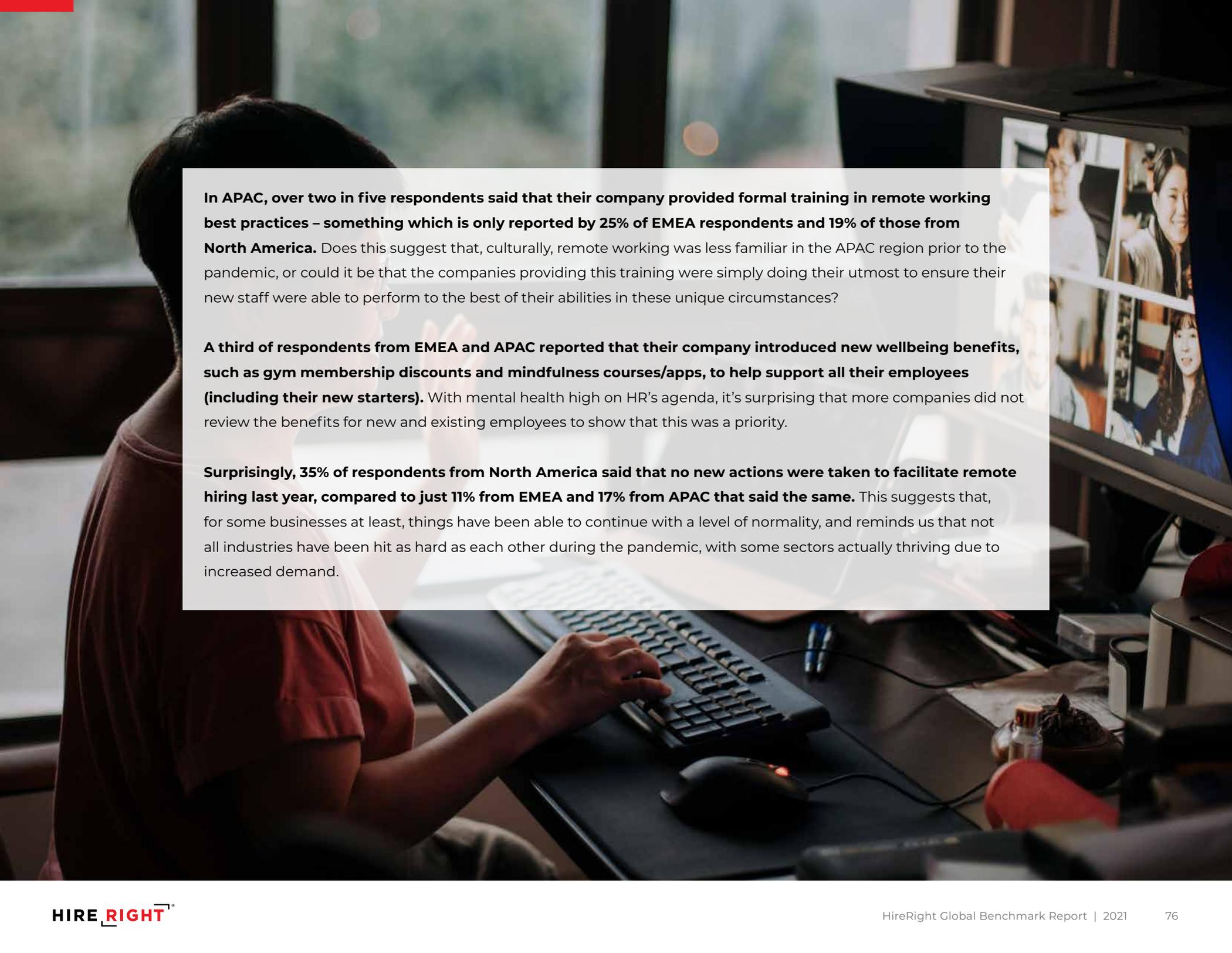
**Tasha Altorfer,**  
Manager, Talent Acquisition, Ceridian

Creating digital onboarding programs and providing new starters with equipment to work from home were the most common accommodations made for remote recruiting.

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



Setting up new starters with fully digital onboarding programs and providing the necessary equipment for them to work remotely are priorities for many respondents across all regions. Recruiting remote workers for permanent roles is also commonplace among our respondents, although this is most often reported by those from the EMEA region, where over two in five said this practice took place.

A person with dark hair, seen from the side, is sitting at a desk in an office. They are wearing a reddish-brown t-shirt and have their hands on a black keyboard. In front of them is a computer monitor displaying a video conference with several participants. The background shows a window with a view of trees and a building. The lighting is soft, suggesting an indoor office environment.

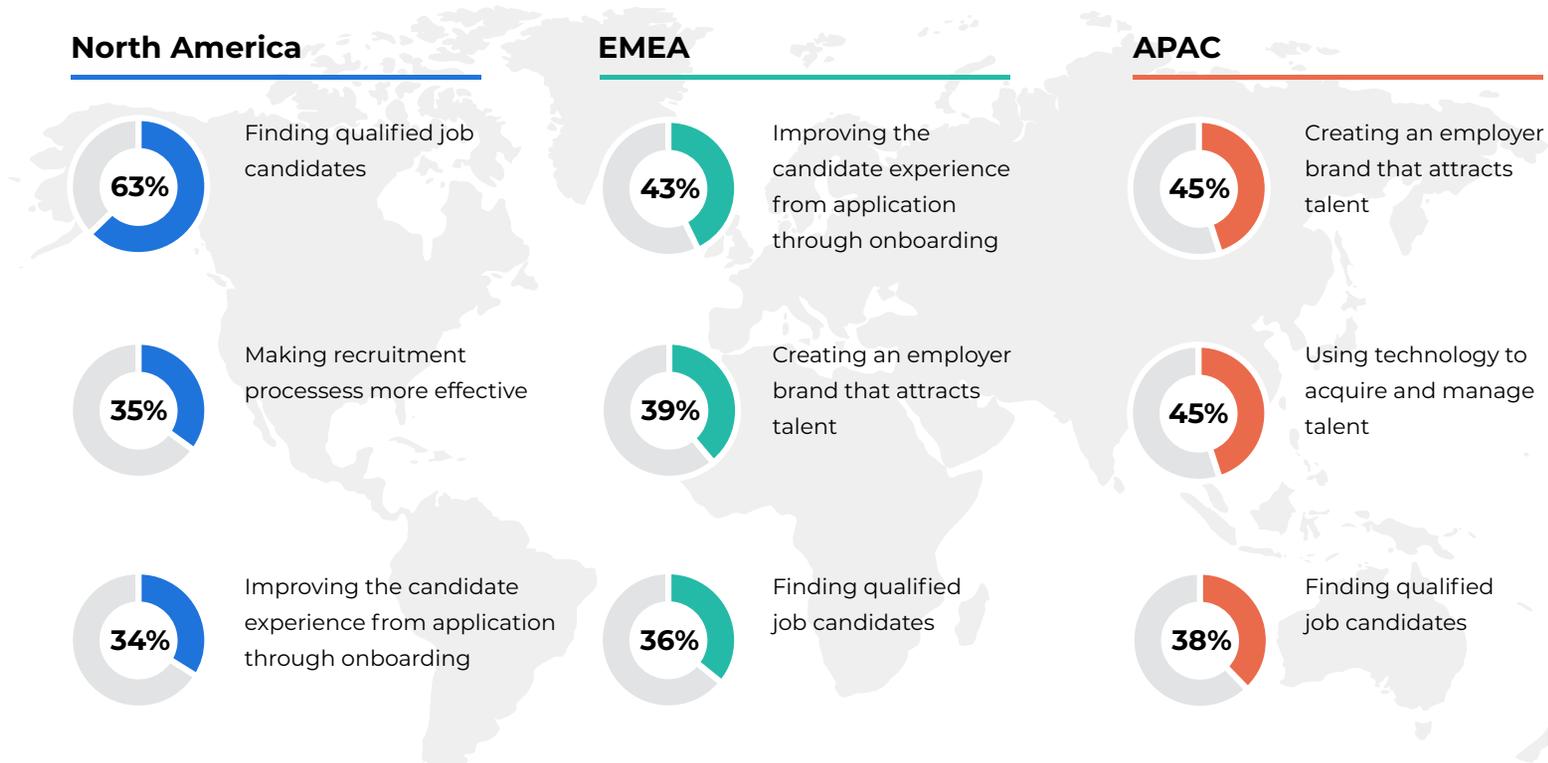
**In APAC, over two in five respondents said that their company provided formal training in remote working best practices – something which is only reported by 25% of EMEA respondents and 19% of those from North America.** Does this suggest that, culturally, remote working was less familiar in the APAC region prior to the pandemic, or could it be that the companies providing this training were simply doing their utmost to ensure their new staff were able to perform to the best of their abilities in these unique circumstances?

**A third of respondents from EMEA and APAC reported that their company introduced new wellbeing benefits, such as gym membership discounts and mindfulness courses/apps, to help support all their employees (including their new starters).** With mental health high on HR's agenda, it's surprising that more companies did not review the benefits for new and existing employees to show that this was a priority.

**Surprisingly, 35% of respondents from North America said that no new actions were taken to facilitate remote hiring last year, compared to just 11% from EMEA and 17% from APAC that said the same.** This suggests that, for some businesses at least, things have been able to continue with a level of normality, and reminds us that not all industries have been hit as hard as each other during the pandemic, with some sectors actually thriving due to increased demand.

Different regions foresee different challenges for talent acquisition in 2021.

## What do you see as being the most significant talent acquisition challenges in 2021?

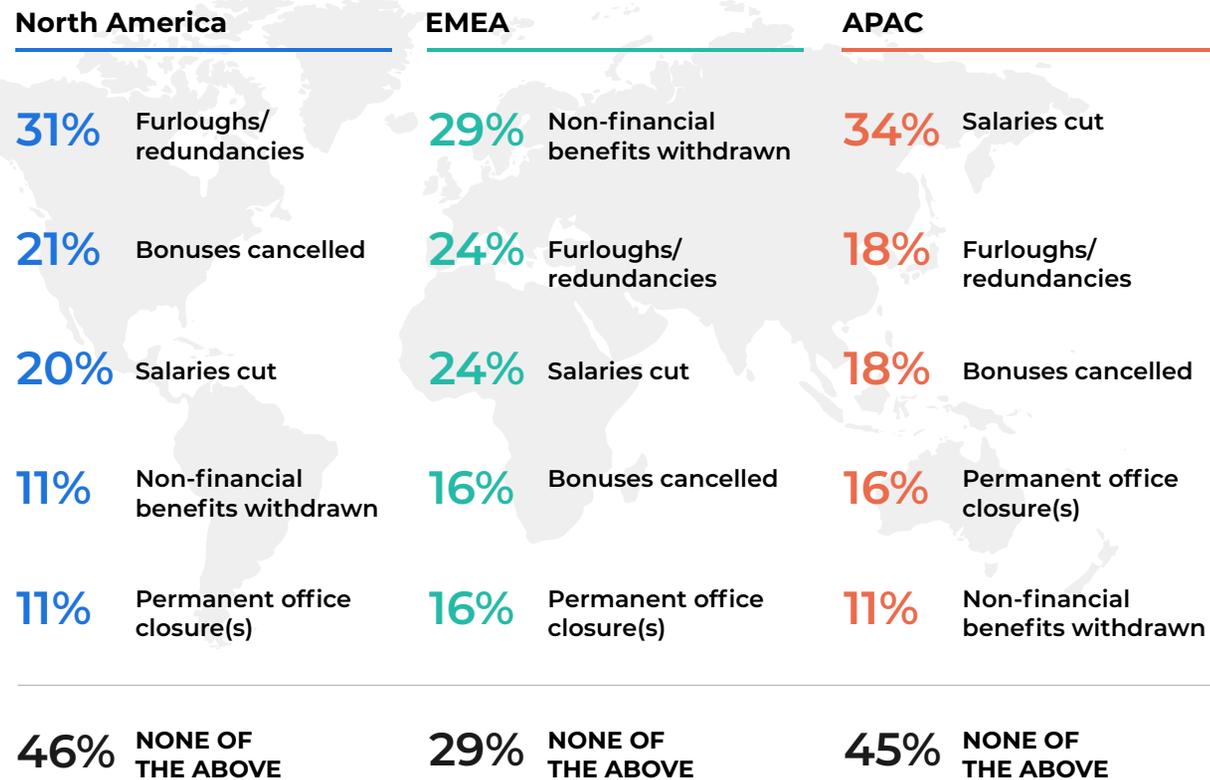


Nearly two-thirds of respondents from North America expect that finding the right talent for their organization this year will be among their top challenges, compared to just over a third who thought this in the EMEA and APAC regions. Respondents from these regions are more concerned with building their employer brand to draw in the right candidates, improving the candidate experience (EMEA), and using technology more effectively in the talent acquisition and management processes (APAC). Around a third of respondents across all regions said making their recruitment processes more efficient would be a top challenge this year too – perhaps we will see more businesses integrating their screening provider with their applicant tracking system, or begin using an applicant tracking system as ways to address this challenge.

# The Future of Talent Management

While many businesses were forced to make cutbacks during the pandemic, some were able to do so without impacting their employees.

## Which of these actions were taken by your business during the pandemic?



Respondents from North America and APAC were the least likely to take any adverse actions at the expense of their workers, with nearly half saying they did not undertake any of the measures listed. However, nearly a third of respondents from North America reported furloughs and/or redundancies, a much higher rate than in EMEA (24%) and APAC (18%).

A person with curly hair and glasses is sitting at a desk, working on a laptop. The room is dimly lit, with light coming from a window in the background. The person is wearing a blue shirt. The laptop is open, and their hands are on the keyboard. There are some papers on the desk in front of the laptop.

**Considering the high global unemployment figures reported in April 2020, it might be surprising to some to see that more respondents globally didn't administer furloughs and/or redundancies.** This could suggest that the companies that undertook these measures may have done so quite broadly, while others relied on different ways to lower their costs without impacting their headcount, such as making pay cuts and canceling bonuses.

In EMEA, the same number of respondents said that pay cuts were made and redundancies/furloughs were undertaken. In APAC, salaries were much more likely to be cut, with over a third of respondents saying this action had been taken, possibly to help maintain the size of their workforce. Conversely, in North America, furloughs/redundancies were much more common than salary reductions, suggesting that keeping the many happy at the cost of the few may have been the preferable way to deal with the challenge of balancing the books during the global pandemic.

Boosting morale was a top challenge for around half of businesses globally in 2020.

## What were the top talent management challenges during 2020, and what do you think will be the top talent management challenges in 2021?

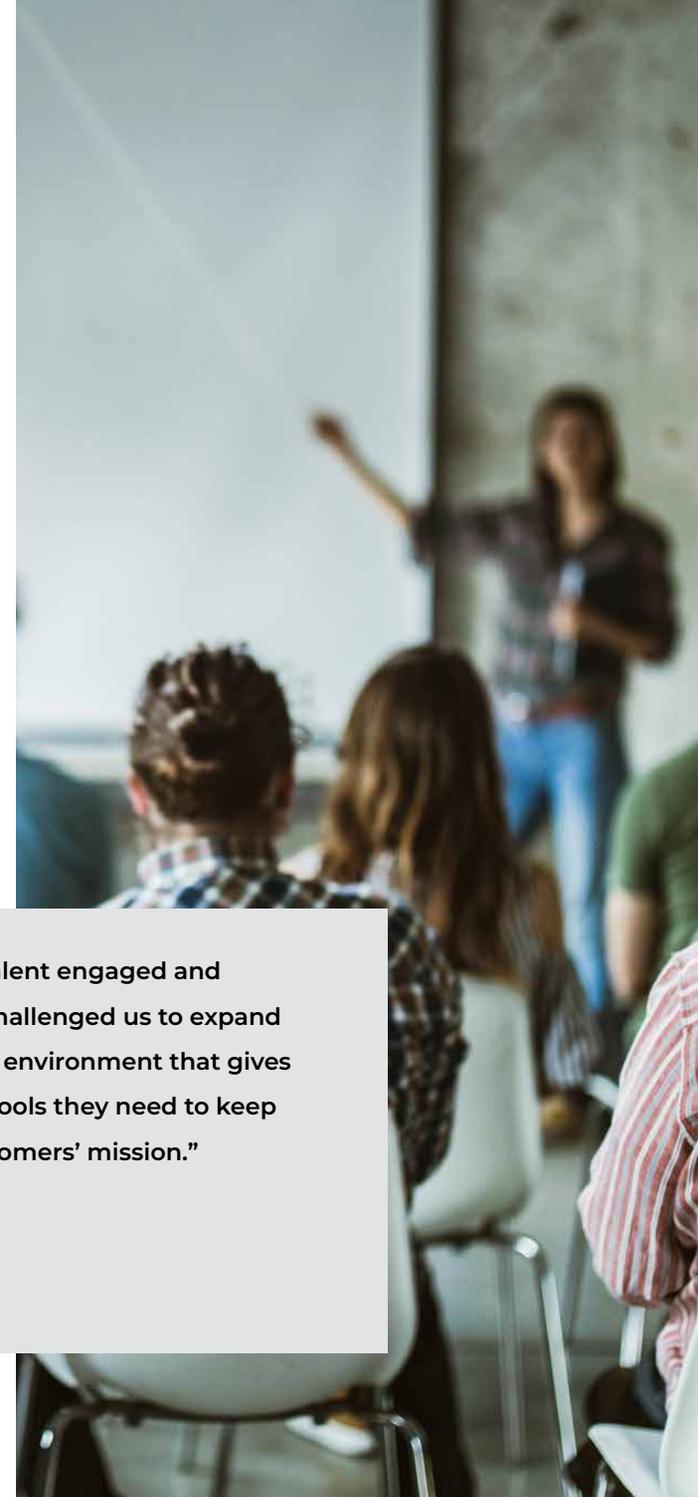
North America		EMEA		APAC	
2020	2021	2020	2021	2020	2021
<b>52%</b> Boosting morale	<b>44%</b> Staff retention	<b>55%</b> Boosting morale	<b>45%</b> Developing leaders within your company	<b>58%</b> Driving employee engagement through digital channels	<b>43%</b> Developing leaders within your company
<b>43%</b> Looking after the wellbeing of your employees	<b>39%</b> Boosting morale	<b>47%</b> Creating a positive corporate culture	<b>34%</b> Boosting morale	<b>49%</b> Boosting morale	<b>41%</b> Boosting morale
<b>37%</b> Creating a positive corporate culture	<b>35%</b> Creating a positive corporate culture	<b>37%</b> Looking after the wellbeing of your employees	<b>32%</b> Creating a positive corporate culture	<b>43%</b> Looking after the wellbeing of your employees	<b>39%</b> Driving employee engagement through digital channels

Around two in five respondents from North America and APAC, and a third of respondents from EMEA, anticipate that this will still be a major challenge this year; however, it is expected that other issues will impact more businesses globally.



In North America, staff retention is expected to be the most common talent management challenge in 2021, however, this ranked only sixth and seventh most common in APAC and EMEA respectively. Are employees in the U.S. and Canada really much more likely to be on the lookout for a new job this year? Are the companies that are concerned by this basing it on their previous retention rates, internal organizational health survey results, or is this just a gut feeling?

Developing leaders within their companies is expected to be the most common challenge in both EMEA and APAC this year. With many businesses still requiring all hands on deck, for some it will be hard to focus on career development and ensuring that their leaders have the skills and training to support their staff. However, with more jobs becoming available, employees might become frustrated at a lack of opportunity and be looking to jump ship.



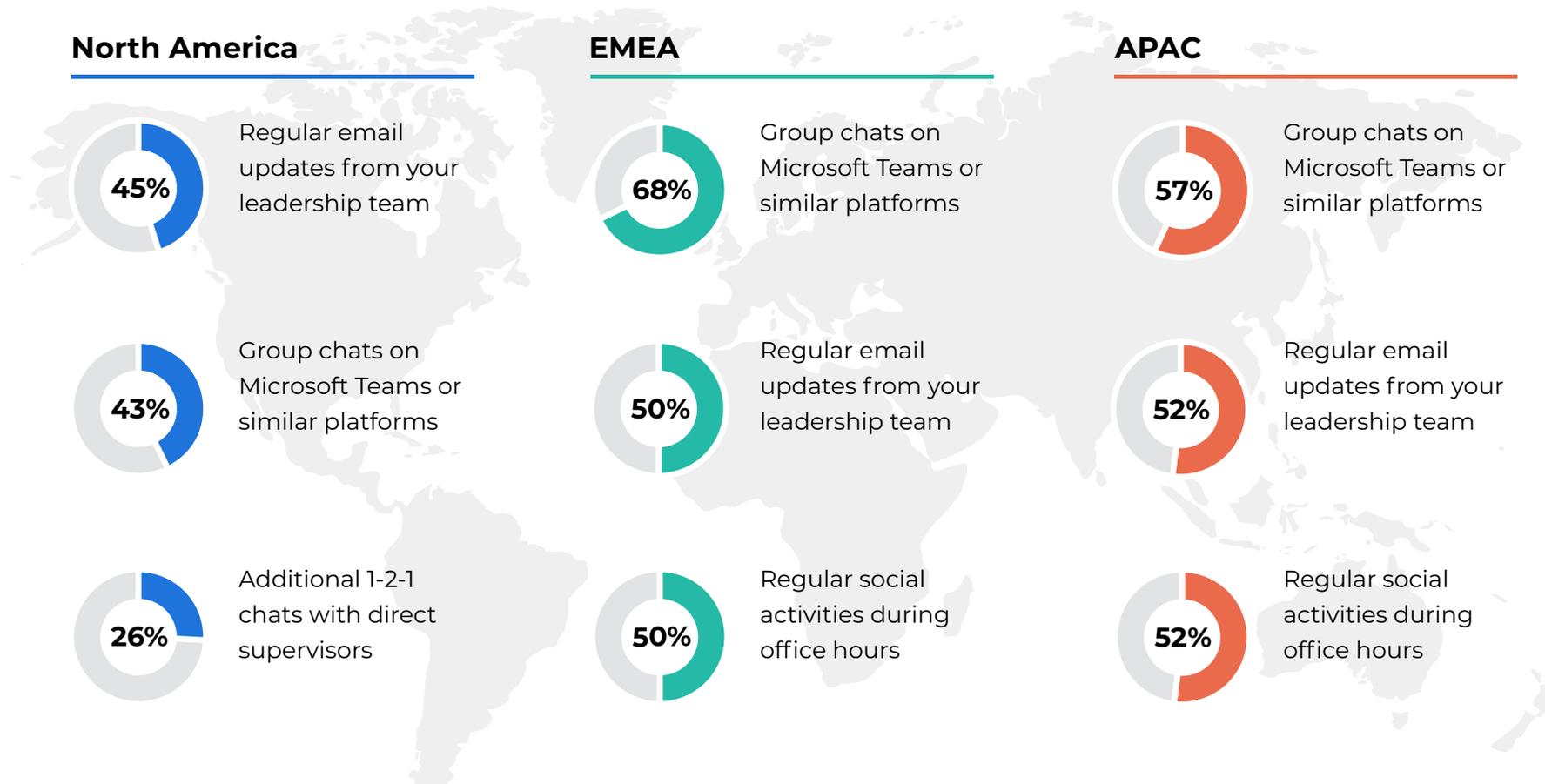
**Our biggest talent management challenge has been centered on keeping our talent engaged and energized. The pandemic has taken a toll on employees' energy and resiliency and challenged us to expand our focus on working and leading virtually. We need to continue to provide a flexible environment that gives employees the space they need to manage home and work life and our leaders the tools they need to keep those employees feeling connected to their teams and able to contribute to our customers' mission."**

**Gayle Godfrey Connatser,**

Vice President/Director, HR Shared Services, Leidos

Group chats and regular communication from leadership were the most common measures introduced to boost employee engagement in 2020.

### Which measures did you introduce to boost employee engagement in 2020?



Businesses in EMEA and APAC were the most likely to conduct multiple new measures to improve communication with their workforces and drive engagement during the pandemic. Around half of the respondents in these regions reported conducting regular social activities, such as virtual quizzes or happy hours, compared to only a quarter of respondents from North America who said these were introduced.

In North America, over one in five respondents said they introduced no new measures to boost engagement in 2020, compared to just 5% from EMEA and 13% from APAC who said this was the case. However, according to a survey of over 3,000 U.S. workers by Gallup in July 2020, employee engagement in the U.S. was at an all-time high of 40% (up from 35% in 2019)<sup>4</sup>. Could this be in no small part due to the increase in communication that was a consequence of and reaction to the pandemic?

In APAC, nearly half of respondents reported having extra one-to-one chats with direct supervisors, and nearly a third utilized internal competitions and/or reward incentives, both at much higher rates than their EMEA and North American peers.



**At HireRight, our philosophy is building a work environment that is people-centric, by ensuring that we plan and launch people initiatives that promote sustainable engagement.**

**We've centered connection and community in our practices, launching online communities, including global affinity groups, to provide a forum for thought leadership, networking, and a safe place to bring our whole selves to work. Our affinity groups include Global Working Parents, Women's Leadership, PRIDE, and Black Lives Matter. These groups help connect our global team members in the form of social communities in ways that pre-COVID initiatives may not have been able to do so.**

**In fact, refocusing on virtual programs, facilitated by our Global Culture Clubs, continues to connect our team members at large, bringing our community closer together through their "glocal" approach. Not only can these groups help reduce the risks of employees feeling isolated, which could impact their mental wellbeing, they can also support their ability to perform their jobs effectively."**

**Chelsea Pyrzewski,**

Chief Human Resources Officer, HireRight

Internal wellbeing initiatives were the most common way companies in all regions promoted employee wellness during the pandemic.

## Which measures did you introduce to promote employee wellbeing in 2020?

### North America



Internal wellbeing initiatives



Additional contact from direct supervisors / managers to their reports



Additional time off offered to employees

### EMEA



Internal wellbeing initiatives



Employee subscription to a wellbeing app / website



Additional contact from direct supervisors / managers to their reports

### APAC



Internal wellbeing initiatives



Additional contact from direct supervisors / managers to their reports



Employee subscription to a wellbeing app / website

Respondents from EMEA were twice as likely to have reported that their business introduced an employee wellbeing initiative in 2020 than those from North America. Nearly three in five respondents from APAC also said this was part of their strategy for promoting employee wellbeing last year. Giving employees more facetime with their supervisors/managers was also a popular option in all regions, with between a third (North America) and half (APAC) of respondents reporting this.

In April 2021, LinkedIn announced that it would be giving its 15,900 full-time employees a week off to help with burnout. Other companies including SAP, Thomson Reuters and Cisco have also issued mental health days as

company-wide holiday for similar reasons.<sup>5</sup> The need for mental health support from HR has been exacerbated during the pandemic, with social listening research from Pulsar on behalf of Koa Health finding that, on average, UK HR Managers were spending 30% more of their time on mental health support for their employees than before the pandemic.<sup>6</sup> Perhaps these mental health days will play a part in helping the organizations to support the wellbeing of their employees en masse rather than on an individual basis.

Over half of EMEA respondents said that their company invested in a subscription to a wellbeing app or website for their workforce, again almost double the percentage of those from North America who did this. However, while those in EMEA were the most likely to introduce many of these measures, will companies be keeping them post-pandemic?

“Support Wellbeing in 2021 and Beyond”, a recent report from Gartner based on a survey taken in the fourth quarter of 2020, found, rather worryingly, that three-quarters of organizations did not plan to continue their wellbeing programs after the pandemic.<sup>7</sup> This suggests that while many organizations were quick out of the blocks with wellbeing initiatives in the first half of 2020, few are seeing the benefits outweighing the costs or anticipating the long-term need for this kind of support for their employees as employees begin to return to a more “normal” way of working.



**The team has expanded our health and wellbeing resources, creating a global hub on our company intranet where we store materials around topics like wellness, stress management, and healthy eating. We spotlighted these resources with a global wellness week initiative, drawing attention to key assets and encouraging group participation, despite working from home.**

**Lastly, we are encouraging our team members to book some time off, even if they are not able to get away as they would like. We feel it is important for everybody to take a bit of time to rest and recharge – however, we have also adjusted our global time off policy (where permissible by local laws) to allow employees to carry some of their annual leave over into 2021 if it was not used before the end of the year.**

**It is arguably more important than ever to look after your workforce now that you’re not seeing team members in the office every day. It’s important to make sure that nobody is falling through the cracks, and everybody feels fully supported regardless of their working location.”**

**Chelsea Pyrzewski,**

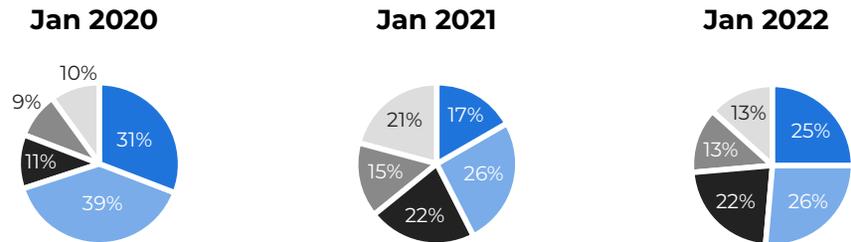
Chief Human Resources Officer, HireRight

Respondents from EMEA and APAC are more likely than those in North America to have more of their employees working remotely at the start of 2022.

**Approximately what percentage of your company worked remotely in any capacity in January 2020, in January 2021, and what percentage do you think will be working remotely in January 2022?**

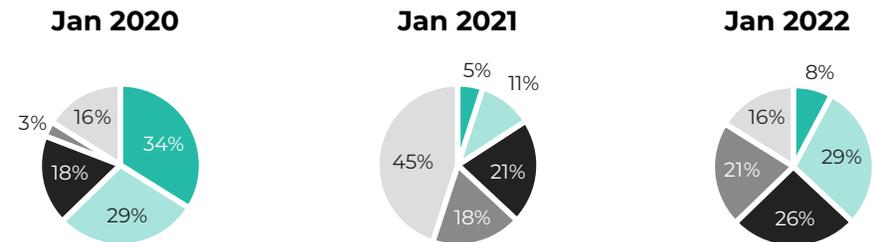
### North America

- None
- Less than 25%
- Between 25% and 50%
- Between 50% and 74%
- Between 75% and 100%



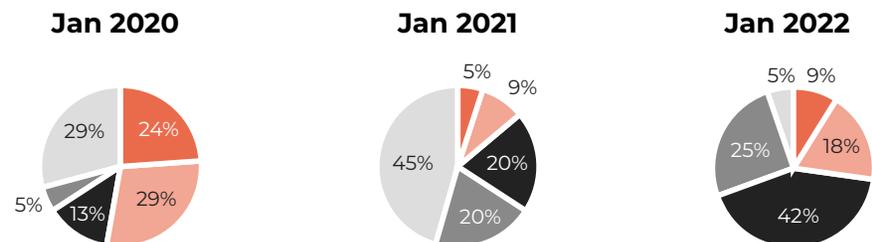
### EMEA

- None
- Less than 25%
- Between 25% and 50%
- Between 50% and 74%
- Between 75% and 100%



### APAC

- None
- Less than 25%
- Between 25% and 50%
- Between 50% and 74%
- Between 75% and 100%





## 2020

Before the pandemic, respondents from APAC were the most likely to have reported having some of their staff working remotely, with only 24% saying they had no remote working in their company in January 2020, compared to 31% in North America and 34% in EMEA who said the same. 29% said that between three quarters and all their workforce worked remotely in some capacity, nearly double the rate in EMEA and almost triple the rate in North America.



## 2021

Nearly two-thirds of respondents from EMEA and APAC said that over 50% of their workforce was working remotely to some extent at the start of 2021, compared to just over a third of respondents from North America. Unsurprisingly, all regions saw a decrease in the number of respondents reporting having little or no remote working within their organization. This is most noticeable in EMEA, where the amount of companies with none or up to 25% of their workforce working remotely decreased to around a quarter of the percentage reported the previous year – 16% in January 2021 vs 63% in January 2020.

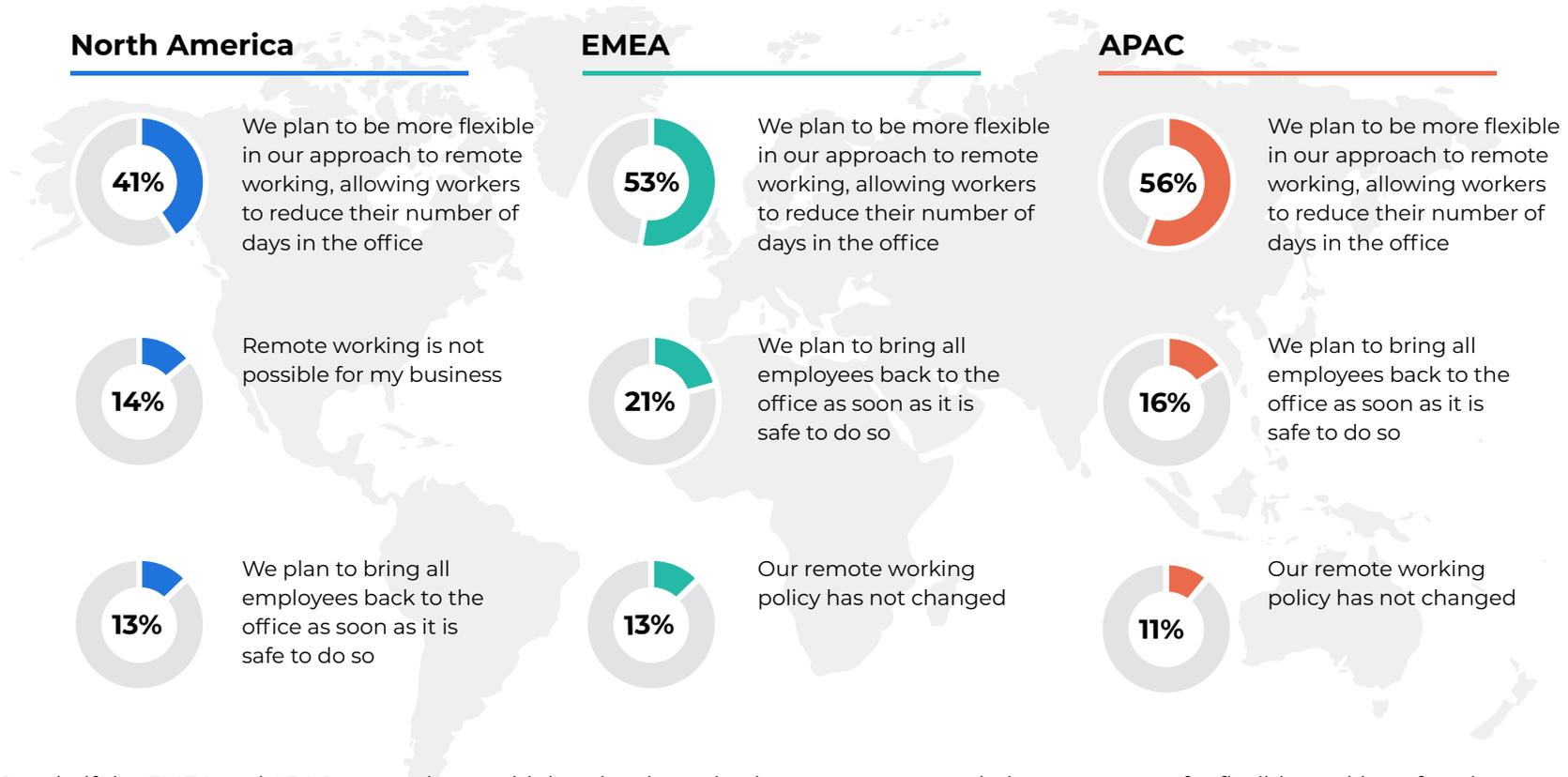


## 2022

Over half of respondents from North America expect that none or less than a quarter of their workforce will be working remotely in any capacity by the start of 2022, compared to 37% of those from EMEA and just 27% of those from APAC. However, respondents from all regions have said that more workers will be remote compared to January 2020, showing that the long-term impact of the pandemic on workforce mobility is being felt globally.

Globally, most businesses are looking to revisit their remote working policies, with many planning to be more flexible around remote working in the future.

### Which of these statements most accurately describes your company's position on remote working after the pandemic?



Over half the EMEA and APAC respondents said that they intend to be more accommodating to requests for flexible working after the pandemic, compared to just 41% of respondents from North America who said this. However, those from EMEA were also the most likely to say they intend to bring all their employees back to work as soon as it was permitted/deemed safe to do so, with just over a fifth saying this, compared to 16% in APAC and 13% in North America. Around one in eight respondents globally said that their company's remote working policy would not be changing after the pandemic.

While it may be difficult to predict if attitudes to remote working would have been so drastically changed by so many businesses had it not been for the global pandemic forcing many into a remote working model, it seems very unlikely that even if the tide was changing to be more inclusive and supportive of remote working that it would have been broadly reconsidered so soon by so many.

For some businesses, including global social media giants Facebook<sup>8</sup>, Twitter<sup>9</sup> and LinkedIn<sup>10</sup>, technology/software companies including Microsoft, Slack, Spotify and Salesforce, and financial services companies including American Express<sup>11</sup> and Nationwide<sup>12</sup>, permanent remote working is something that has already been offered to some (and in many cases all) employees. Meanwhile, other companies have taken the opposite view and have publicly stated they intend to return to the office as soon as they are allowed to – a move which may impact their retention rates, with many workers now expecting remote working, or at least a degree of flexibility, to be a part of the way they work post-pandemic.

It will be interesting to see if other companies will follow in their footsteps, either because they believe the remote working model is the future of work, or perhaps just to stay competitive from a recruitment perspective. According to a 2021 Report<sup>13</sup> by Randstad, 43% of employees in the UK are attracted by the possibility to work remotely, so offering more flexible working conditions may be one of the ways companies are ensuring they don't lose out on the best talent due to their competitors. Additionally, recent research by the BBC revealed that 43 out of the biggest 50 employers in the UK, covering over 1.1 million UK employees in total, said they do not plan to bring their staff back into the office full-time.<sup>14</sup>

With economies starting to recover and more companies starting to hire again, those who show greater acceptance of remote working first may have an advantage when attracting new workers, especially if individuals have gotten used to remote working over the last year and would prefer not to return to the office 9-5 and the morning and evening commutes.



# Methodology / About Us

## Response

The HireRight 2021 Global Benchmark Report explores trends and attitudes from people professionals around the world. It is based on our online global survey, with participants anonymously sharing their experience and knowledge of their company's employment screening and recruitment practices with us. The survey was available between March 3-23, 2021 and received a total of 3,006 responses globally.

The regional splits of this are 1) North America: 2,535, 2) APAC: 262, 3) EMEA: 134, and 4) Latin America: 57. The split of SMB (companies with fewer than 500 employees) to Enterprises (over 500 employees) is: 1) SMB: 1,193 and 2) Enterprise: 696. (NOTE: Company size was an optional question which is why the total number of responses does not equal the sum of the SMB and Enterprise responses).

## Format

Survey questions included multiple choice, multiple selections, and open text. Figures may not add up to 100% due to rounding or multiple-selection questions.

## About HireRight

HireRight helps employers hire the right candidates by delivering global employment background checks and other workforce solutions. Employers can tailor HireRight's extensive screening solutions to their unique needs, giving them peace of mind about their hiring and vetting processes. HireRight's platform integrates with existing HR platforms and applicant tracking systems, giving organizations and candidates the best possible experience.

HireRight has U.S. offices in Nashville, Tenn., Tulsa, Okla., Chapin, S.C., Dallas, Texas, and Irvine, Calif., and international offices in Australia, Canada, Estonia, Hong Kong, India, Japan, Mexico, the Philippines, Poland, Singapore, the UAE, and the UK.

Learn more at [www.HireRight.com](http://www.HireRight.com).

# References

1. [Statista 'Impact on unemployment rate due to the coronavirus \(COVID-19\) lockdown in India from January 2020 to January 2021'](#)
2. [Bureau of Labour Statistics News Release 'The Employment Situation – February 2021'](#)
3. [Eurostate News Release May 2020 'Euro area unemployment at 7.4%'](#)
4. <https://www.shrm.org/hr-today/news/hr-magazine/winter2020/pages/measuring-employee-engagement-during-covid-19.aspx>
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6. <https://www.thehrdirector.com/features/%features-categories%/mental-health-must-continuous-wip/>
7. <https://www.gartner.com/en/newsroom/2020-03-14-gartner-hr-survey-finds-more-than-one-quarter-of-the-workforce-describes-itself-as-depressed-as-a-result-of-the-covid-19-pandemic>
8. <https://www.theguardian.com/technology/2020/may/21/facebook-coronavirus-remote-working-policy-extended-years>
9. <https://www.washingtonpost.com/technology/2020/10/01/twitter-work-from-home/>
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12. <https://www.bbc.com/news/business-56510574>
13. <https://workforceinsights.randstad.com/randstad-employer-brand-research-country-report-uk-2021>
14. <https://www.hrmagazine.co.uk/content/news/hybrid-working-to-be-used-by-biggest-uk-employers>

# Additional Reading – Compliance

North America

[\[Webinar\] 2021 Q1 Compliance Update Spring Forward](#)

North America

[\[Webinar\] Marijuana & COVID Concerns in the Workplace](#)

North America

[\[Blog\] Illinois, New York City, and Philadelphia Revise Background Screening Laws](#)

North America

[\[Blog\] How The Pandemic Affected Background Screening In 2020](#)

North America

[\[Blog\] A Look Back at 2020 U.S. Compliance](#)

North America

[\[Webinar\] Compliance Update: Shifting Focus – 2020 Year in Review](#)

Latin America

[\[Blog\] Brazil's New Data Protection Law Moves Forward Without Warning – Employers Race To Comply](#)

Latin America

[\[Infographic\] Latin American Data Privacy in 2020 by Country](#)

EMEA/APAC

[\[Blog Series\] General Data Protection Regulation](#)

EMEA/APAC

[\[Press\] Risky business: now is the time to make risk management part of company culture](#)

EMEA/APAC

[\[Webinar\] Managing the Risks of Remote Working HireRight Masterclass](#)

EMEA/APAC

[\[Press\] Hot topic part one: Mandatory COVID vaccinations at work](#)

# Additional Reading – Screening

Global

[\[Benchmark Report\] 2020 Global Benchmark Report](#)

Global

[\[Blog\] The Key Benefits of Conducting Background Checks](#)

Global

[\[Infographic\] Integrating Your ATS with the HireRight Platform](#)

Global

[\[Webinars\] HR Technology Conference 2020 which cover our integrations with Workday, iCIMS, and Greenhouse Recruiting](#)

Global

[\[Webinar\] Managing the Risks of Remote Working](#)

EMEA/APAC

[\[White Paper\] No Shortcuts](#)

EMEA/APAC

[\[Tip Sheet\] Rescreening](#)

EMEA/APAC

[\[Tip Sheet\] The Impact of Coronavirus on Background Screening](#)

# Additional Reading – The Future of Work

Global

[\[Infographic\] Six Ways Background Screening Can Support Talent Acquisition in 2021](#)

Global

[\[Benchmark 2020 Extract\] The Future of Talent Acquisition](#)

Global

[\[Press\] From Peripheral to Front and Centre](#)

EMEA/APAC

[\[Press\] How can leaders and managers build trust with remote teams?](#)

EMEA/APAC

[\[Blog\] Remote Recruiting – ‘Blind’ Hiring vs. the Personal Touch](#)

# Contact Us

If you have any comments or feedback on the contents of this report, we'd love to hear from you.

You can [submit your feedback here](#).



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