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AUTOMATED SCREENING. EFFECTIVE HIRING. TRUSTED SERVICE.

STATE OF HIRING AND BACKGROUND CHECKS
DISCREPANCIES

Guidance for Hiring, Background Checking & Onboarding in 2022

ANNUAL REPORT 2022

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INTRODUCTION

It has become an imperative for organizations to hire and on-board talent expediently. During the process, it is equally vital that organizations have a clear insight into candidate information and background.

Candidates need to be screened thoroughly and all the information provided, related to their backgrounds, professional experience and educational qualifications, must be verified.

Failure to do so can cost the hiring company months in lost productivity, $000s in salary and hiring costs, and may be damaging to the company culture, brand and reputation.
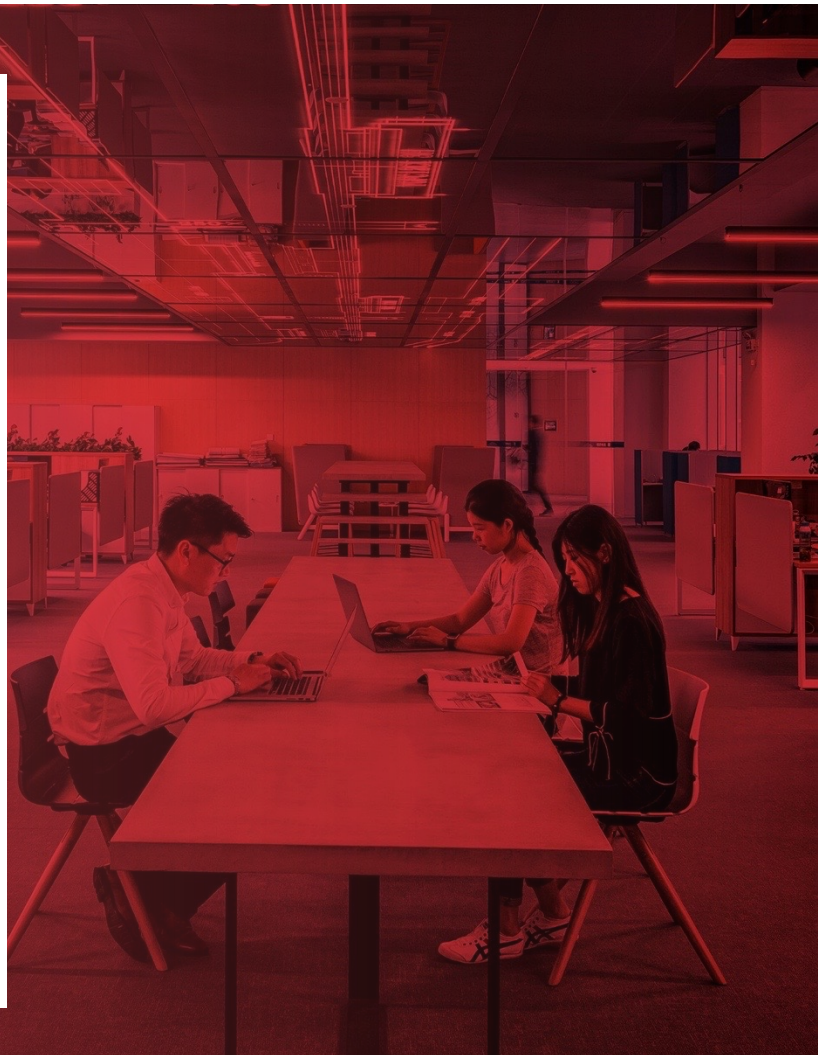
This annual report focuses on the discrepancies found in background checks. This paper is divided into discrepancies found globally, and in specific sectors and countries.

It is important to understand the hiring, background checking and onboarding trends that are experienced across sectors and countries. There are distinct differences in need across certain business types and regions of the world, and the related discrepancy levels help to understand how to tighten and improve the hiring of talent by all businesses and organizations, wherever they may be headquartered or operating across the globe.
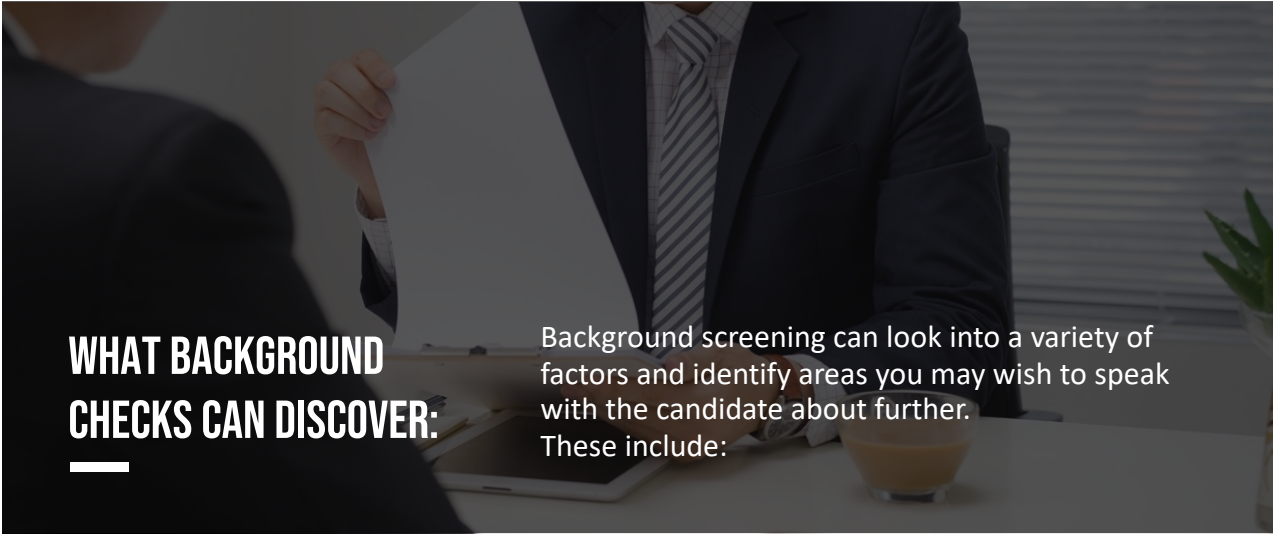
ABOUT VEREMARK

Veremark prides itself on being able to provide automated services that organizations can rely on to locate and hire the best talent available. This report delves into what parameters are prioritized and the various background check discrepancies for which you should be on the lookout.

Veremark serves a global audience and thus, this report examines these discrepancies across key country markets and vertical sectors.

Veremark thrives on its customers' success, and the goal is to ensure that your business is able to hire, check and on-board the talent you need to make your company perform and grow.

Background screening and verification are vital requirements for any sector, and across the globe, in the vitally important search for and onboarding of the very best skilled and motivated talent.

WHAT BACKGROUND CHECKS CAN DISCOVER:

Background screening can look into a variety of factors and identify areas you may wish to speak with the candidate about further.
These include:

- ⊘ Periods of unemployment or major gaps between occupations
- ⊘ Lack of stability or multiple jobs in a short period of time
- ⊘ Inconsistency in education claimed on resumé / CV vs. documentation provided
- ⊘ Inconsistency in experience shown on resumé / CV vs. provable experience
- ⊘ Criminal records
- ⊘ Unstable credit history
- ⊘ Candidates' confidence in their past and the data shared
- ⊘ Poor references from previous employers
- ⊘ Questionable social media activity
- ⊘ Inconsistent information on resumé or job application
- ⊘ and more……

As an employer, it is vital to be able to rely on the people you hire. To ensure that they are able to carry out their roles, you need to have concrete evidence that they have the experience they claim to have.

For roles that are likely to garner attention from outside the company, it is imperative that a candidate has had no suspicious or questionable social media activity in the past and that he/she does not have any outstanding criminal or financial allegations.

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WHERE DID THE FINDINGS COME FROM - BY COUNTRY:

A global selection across international markets:

- ● US (includes Canada)
- ● EMEA (includes UK)
- ● APAC

35.21%

59.81%

4.98%
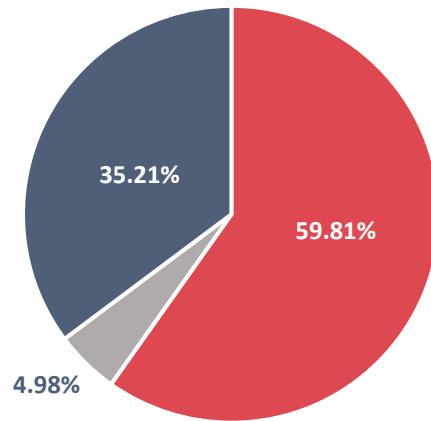
Country breakdown in UK and EMEA:

UK
55.15%   44.85%

Estonia **20.76%**
Netherland **5.37%**
France **7.85%**
Germany **5.98%**
Others including Middle East **4.89%**

Country breakdown in APAC:

Singapore   India

Australia and New Zealand

9.56%   19.48%

12.56%

40.75%

Philippines

Hong Kong **7.92%**

China **4.75%**

Other APAC **4.98%**

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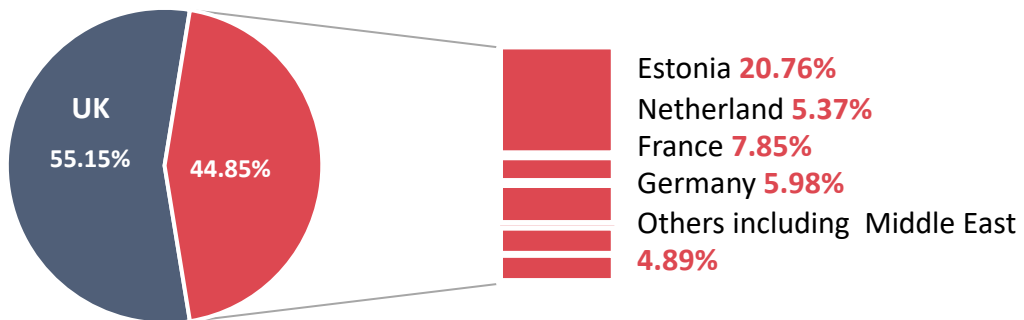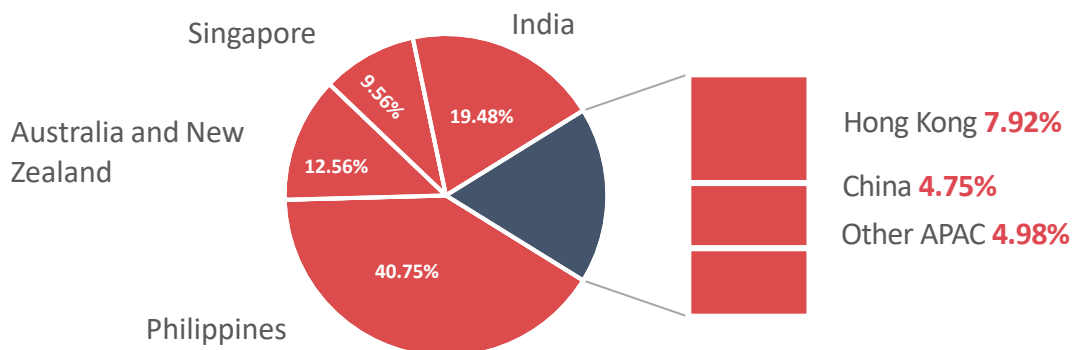
WHERE DID THE FINDINGS COME FROM - BY SECTOR:

▍Breakdown of checks by sectors:

- **Fintech and Financial Services** — 20.63%
- **HR, Staffing and Recruitment** — 18.36%
- **Technology and Software** — 5.36%
- **Professional Services** — 2.64%
- **Business Process Outsourcing (BPO)** — 25.36%
- **Others** — 27.65%
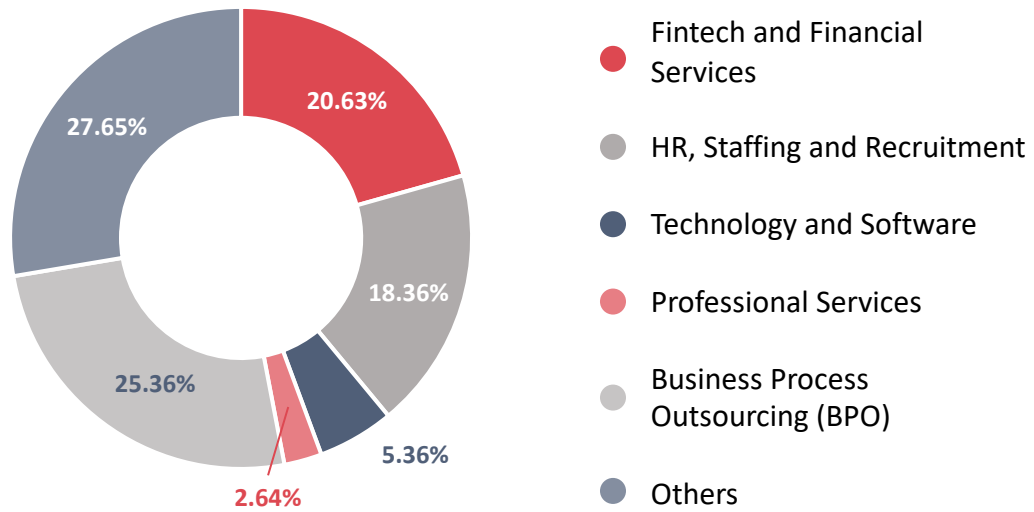
▍Breakdown on type of checks completed:

% of check

Check	% of check
Global Sanctions	15.57%
Employment Check	15.35%
Criminal Record	13.07%
Adverse Financial History Check	12.88%
Academic Achievement	10.28%
National ID Check	9.78%
Employment Gap Check	5.87%
Reference Check	3.27%
Professional Qualification Check	2.64%
Financial Regulatory Check	1.95%
Criminality Check	1.74%
Directorship/Conflict of Interest Check	1.72%
Bankruptcy Check	1.55%
Extra Jurisdiction Check	1.54%
Civil Check	1.11%
Adverse Media Check	0.71%
Address Check	0.39%
Right to Work Check	0.36%
CV Gap Check	0.18%
Social Media Check	0.02%

DISCREPANCIES BY TOP FIVE SECTORS

Different sectors have varying standards and regulations set for the type of employees they can hire. This could be in relation to their qualification, eligibility, and history of previous employment. Sectors that have to work within the boundaries of compliance and regulations are the most vulnerable.
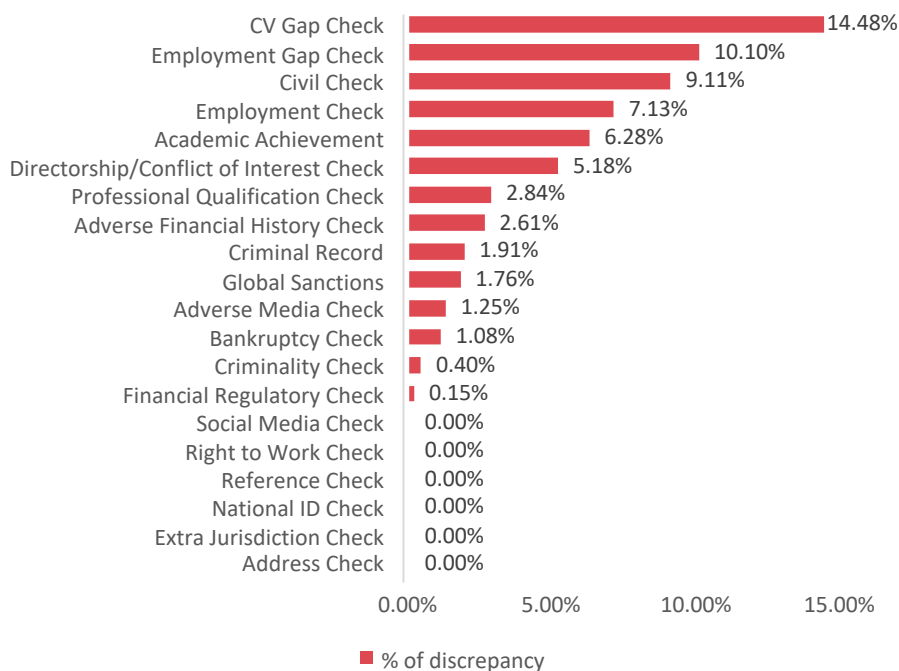
There were five main sectors that the research insight has shown significant discrepancies in terms of candidate background verification:

1. Fintech and Financial Services
2. HR, Staffing and Recruitment
3. Technology and Software
4. Professional Services
5. Business Process Outsourcing (BPO)

This report will examine each sector to provide a clearer understanding of what the findings were, and for which areas businesses need to remain alert. This information can be used to decide which checks and verification procedures organizations should run as a baseline for all staff, and augment for more senior and specialist hires.

It is worth reiterating that social media checks are becoming more relevant, as companies give more importance to their brand image and commercial standing. It is vital that the talent within the organization displays those same standards.

The background checks that returned the highest number of discrepancies across all sectors globally are:

Check	% of discrepancy
CV Gap Check	14.48%
Employment Gap Check	10.10%
Civil Check	9.11%
Employment Check	7.13%
Academic Achievement	6.28%
Directorship/Conflict of Interest Check	5.18%
Professional Qualification Check	2.84%
Adverse Financial History Check	2.61%
Criminal Record	1.91%
Global Sanctions	1.76%
Adverse Media Check	1.25%
Bankruptcy Check	1.08%
Criminality Check	0.40%
Financial Regulatory Check	0.15%
Social Media Check	0.00%
Right to Work Check	0.00%
Reference Check	0.00%
National ID Check	0.00%
Extra Jurisdiction Check	0.00%
Address Check	0.00%

■ % of discrepancy

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FINTECH AND FINANCIAL SERVICES
SECTOR

For **financially regulated industries** the need for strict compliance with global, regional and country-specific regulations is a mandatory need, whether the business is an established financial services business or a rapidly growing FinTech.

The fintech and financial services sector, given its highly regulated nature, made up the largest portion of checks analysed at **20.63%.**

Key Findings:

Average number of checks per candidate in this industry: 7

Top five most commonly requested checks:	**Top five discrepancies reported:**
⊘ Global Sanctions - **18.38%**	⊘ CV Gap Check - **25.00%**
⊘ Criminal Record - **13.25%**	⊘ Employment Check - **13.64%**
⊘ Adverse Financial History Check - **12.98%**	⊘ Civil Check - **13.31%**
⊘ Employment Check - **12.53%**	⊘ Director / Conflict of Interest - **7.41%**
⊘ Employment Gap Check - **10.52%**	⊘ Criminal Record - **6.28%**

Global Sanctions check is the most commonly requested check in this sector at 18.38% and with a low discrepancy rate of 2.62%. This check is a broad set of financially-based decisions, which act as a safety net for countries which cover key investigations such as anti-money laundering or funding states such as Syria or North Korea. If a candidate is included on a global sanctions list, it will mean that they may not trade or be associated with certain companies.

Criminal record check is the next most commonly requested check in the list of top 5, standing at 13.25%, with low discrepancy rate of 0.43%. It is a must for financially regulated businesses, as countries that have strong regulatory bodies, such as MiFID2 in the EU, which deals with criminal or financial crimes, dictates that they cannot deal with public funds.

Adverse financial history check, also widely known as credit check, is used to confirm whether a candidate has been made bankrupt or had any other significant financial issues.

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This check was done by 12.98% of all clients and yielded 1.71%. **It is important to note that financially regulated businesses need to make sure the candidate is financially sound, and that they do not carry significant debts, as they are dealing with sensitive monetary transactions.** Any negative publicity would give the organization a bad reputation and may open them to additional financial scrutiny by the regulatory body.

Another most requested check is the **Employment check at 12.53%** as organizations need to ensure people are hired for their experience based on their CV.
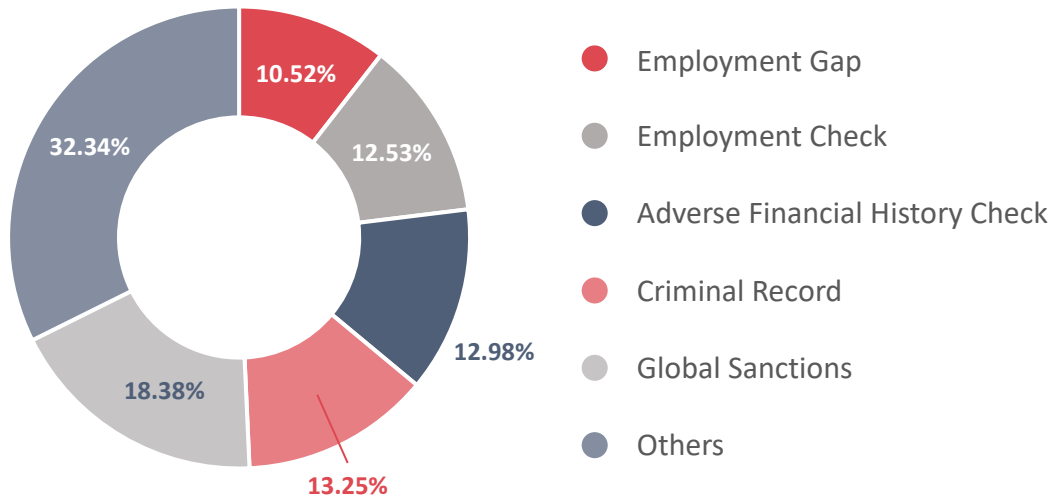
This check looks at start and end date, job title, and reason of leaving (both voluntary or involuntary). There is also a need to ask for disciplinary action that may have been taken before against them, e.g., dealing with public funds and trade without consent. It is important to verify the start or end date for each employment and related occurrence. With a discrepancy rate of 13.64%, one of the most common reasons is due to the fact that most candidates would not remember the exact start or end date of employment.

Employment Gap check which was done by 10.52% of all clients with a discrepancy rate of 3.36% in the Fintech and Financial Services businesses. The check is conducted by checking a candidate's working timeline and establishing if there were any gaps in employment. Employers typically look for substantial gaps of 3-6 months, as the employers want to find out whether candidates have been without work for periods of time. For example, the candidate may have been resting, unwell, due to other medical needs, or in between jobs. There are also more significant risks, such as a prison sentence, which the prospective employer would not be aware of, so a declaration is required.
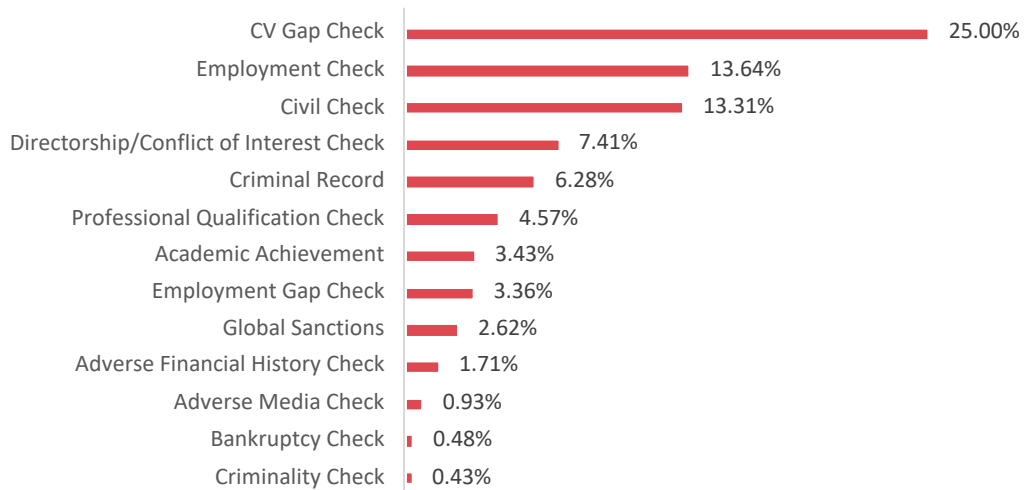
A CV / Resumé gap check is **used to verify the details of a candidate's declaration on their curriculum vitae.** The CVs to be checked are provided by the employer's talent team, and not directly by candidates, so an independent check may be done that cover every aspect of the CV details, and key aspects such as shorter contracts or any minor and or overseas employment are not missed. Even though only 0.04% of clients requested for this check to be done, there was a high discrepancy rate of 25.00%, as it is common for a candidate to not include the 2-3 months shorter lengths of employment. It is important to note that CV gap and employment gap checks go hand-in-hand, so that all declared applicant details may be verified. A discrepancy would be identified even if there was an error of one day.

% of type of checks conducted in Fintech and Financial Services sector

- 10.52% Employment Gap
- 12.53% Employment Check
- 12.98% Adverse Financial History Check
- 13.25% Criminal Record
- 18.38% Global Sanctions
- 32.34% Others

% of top discrepancies

Check	%
CV Gap Check	25.00%
Employment Check	13.64%
Civil Check	13.31%
Directorship/Conflict of Interest Check	7.41%
Criminal Record	6.28%
Professional Qualification Check	4.57%
Academic Achievement	3.43%
Employment Gap Check	3.36%
Global Sanctions	2.62%
Adverse Financial History Check	1.71%
Adverse Media Check	0.93%
Bankruptcy Check	0.48%
Criminality Check	0.43%

*This is on a per check basis.

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HR, STAFFING AND RECRUITMENT
SECTOR

For **HR, staffing & recruitment businesses**, you want to offer the right hiring, background checking and onboarding services to retain and grow business with your clients.

> The talent supply business is one that relies heavily on reputation - it depends on being able to supply qualified and reliable talent. That being the case, the HR, Staffing and Recruitment sector, which made up 18.36% of checks analyzed, is without a doubt a sector that needs to ensure that they are thorough in checking the backgrounds and credentials of the talent they recruit and onboard for their clients.

Key Findings:

Average number of checks per candidate in this industry: 4

Top five most commonly requested checks:

- Global Sanctions Check - **16.55%**
- Employment Check - **15.69%**
- Adverse Financial History Check - **11.69%**
- National ID Check - **11.22%**
- Academic Achievement Check - **10.29%**

Top five discrepancies reported:

- Employment Gap Check - **19.45%**
- Employment Check - **7.97%**
- Civil Check - **5.11%**
- Academic Achievement Check - **5.11%**
- Global Sanction Check - **3.27%**

In a similar vein to other sectors, **Global Sanctions check is the most requested check in the HR, Staffing and Recruitment** sector at 16.55%, with a discrepancy rate of 3.27%. This check acts as a safety net for countries which cover key investigations such as anti-money laundering or funding states such as Syria or North Korea. If a candidate is included on a global sanctions list, it will mean that they may not trade or be associated with certain companies.

The next most commonly requested check is the Employment check at 15.69%, yielding a discrepancy of 7.97%. Likewise with any other sectors, organizations need to ensure people are hired for their experience based on their resumé / CV. This check reveal the integrity of the candidate as well as the strengthening the quality of service provided by a HR, Staffing and Recruitment organization. **Discrepancies are typically the wrong exact start or end date of employment, as well as the job titles declared internally and externally.**

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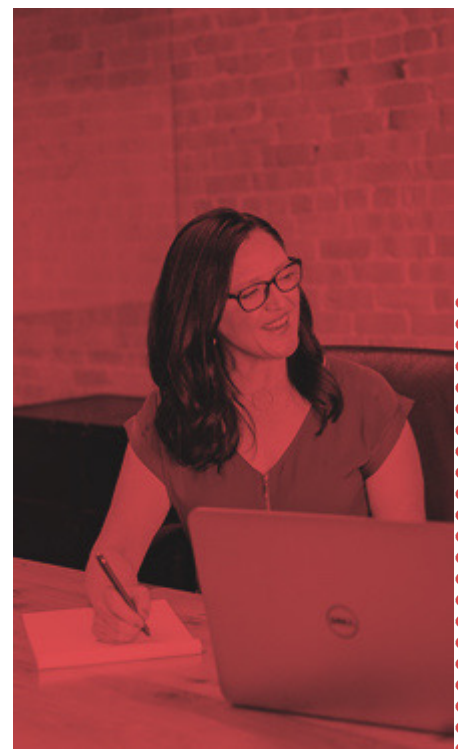
Nowadays, particularly due to the pandemic and remote hiring, it is seldom that a recruiter will meet a candidate face-to-face for any interviews or subsequent onboarding. Therefore, **the National ID check is very important, serving the purpose of making sure that the person hired has the right to work in a particular country.**
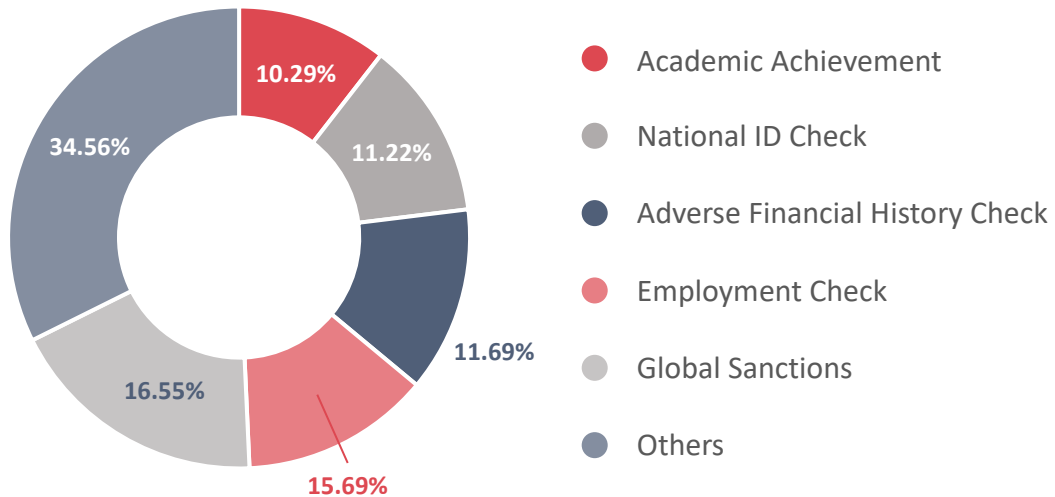
Among the top five requested checks, higher discrepancies were found in Academic Achievement checks at 5.11%. For Academic Achievement checks, it is a common check in the industry with 10.29% of client requesting for the check as candidates are hired based on their qualifications. If candidates lie about their qualifications, it can be considered to be fraud. Examples of the common qualification discrepancies include candidates who state that they have completed an education but in fact, did not graduate due to reasons such as not paying final fees, did not complete the thesis, or even that they did not return library books. **Completion of the course does not mean that they have graduated.** Candidates may have also forgotten the start and end date of the course, or they have used a study degree mill, which are prevalent in India and the United States. In the context of Asia, it is important to make sure Education checks are done, especially in Singapore.
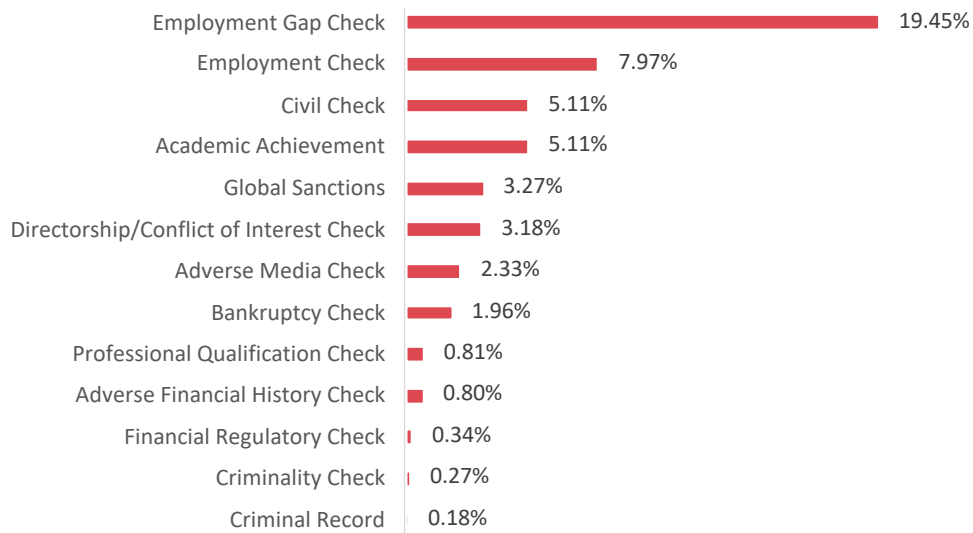
For a Civil check, which has the same discrepancy rate as Academic Achievement checks at 5.11%, this may be used to verify whether there have been any civil cases where the candidate has been a defendant. This check can confirm if they have been legally sued and were required to defend themselves. **There are two types of Civil Litigation Check: Personal; and related to Business, when a candidate has sat on the board of company.** Discrepancy is documented even if it occurred a while ago and that the company may have been sued whilst the candidate was a member of the board of directors.

With 9.47% of clients requested for Employment Gap check, it is noteworthy to see a high discrepancy rate of 19.45% which is not uncommon. An increasing trend across industries is that people are taking longer breaks and don't jump from job to job any longer. In fact, taking a break to rest and recharge has become a respected trend. However, as long as there is a gap, there is a discrepancy that will need further explanation. As a resolution, companies can ask candidates for further relevant supporting documents to prove the gap.

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% of type of checks conducted in HR, Staffing and Recruitment sector

- 🔴 Academic Achievement — 10.29%
- ⚪ National ID Check — 11.22%
- 🔵 Adverse Financial History Check — 11.69%
- 🔴 Employment Check — 15.69%
- ⚪ Global Sanctions — 16.55%
- ⚫ Others — 34.56%

% of top discrepancies

Check	%
Employment Gap Check	19.45%
Employment Check	7.97%
Civil Check	5.11%
Academic Achievement	5.11%
Global Sanctions	3.27%
Directorship/Conflict of Interest Check	3.18%
Adverse Media Check	2.33%
Bankruptcy Check	1.96%
Professional Qualification Check	0.81%
Adverse Financial History Check	0.80%
Financial Regulatory Check	0.34%
Criminality Check	0.27%
Criminal Record	0.18%

*This is on a per check basis.

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TECHNOLOGY AND SOFTWARE
SECTOR

For **technology and software businesses**, you need a trusted and specialised professional to deliver the right design and coding, and / or deliver the secure integrations at a customer site.

Employees working in the Technology and Software sector are often given sizeable responsibilities, and as such, organizations are faced with tight deadlines to meet, and having qualified, skilled professionals is a necessity. The quality of output that an employee can provide is largely based on his/her qualifications and skills. It is equally important that candidates have relevant experience, as these industries often pay handsome remuneration to experienced professionals.

Key Findings:

Average number of checks per candidate in this industry: 3

Top five most commonly requested checks:

- ⊘ Reference Check - **19.83%**
- ⊘ Professional Qualification Check - **18.58%**
- ⊘ Academic Achievement Check - **17.11%**
- ⊘ National ID Check - **13.17%**
- ⊘ Employment Check - **10.08%**

Top five discrepancies reported:

- ⊘ Academic Achievement Check - **13.48%**
- ⊘ Employment Gap Check - **5.65%**
- ⊘ Directorship / Conflict of Interest Check - **4.35%**
- ⊘ Employment Check - **2.38%**
- ⊘ Criminality Check - **2.38%**

A Reference check is required more frequently for the technology and software sector, with 19.83% of clients conducting this check. HR and Talent Managers are not necessarily technically skilled and thus require this check to confirm the candidate's legitimacy. In addition, candidates may not have the leadership skills for a people management role, or their culture fit may be misplaced, hence reinforcing the importance of conducting reference check. It is a priority to first understand what the business requires in terms of skilled talent. Veremark can customize the reference check questions according to what the business needs. The referees who are nominated by candidates may be a friend, co-worker or client. **The most common type of reference questions would be phrased as: 'Would you think that he/she is a good team leader? Or 'Would you choose to hire him/her again?'**

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The specialist skills within the technology and software sector are constantly evolving and companies need to ensure that candidates have the certifications they require, especially for very specific specialisms. For the Professional Qualification check, which was requested by 18.58% of clients in the industry, the candidate will be asked to upload the certification, which will be checked with the named institution in order to confirm its authenticity. The discrepancy rate was reported at 1.65% which is considered low.

The Academic Achievement is the third highest check requested and comes with the highest discrepancy in the sector of 13.48%. However, this is subjective, as the discrepancy rate may be more significant based on the geographic location. This is a particular challenge in India, where there are many degree mills and non-accredited academic institutions. Most countries will consider this as a discrepancy, and the work permit will be revoked.

Directorship / conflict of interest checks has a discrepancy rate of 4.35%. This check confirms whether or not a candidate has a conflict of interest due to any existing business associations. If the candidate owns a business or they have an interest in a business, a discrepancy is recorded. **The trend is for people to have an increased number of business interests.**
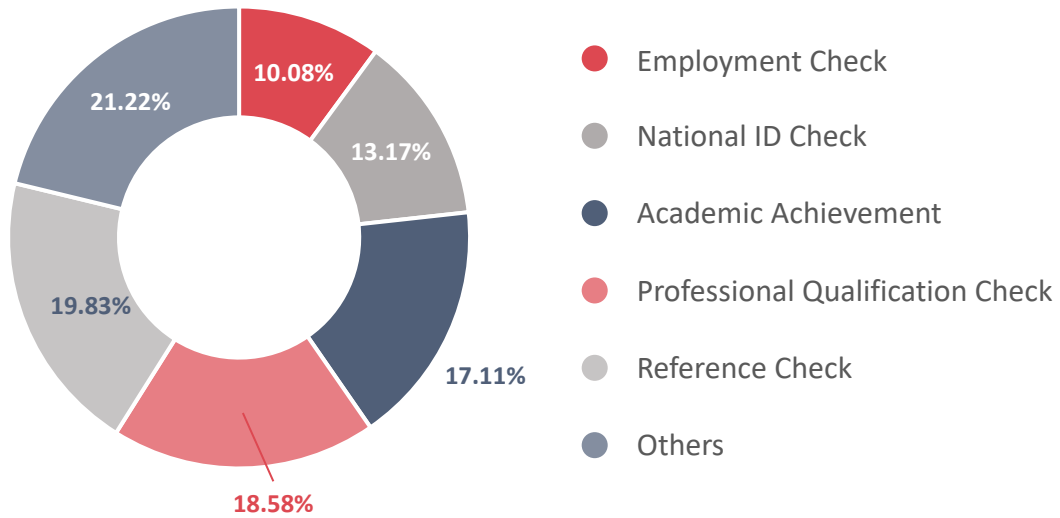
Likewise with other sectors, recruiters are conducting more National ID checks due to remote hiring to ensure that the candidate is eligible to work in the country, which explains why 13.17% of clients are conducting this check.

It is also worth mentioning that there is a trend for technology and software businesses to run an increased number of background checks as compared to the past due to this blooming industry.
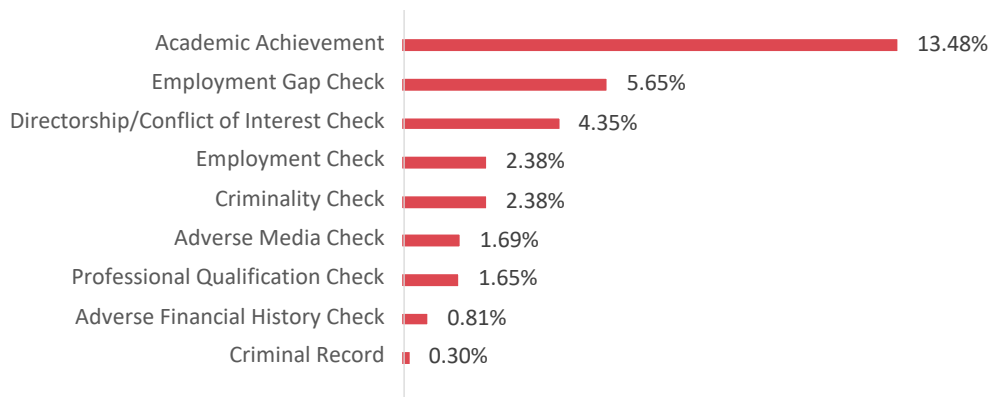
For Employment Gap check, which reported a discrepancy of 5.65%, it is important to note that a discrepancy will be reported as long there is a gap of any length. As mentioned in the findings for other sectors, candidates are are taking breaks in-between jobs and no longer jump from job to job. **Companies can ask candidates for further relevant supporting documents to verify the information and explain any gaps.**

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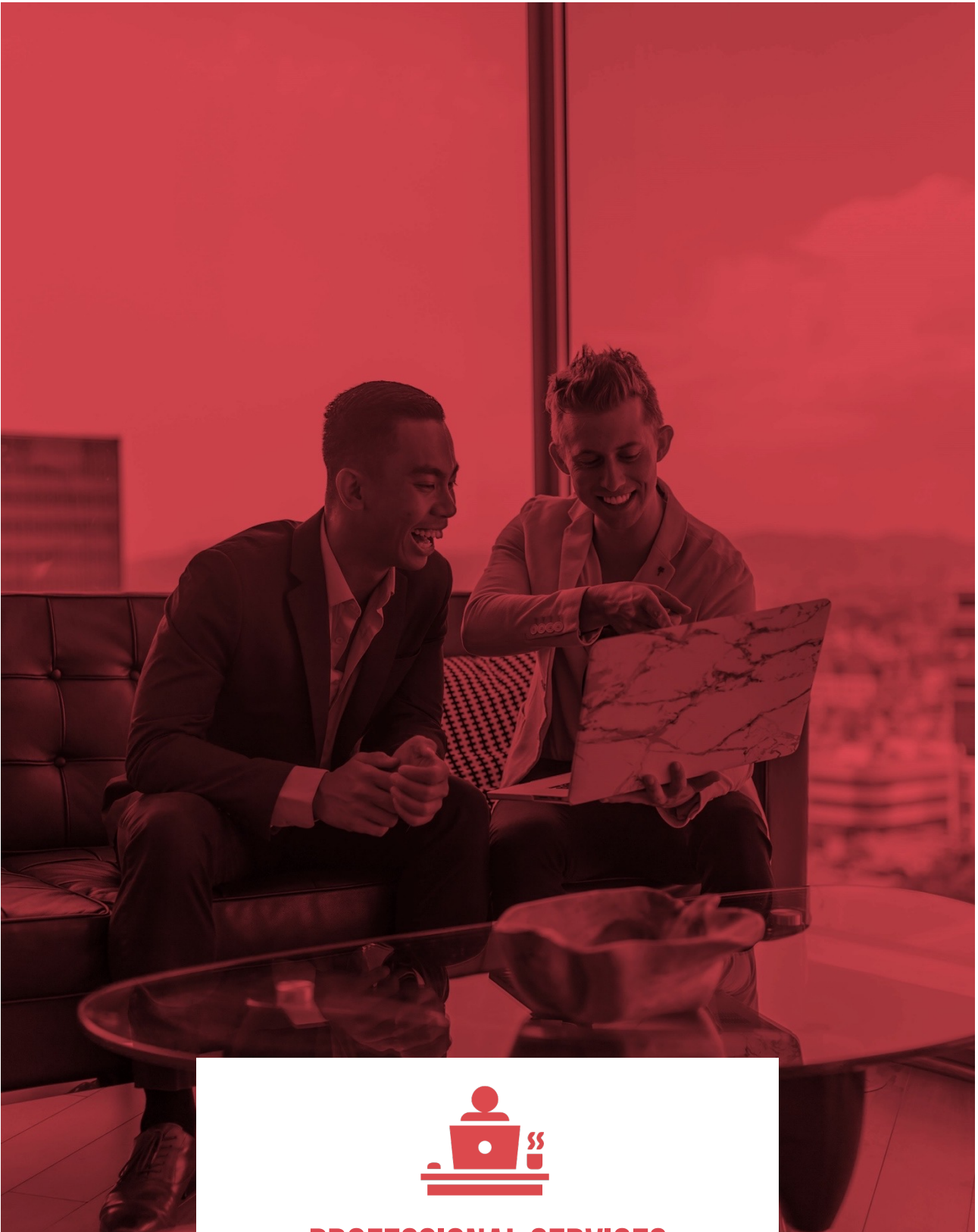## % of type of checks conducted in Technology and Software sector

- **10.08%** Employment Check
- **13.17%** National ID Check
- **17.11%** Academic Achievement
- **18.58%** Professional Qualification Check
- **19.83%** Reference Check
- **21.22%** Others

% of top discrepancies

Check	%
Academic Achievement	13.48%
Employment Gap Check	5.65%
Directorship/Conflict of Interest Check	4.35%
Employment Check	2.38%
Criminality Check	2.38%
Adverse Media Check	1.69%
Professional Qualification Check	1.65%
Adverse Financial History Check	0.81%
Criminal Record	0.30%

*This is on a per check basis.

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PROFESSIONAL SERVICES
SECTOR

For **professional services businesses** requiring rapid specialised skillsets in order to service client SLAs, a need to confirm the top-notch knowledge, education and softer customer-engagement skills is vital.

Employees in the professional services space represent the companies they work for. Companies often require these candidates to have specialized skills and have very specific education requirements. **It is vital that these employees' backgrounds are verified thoroughly.**

Key Findings:

Average number of checks per candidate in this industry: 6

Top five most commonly requested checks:	Top five discrepancies reported:
⊘ Employment Check - **19.99%**	⊘ CV Gap Check - **14.56%**
⊘ Reference Check - **16.14%**	⊘ Professional Qualification Check - **11.80%**
⊘ Academic Achievement Check - **7.42%**	⊘ Academic Achievement Check - **10.22%**
⊘ National ID Check - **6.66%**	⊘ Adverse Financial History Check - **8.89%**
⊘ Address Check - **6.66%**	⊘ Employment Gap Check - **4.92%**

19.99% of the clients will request an Employment check, and the discrepancies in this sector are 4.74%. As reported in other sectors, organizations needed to ensure people are hired for their experience based on their resumé / CV, as this check helps to reveal the integrity of the candidate. A discrepancy is reported as long there is an incorrect start or end date of employment, as well as the job titles declared internally and externally.

A Reference check is of paramount importance in the Professional Services sector, as 16.14% of clients requested this screening. Conducting the check can confirm the candidate's legitimacy, as well as understanding the candidate's leadership skills for a people management role, or if the candidate will be a good fit in terms of the organization's culture.

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Academic Achievement checks were requested by 7.42% of clients in this industry and showed discrepancies of 10.22%. This check is necessary as candidates are remunerated based on their qualifications and experience.
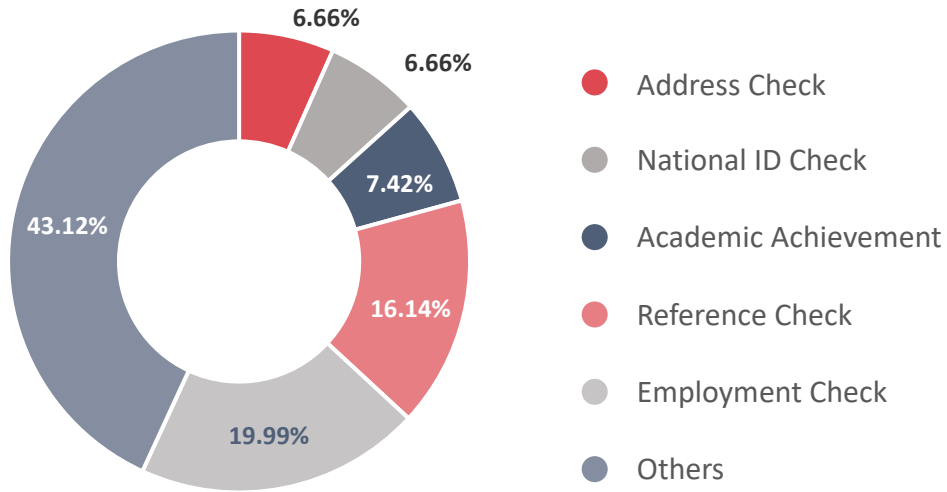
Furthermore, Academic Achievement checks is also included in the list of top five checks that returned the most discrepancies. The other checks in the top five discrepancies are resumé / CV Gap Checks, coming in at 14.56%, and Professional Qualification Checks at 11.80%.

Whilst most organizations in the professional services industry prioritize Academic Achievement checks, Veremark strongly suggests that they also need to run thorough checks with regards to resumé / CV Gaps, Professional Qualifications and Employment Gaps. This is to ensure the organizations have a complete picture of who they are hiring.
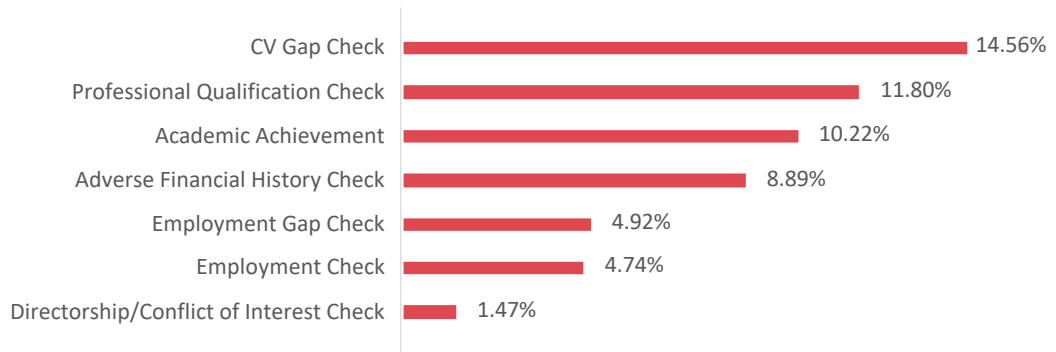
The Address check is another important screening to be run, as this check looks for past 5 years of residential addresses. If a candidate has moved out of the hiring location in the past 5 years, companies will need to do extra checks such as criminal checks. This is an increasingly important need for companies, as both businesses and candidates become more global in outlook.

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% of type of checks conducted in Professional Services sector

- **6.66%** Address Check
- **6.66%** National ID Check
- **7.42%** Academic Achievement
- **16.14%** Reference Check
- **19.99%** Employment Check
- **43.12%** Others

% of top discrepancies

Check	%
CV Gap Check	14.56%
Professional Qualification Check	11.80%
Academic Achievement	10.22%
Adverse Financial History Check	8.89%
Employment Gap Check	4.92%
Employment Check	4.74%
Directorship/Conflict of Interest Check	1.47%

*This is on a per check basis.

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BPO SECTOR

For **BPO businesses** every hire you make is vital to ensure that the client outsourced service you represent is delivered with improved quality every quarter.

As such, it is important for organizations in the BPO sector to be able to rely on the information relating to their candidates' backgrounds. Having accurate and clear information allows companies to be able to foster development, growth and succession plans for their employees.

BPOs need to have access to the right kind of talent, with the right academic qualifications and professional experience to be able to meet the requirements of their clients. After thorough research, Veremark advises organizations in the BPO sector to increase the number of checks they run on their candidates.

Key Findings:

Average number of checks per candidate in this industry: 4

Top five most commonly requested checks:

- ⊘ Criminal Record Check - **20.70%**
- ⊘ Employment Check - **18.03%**
- ⊘ Adverse Financial History Check - **16.64%**
- ⊘ Global Sanctions Check - **16.54%**
- ⊘ Academic Achievement Check - **14.29%**

Top five discrepancies reported:

- ⊘ Academic Achievement Check - **5.49%**
- ⊘ Adverse Financial History Check - **4.03%**
- ⊘ Employment Check - **3.75%**
- ⊘ Criminal Record Check - **0.11%**

The Criminal Record check is the most requested check for BPOs at 20.7%, as companies needed to ensure that candidates are transparent in their declarations. This screening is subject to the regulations and legislation across different countries . For example, drink driving or speeding fines can be reported. A registered sex offender list may also be reported based on a specific country's laws and records. It is interesting to note that the discrepancy is reported as 0%.

In terms of Employment checks, 18.03% of clients are requesting this check, with a discrepancy rate of 3.75%. There are two main reasons for the discrepancies.

Applicants might show inconsistent start and end dates for the jobs they were in previously. In addition, the job title they claimed to hold might be different from their actual roles.

16.64% of clients requested an Adverse Financial History Check, and the findings reported a discrepancy of 4.03%. One of the main reasons for discrepancies is that candidates had outstanding debts.

Global Sanction checks are one of the most requested background checks for BPOs, reported at 16.54%. This check is important to ensure that candidates are not involved in money laundering at some level or are considered to be PEPs (Politically Exposed Persons). Similar to Criminal Record check, the discrepancies reported was also at 0%.
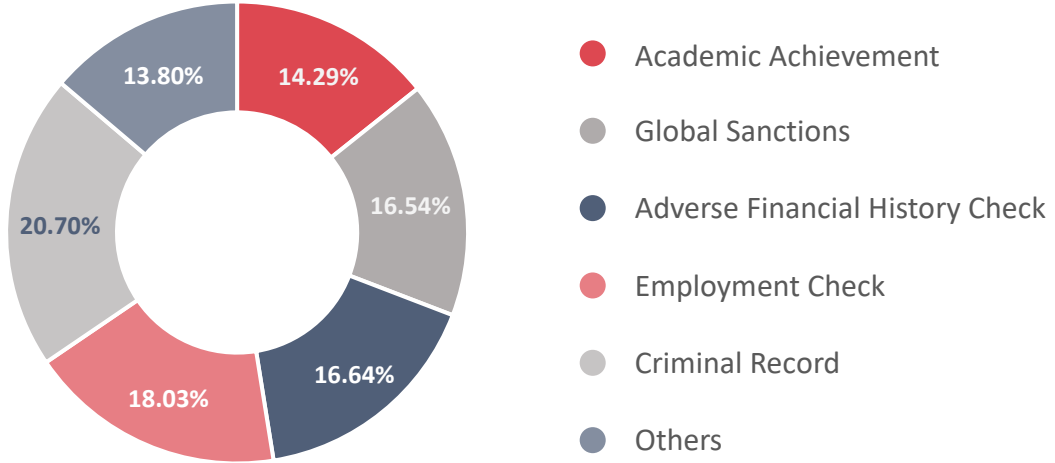
Academic Achievement checks stand at 14.29%, and showed discrepancies at 5.49%, One of the main reasons for such discrepancies was found to be the fact that candidates did not possess the levels of education to which they claimed.

BPO is a dynamic sector that has a wider number of background checks, which need to be run on a regular basis. Checks for Academic Qualifications, or Global Sanctions, for example, are very much required. An Education Check is also key for additional levels of special competency.
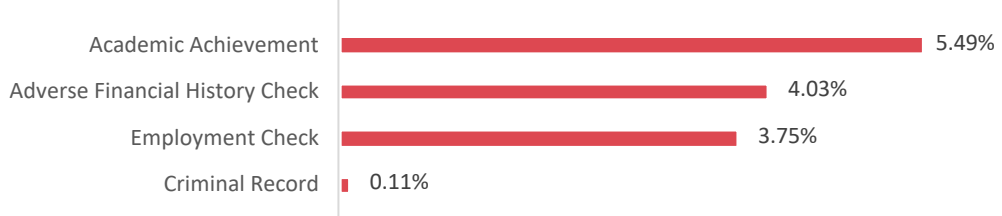
It is extremely important to understand all and any discrepancies, as BPOs tend to hire people within the industry and for certain known specialisms. Candidates may not have done similar checks before starting any previous employment. The checks need to be run efficiently, accurately and fast, as BPOs need the right people rapidly.

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% of type of checks conducted in BPO sector

- Academic Achievement — 14.29%
- Global Sanctions — 16.54%
- Adverse Financial History Check — 16.64%
- Employment Check — 18.03%
- Criminal Record — 20.70%
- Others — 13.80%

% of top discrepancies

Check	%
Academic Achievement	5.49%
Adverse Financial History Check	4.03%
Employment Check	3.75%
Criminal Record	0.11%

*This is on a per check basis.

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Accurately performed background checks help a business build a trusted team by mitigating hiring risk; these facilitate fair, objective, and informed hiring decisions. Through diligent background checks, firms can create a safe workplace, guard against liability claims, comply with federal, state, and industry laws, and, most critically, protect the firm's hard-earned brand and culture reputation.

There are some strong trends related to the shift to global and remote hiring, which requires a greater scrutiny during the hiring process, in order to minimise discrepancies when hiring new talent. Centres of highly skilled excellence exist around the world, which are available to help every business of every sector and size. Such skilled and motivated workers are often desperately required in order to be competitive, although the remote recruitment and the distant management require new tools and techniques to ensure the credentials of every new employee are accurately verified.

All require the right blend and depth of background checks, with the partners and tools to identify and minimise discrepancies.

DISCREPANCIES BY TOP SIX COUNTRIES

Veremark runs background checks for organizations in all sectors across more than 180 nations.

From vast data that has been processed for companies, **these six hiring locations showed the most discrepancies in terms of employee background checks.**

These countries are:

- ⊘ Estonia
- ⊘ Singapore
- ⊘ India
- ⊘ Philippines
- ⊘ United Kingdom
- ⊘ Australia and New Zealand

ESTONIA

Estonia is at the top of the list. This country is a rapidly up-and-coming hiring location due to the availability of an educated and multilingual workforce, better communication with good command of English, lower costs, as well as a strong ability to run a wide range of background screening, as many other countries do not have access to criminal record checks for example.

⊘ **A number of businesses are locating European operations there due to the economy of scale.**

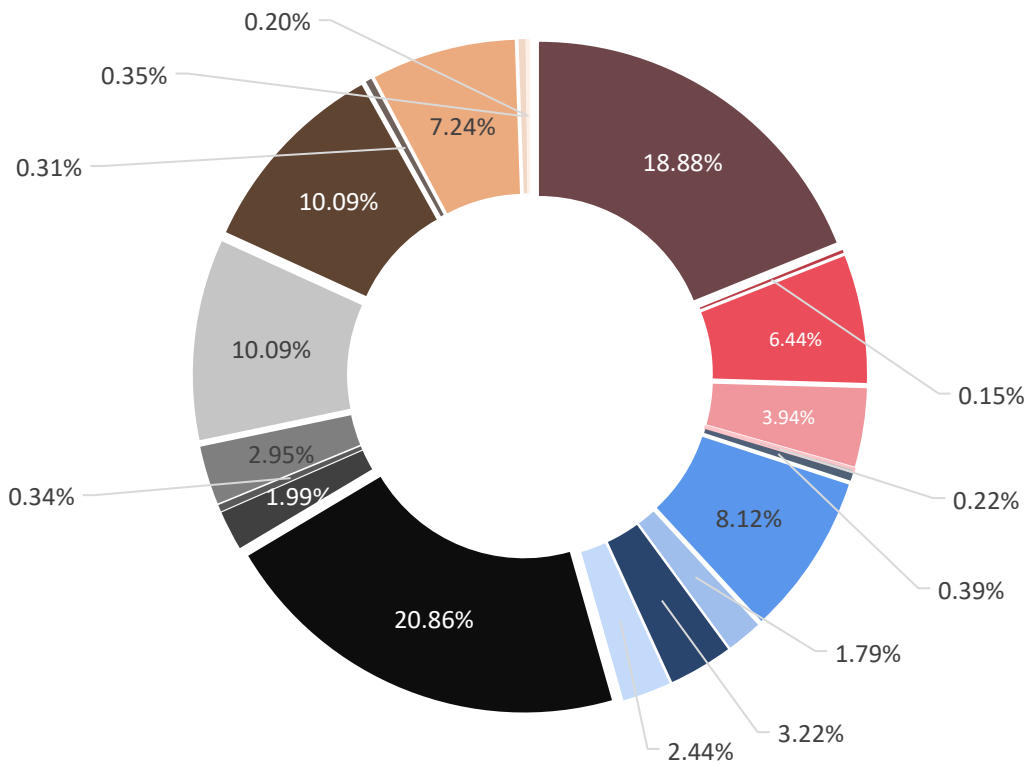⊘ **7.40% of discrepancies found in total of the checks identified.**

Top five most commonly requested checks:

⊘ Employment Checks - **20.86%**
⊘ Academic Achievement Checks - **18.88%**
⊘ Global Sanction Checks - **10.09%**
⊘ National ID Checks - **10.09%**
⊘ Criminal Record Checks - **8.12%**

Top five discrepancies reported:

⊘ Employment Gap Check - **26.11%**
⊘ CV Gap Check - **23.71%**
⊘ Academic Achievement - **14.40%**
⊘ Adverse Financial History Check - **11.85%**
⊘ Employment Check - **11.25%**

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% of type of checks conducted in Estonia

Pie chart values:
- 18.88% — Academic Achievement
- 6.44%
- 0.15%
- 3.94%
- 0.22%
- 8.12%
- 0.39%
- 1.79%
- 3.22%
- 2.44%
- 20.86%
- 1.99%
- 2.95%
- 0.34%
- 10.09%
- 10.09%
- 0.31%
- 0.35%
- 0.20%
- 7.24%

Legend:
- Academic Achievement
- Address Check
- Adverse Financial History Check
- Adverse Media Check
- Bankruptcy Check
- Civil Check
- Criminal Record
- Criminality Check
- CV Gap Check
- Directorship/Conflict of Interest Check
- Employment Check
- Employment Gap
- Extra Jurisdiction Check
- Financial Regulatory Check
- Global Sanctions
- National ID Check
- Professional Qualification Check
- Reference Check
- Right to Work Check
- Social Media Check

% of top discrepancies

Check	%
Employment Gap Check	26.11%
CV Gap Check	23.71%
Academic Achievement	14.40%
Adverse Financial History Check	11.85%
Employment Check	11.25%
Directorship/Conflict of Interest Check	5.22%
Civil Check	5.00%
Adverse Media Check	1.49%
Criminal Record	0.96%

*This is on a per check basis.

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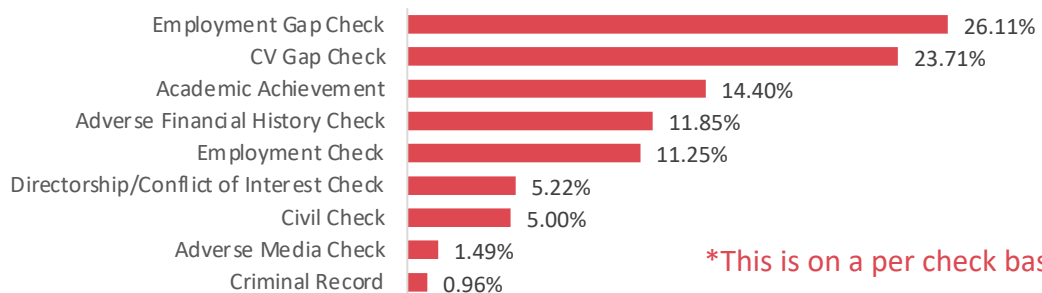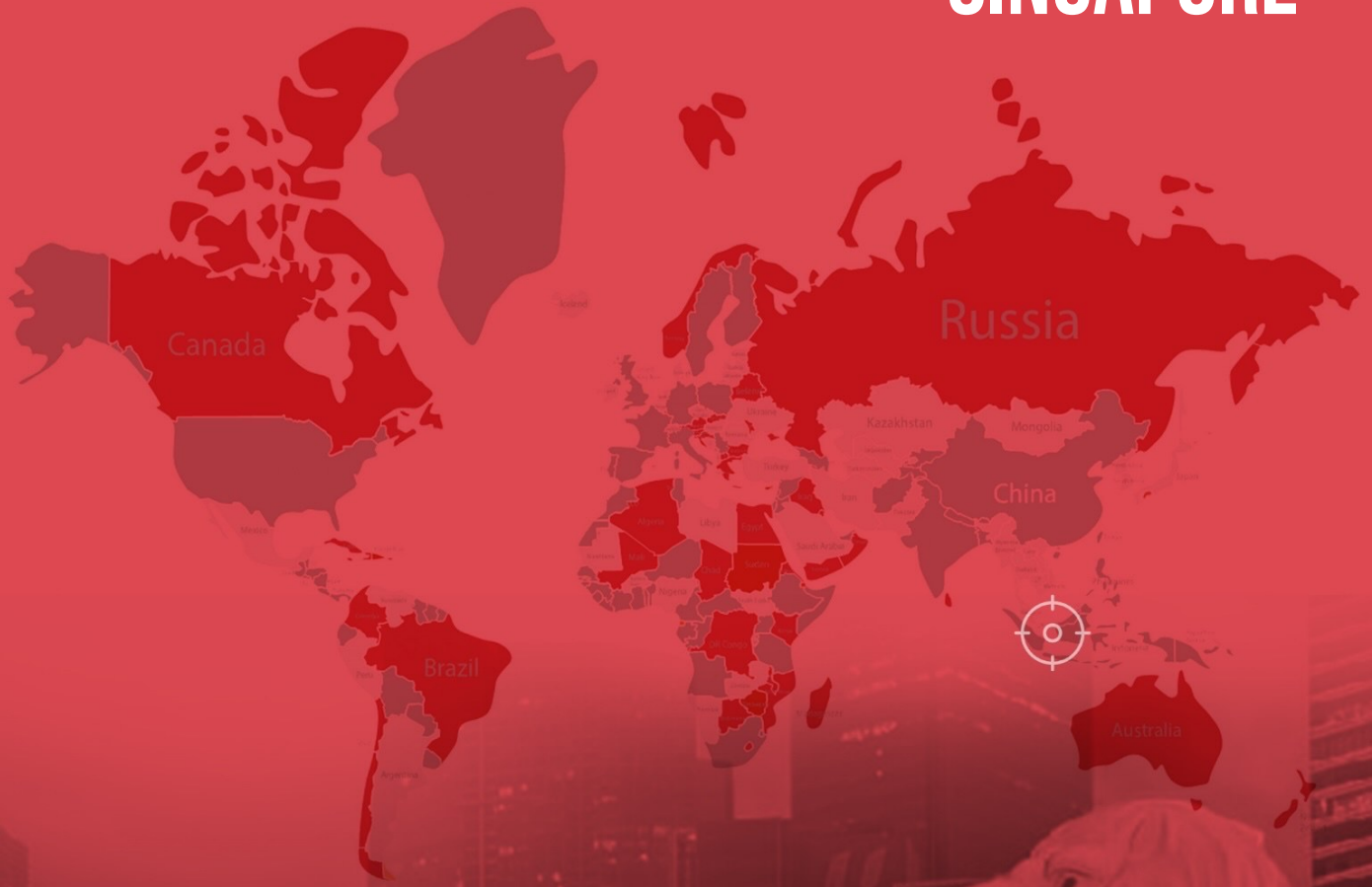
Singapore is a hub for global talent, which is why there is a higher discrepancy level, due to many different types of people coming to the country for work.

1 The Singapore government has a **process in place to ensure foreign talent must achieve a certain qualification level in order to work within the country.** Therefore, the Academic Achievement checks have a high discrepancy rate of 26.03% due to a diverse mix of global talent, which might not be accredited by global bodies, or certain schools are no longer in operation.

2 The Adverse Financial History checks also return a high level of discrepancy at 23.02%. An example includes somebody who has been late with a payment. There has been an increase in the number of people owning a credit card, and so any oversight in payment will result in a discrepancy.

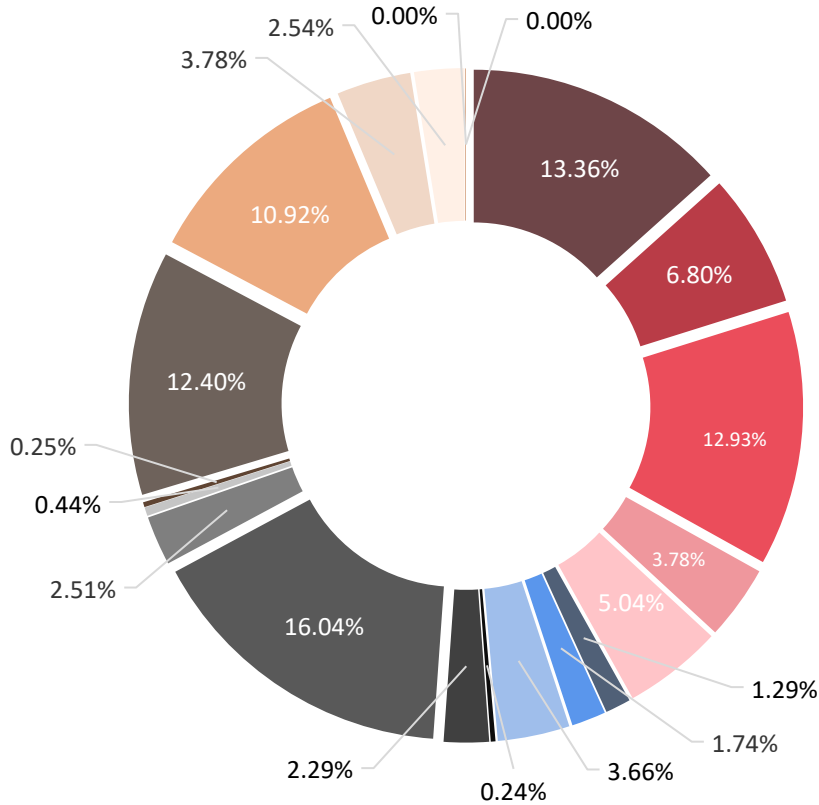**9.55% of discrepancies found in total of the checks identified.**

Top five most commonly requested checks:

- Employment Checks - **16.04%**
- Academic Achievement Checks - **13.36%**
- Adverse Financial History Checks -
- **12.93%**
- Global Sanction Checks - **12.40%**
 National ID Checks – **10.92%**

Top five discrepancies reported:

- Academic Achievement - **26.03%**
- Adverse Financial History Check -
- **23.02%**
- Employment Check – **18.71%**
  Criminal Record Check - **5.76%**

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% of type of checks conducted in Singapore

- 13.36% Academic Achievement
- 6.80% Address Check
- 12.93% Adverse Financial History Check
- 3.78% Adverse Media Check
- 5.04% Bankruptcy Check
- 1.29%
- 1.74%
- 3.66%
- 0.24%
- 2.29%
- 16.04%
- 2.51%
- 0.44%
- 0.25%
- 12.40%
- 10.92%
- 3.78%
- 2.54%
- 0.00%
- 0.00%

Legend:
- Academic Achievement
- Address Check
- Adverse Financial History Check
- Adverse Media Check
- Bankruptcy Check
- Civil Check
- Criminal Record
- Criminality Check
- CV Gap Check
- Right to Work Check
- Directorship/Conflict of Interest Check
- Employment Check
- Employment Gap
- Extra Jurisdiction Check
- Financial Regulatory Check
- Social Media Check
- Global Sanctions
- National ID Check
- Professional Qualification Check
- Reference Check

% of discrepancies

Check	%
Academic Achievement	26.03%
Adverse Financial History Check	23.02%
Employment Check	18.71%
Criminal Record	5.76%
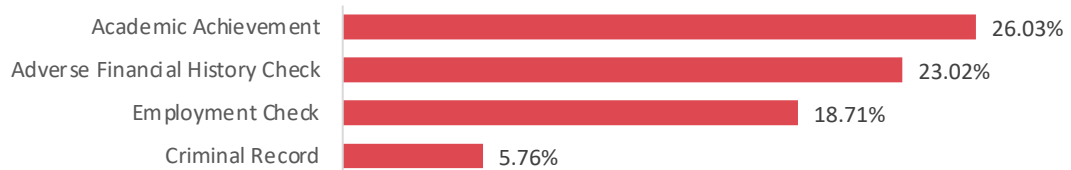
*This is on a per check basis.

UNITED KINGDOM

The United Kingdom has drawn a number of EU and global immigrant workers due to the increase in employment opportunities and need for specialised skills across sectors. As such, it is vital to ensure that companies check their documentation and backgrounds to remain compliant with employment law and immigration regulations. UK businesses only look at existing registered people who have the right to work.

There is generally a lower discrepancy level, for most background checks. UK businesses normally only look at existing employment, as compared to countries like Singapore who might request the last 10-year employment history. However, it is important to remember the exact dates of work, such as the start date, which most candidates wouldn't remember, which results in a discrepancy in Employment check.

**3.17% of discrepancies found in total of the checks identified.**

Top five most commonly requested checks:

- ⊘ Employment Check - **19.45%**
- ⊘ National ID Check - **15.66%**
- ⊘ Academic Achievement - **11.75%**
- ⊘ Criminal Record Check - **11.75%**
- ⊘ Global Sanctions Check - **11.20%**

**Top five discrepancies reported:**

- ⊘ Employment Gap Check - **17.65%**
- ⊘ CV Gap Check - **11.83%**
- ⊘ Adverse Financial History Check - **11.21%**
- ⊘ Professional Qualification Check - **7.29%**
- ⊘ Employment Check - **4.53%**

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% of type of checks conducted in United Kingdom
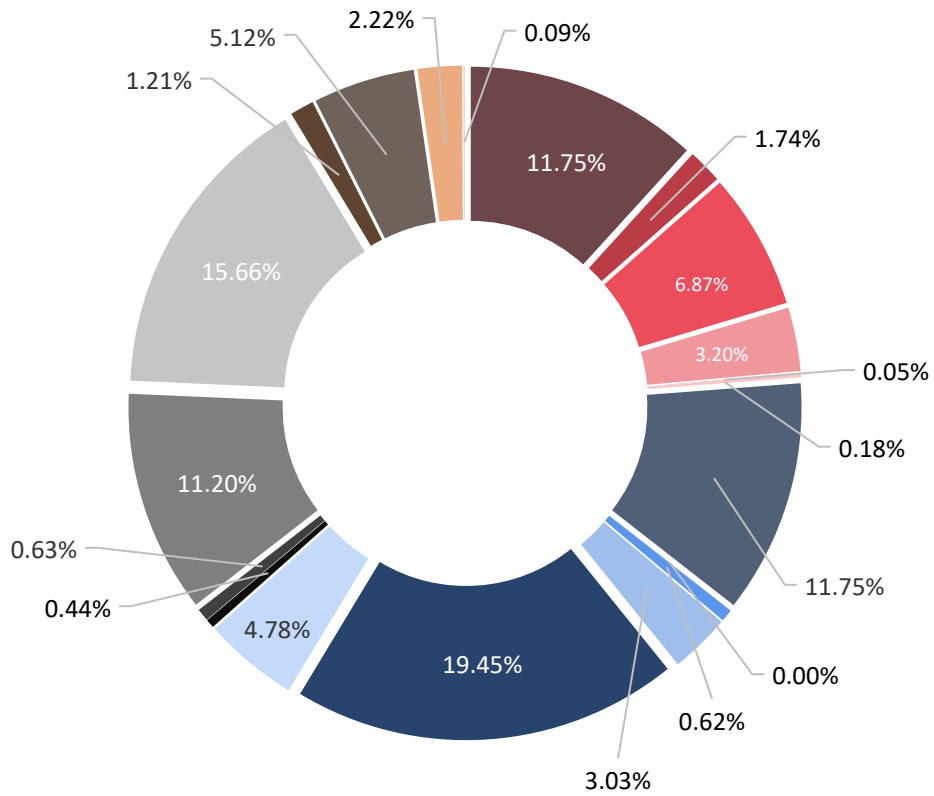
Legend:
- Academic Achievement
- Address Check
- Adverse Financial History Check
- Adverse Media Check
- Bankruptcy Check
- Criminal Record
- Civil Check
- Directorship/Conflict of Interest Check
- Employment Check
- Employment Gap
- CV Gap Check
- Extra Jurisdiction Check
- Financial Regulatory Check
- Global Sanctions
- National ID Check
- Professional Qualification Check
- Reference Check
- Right to Work Check
- Social Media Check
- Criminality Check

% of discrepancies

Check	%
Employment Gap Check	17.65%
CV Gap Check	11.83%
Adverse Financial History Check	11.21%
Professional Qualification Check	7.29%
Employment Check	4.53%
Civil Check	4.08%
Academic Achievement	3.21%
Directorship/Conflict of Interest Check	2.79%
Criminal Record	0.37%
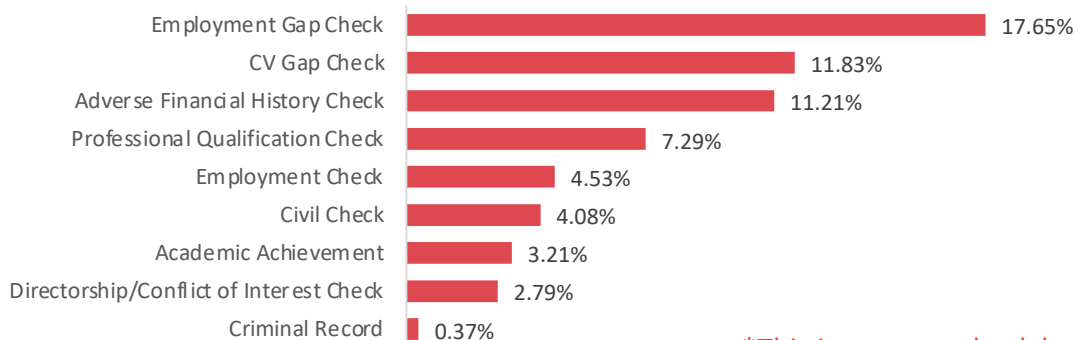
*This is on a per check basis.

AUSTRALIA AND NEW ZEALAND

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> **Australia and New Zealand** are two other nations on this list that see a fair amount of **immigrant labour.**

The immigrant labour levels are relatively high with a 21.53% discrepancies found in employment checks. This is because companies can choose not to reply to requests, and the background check providers are not permitted to ask, due to data protection laws. The Employment check average includes 5 chases within 10 working days.

This may also be accompanied by requesting supporting documents for countries such as Singapore or Philippines and may include payslips or any additional documents such as a letter of offer or acceptance and / or letter of resignation.

4.55% of discrepancies found in total of the checks identified.
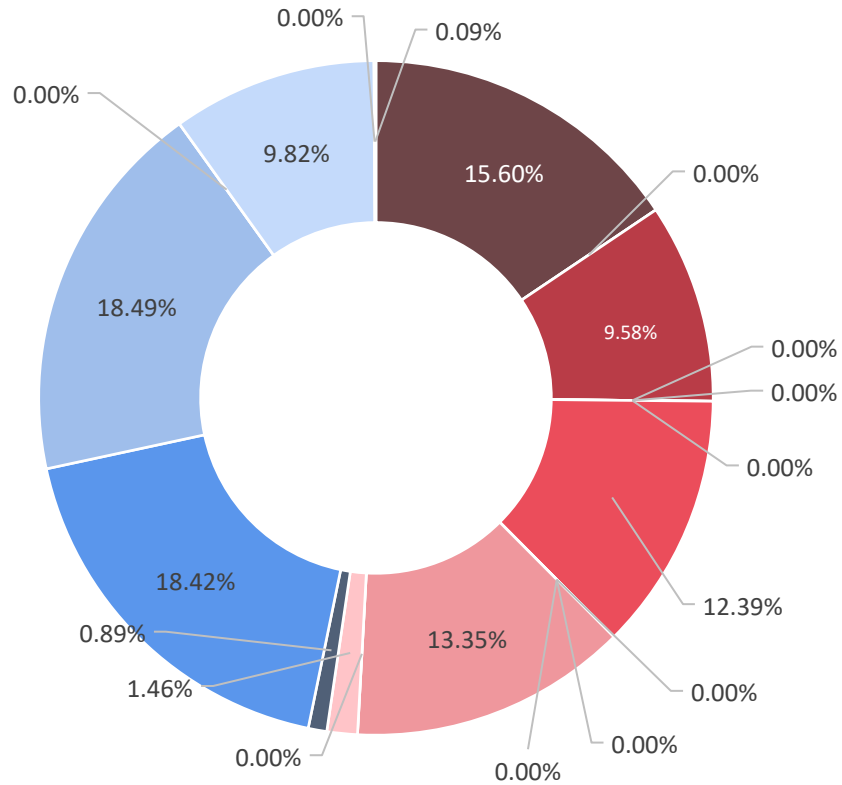
Top five most commonly requested checks:

- ⊘ National ID Check - **18.49%**
- ⊘ Global Sanctions Check - **18.42%**
- ⊘ Academic Achievement - **15.60%**
- ⊘ Employment Check - **13.35%**
- ⊘ Criminal Record Check - **12.39%**

Top five discrepancies reported:

- ⊘ Employment Check - **21.53%**
- ⊘ Academic Achievement Check - **8.48%**
- ⊘ Adverse Financial History Check - **2.88%**
- ⊘ Criminal Record Checks - **0.61%**

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% of type of checks conducted in Australia and New Zealand

Donut chart segments:
- 0.09%
- 15.60%
- 0.00%
- 9.58%
- 0.00%
- 0.00%
- 0.00%
- 12.39%
- 0.00%
- 0.00%
- 13.35%
- 0.00%
- 1.46%
- 0.89%
- 18.42%
- 18.49%
- 0.00%
- 9.82%
- 0.00%

Legend:
- Academic Achievement
- Adverse Financial History Check
- Criminal Record
- Employment Check
- Address Check
- Adverse Media Check
- Global Sanctions
- National ID Check
- Professional Qualification Check
- Reference Check
- Bankruptcy Check
- Civil Check
- Criminality Check
- CV Gap Check
- Directorship/Conflict of Interest Check
- Employment Gap
- Extra Jurisdiction Check
- Financial Regulatory Check
- Right to Work Check
- Social Media Check

% of discrepancies

Check	%
Employment Check	21.53%
Academic Achievement	8.48%
Adverse Financial History Check	2.88%
Criminal Record	0.61%

*This is on a per check basis.

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INDIA

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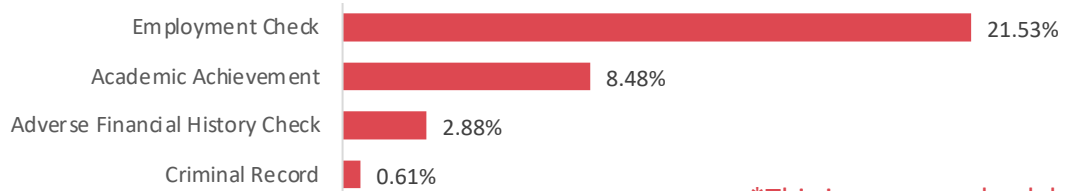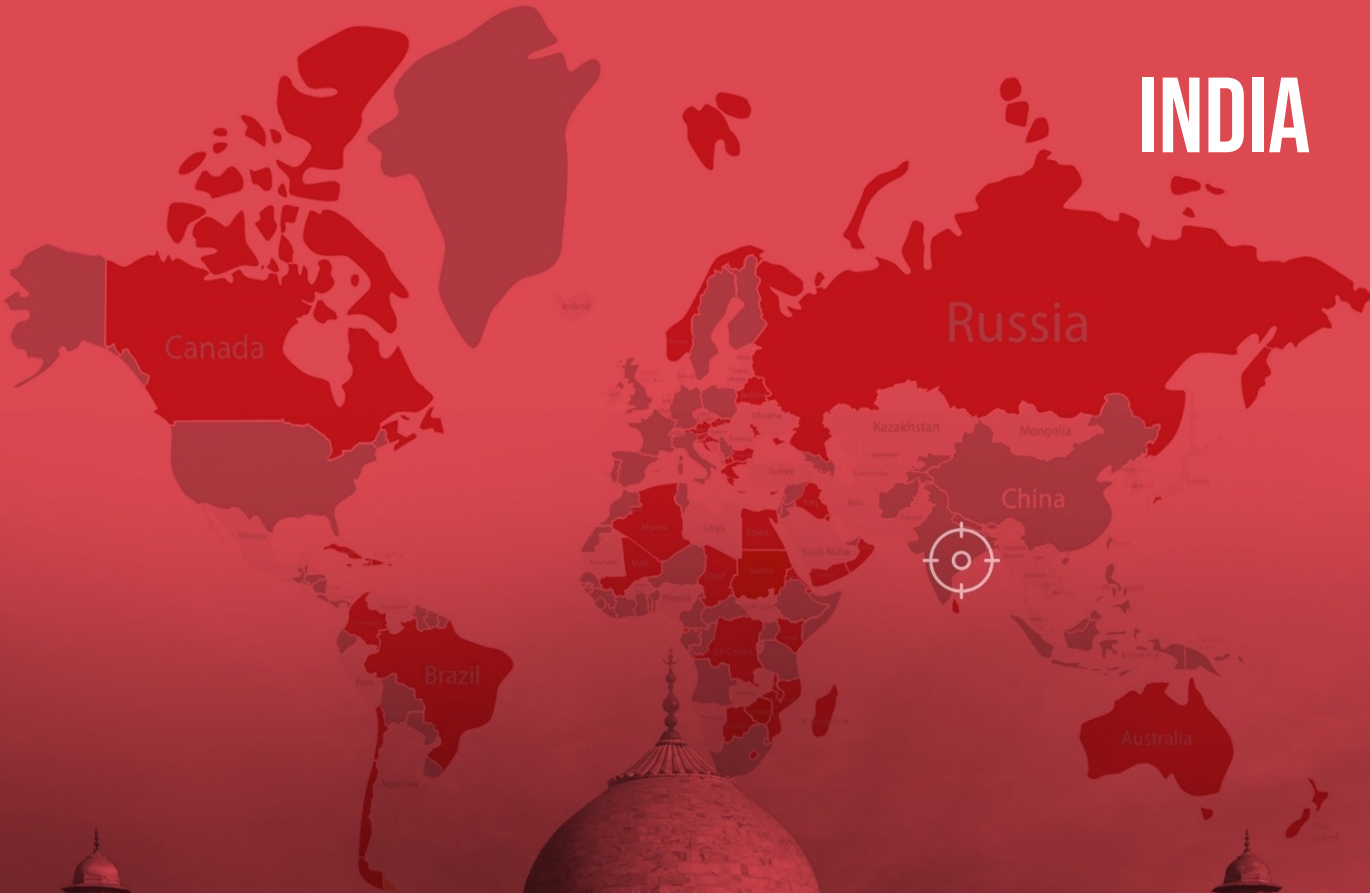
India has made conditions favourable for MNCs and investors to **make use of an educated and motivated workforce.**

Many companies who require large amounts of labour for backend processing, especially for banks / financially regulated businesses, due to the free tax zone, lower costs, and time zone coverage, plus a willingness to work a 24-hour shift, will choose India-based personnel to help deliver services to their businesses.

Many call centres are moving from Philippines to India due to the natural disasters experienced, such as flood and typhoons.

The need for verifying backgrounds and checking credentials is rather high.

**5.10% of discrepancies found in total of the checks identified.**

Top five most commonly requested checks:	Top five discrepancies reported:
⊘ Academic Achievement Check - **15.49%**	⊘ Employment Check - **16.78%**
⊘ Employment Check - **14.74%**	⊘ Professional Qualification Check - **15.76%**
⊘ Civil Check - **14.14%**	⊘ Adverse Financial History Check - **10.40%**
⊘ Adverse Media Check - **14.12%**	⊘ Employment Gap Check - **10.00%**
⊘ Adverse Financial History Check - **11.86%**	⊘ Academic Achievement - **7.25%**

% of type of checks conducted in India
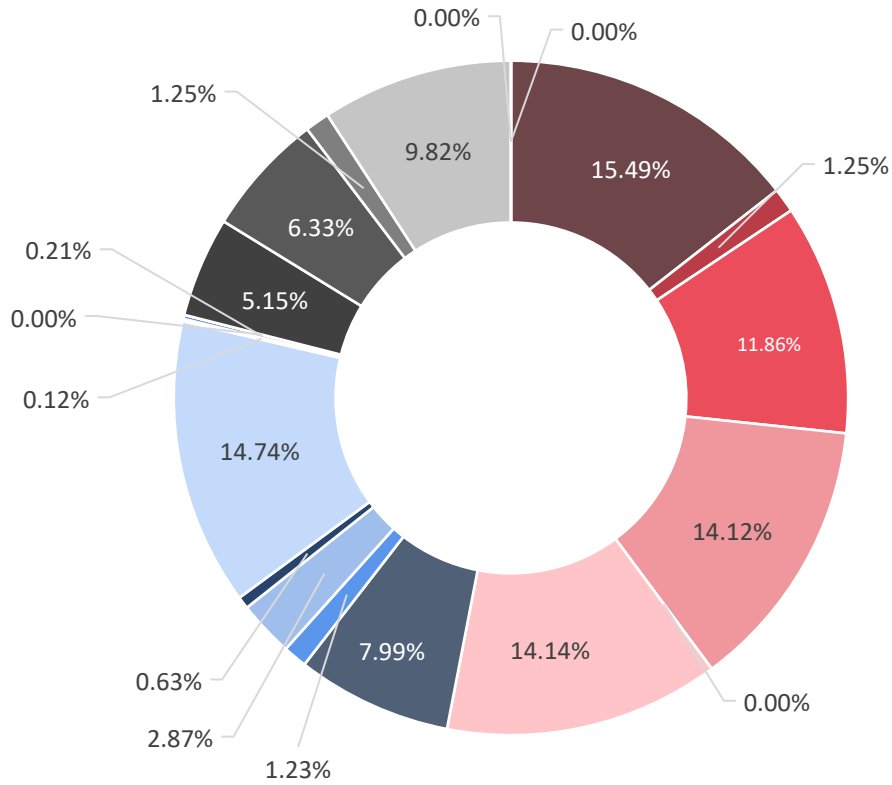
Legend:
- Academic Achievement
- Address Check
- Adverse Financial History Check
- Adverse Media Check
- Civil Check
- Criminal Record
- Criminality Check
- CV Gap Check
- Directorship/Conflict of Interest Check
- Employment Check
- Global Sanctions
- Employment Gap
- National ID Check
- Professional Qualification Check
- Reference Check
- Extra Jurisdiction Check
- Financial Regulatory Check
- Bankruptcy Check
- Right to Work Check
- Social Media Check

Pie chart values: 0.00%, 0.00%, 1.25%, 1.25%, 9.82%, 11.86%, 6.33%, 14.12%, 5.15%, 0.21%, 0.00%, 0.12%, 14.74%, 0.00%, 0.63%, 14.14%, 2.87%, 7.99%, 1.23%, 15.49%
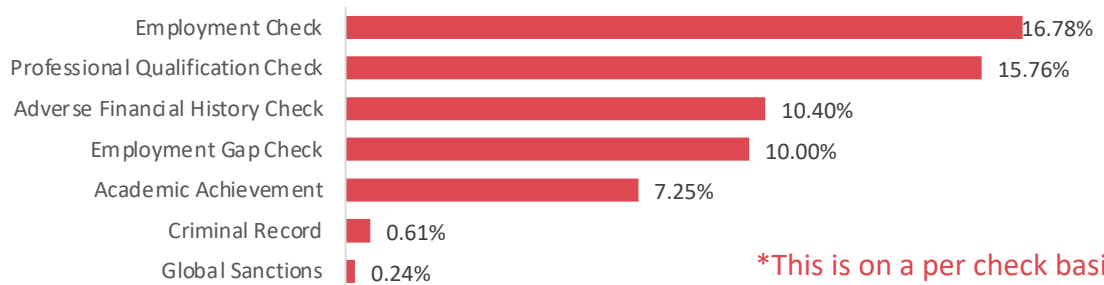
% of discrepancies

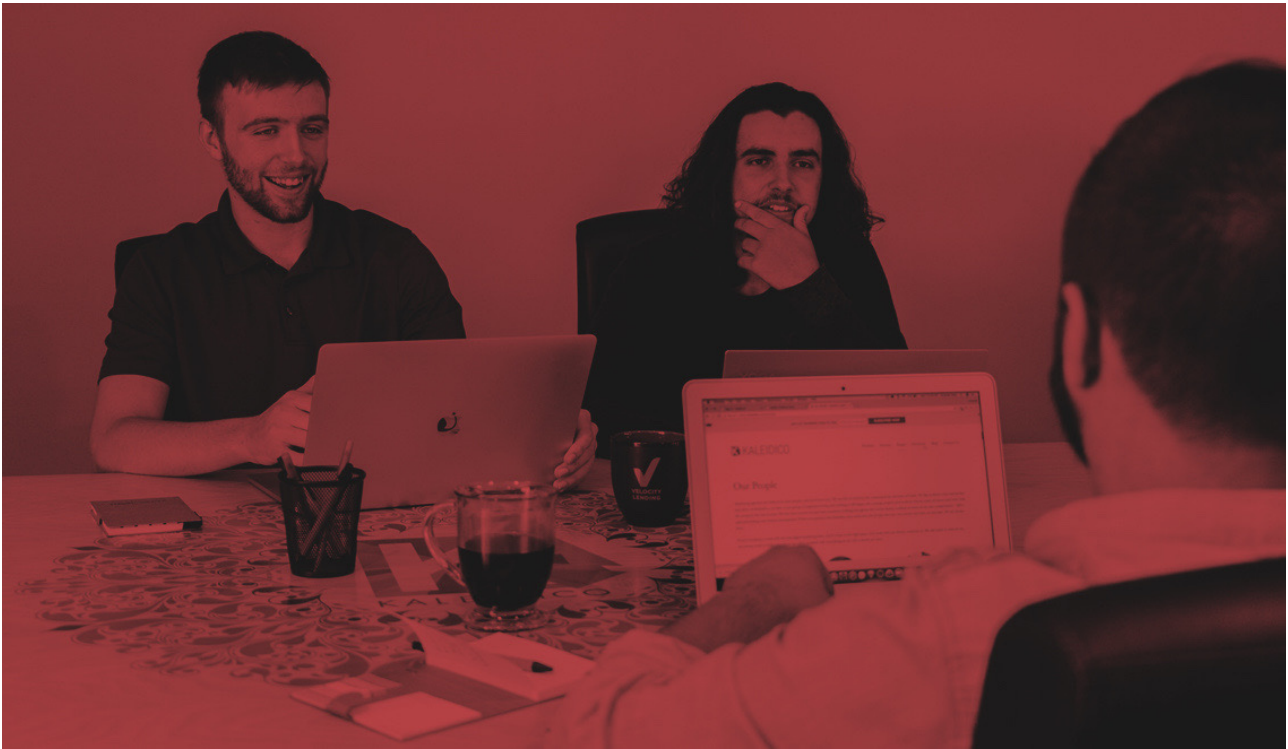| Check	Percentage
Employment Check	16.78%
Professional Qualification Check	15.76%
Adverse Financial History Check	10.40%
Employment Gap Check	10.00%
Academic Achievement	7.25%
Criminal Record	0.61%
Global Sanctions	0.24%

*This is on a per check basis.

PHILIPPINES

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> The majority of businesses in the **Philippines** are BPOs, a dynamic sector that has a wider number of background checks, which need to be run on a regular basis.

Checks for Academic Qualifications, or Global Sanctions, for example, are very much required in the BPO sector. An Education check is also key for additional levels of special competency in the BPO sector.

Thus, it is extremely important to understand all and any discrepancies, as BPOs tend to hire people within the industry and for certain specialisms. Candidates may have already completed similar checks in previous employment. The checks need to be run efficiently, accurately and fast, as BPOs need the right people rapidly.

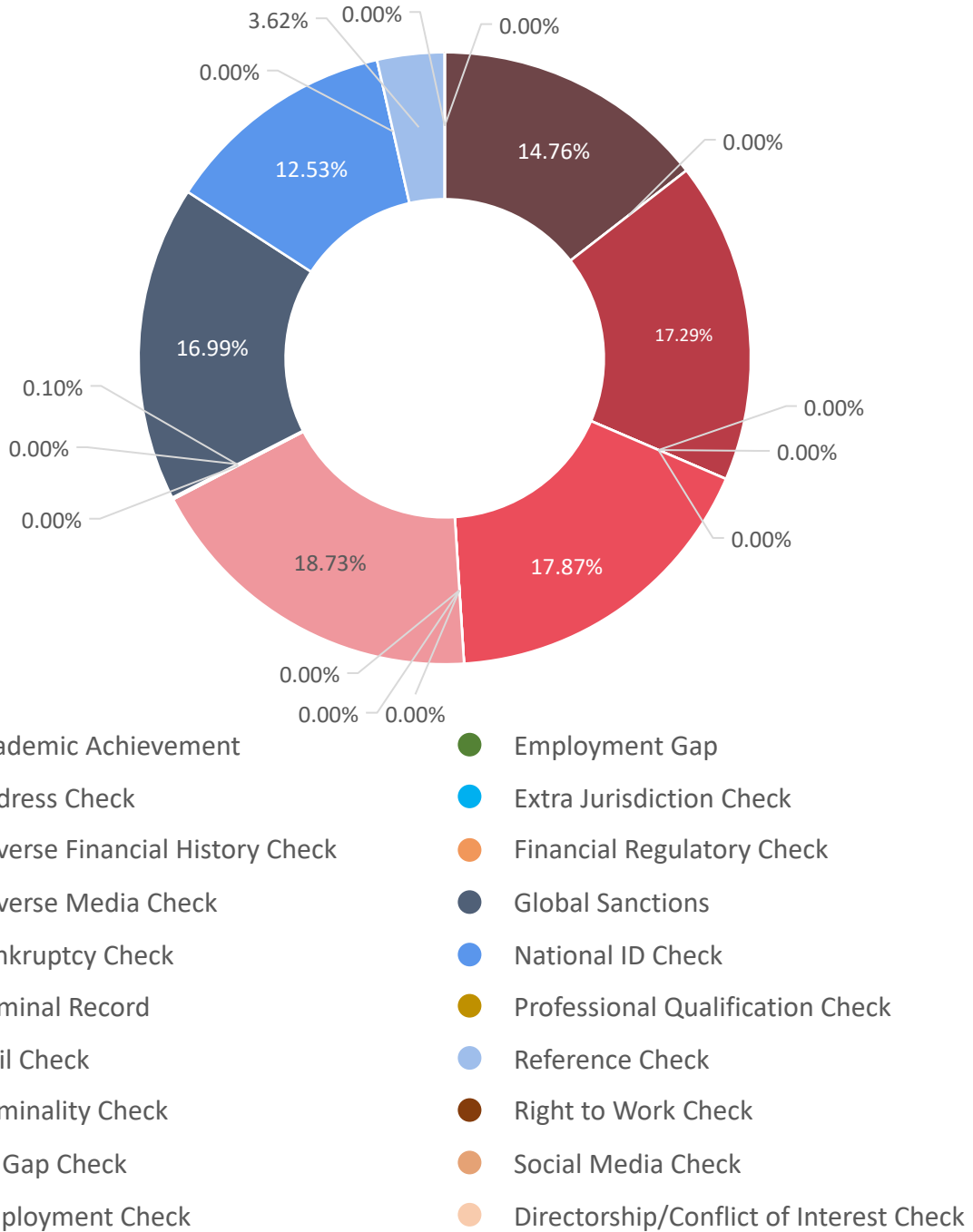**1.82% of discrepancies found in total of the checks identified.**

Top five most commonly requested checks:

- Employment Check - **18.73%**
- Criminal Record Check - **17.87%**
- Adverse Financial History Check - **17.29%**
- Global Sanctions Check - **16.99%**
- Academic Achievement Check - **14.76%**

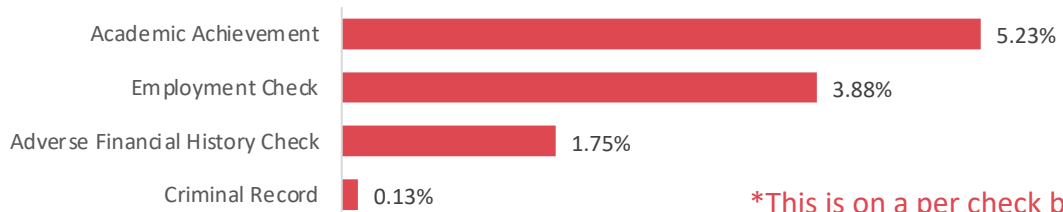**Top five discrepancies reported:**

- Academic Achievement - **5.23%**
- Employment Check - **3.88%**
- Adverse Financial History Check - **1.75%**
- Criminal Record Check - **0.13%**

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% of type of checks conducted in Philippines

Pie chart segments:
- 14.76% Academic Achievement
- 0.00%
- 17.29% Adverse Financial History Check
- 0.00%
- 0.00%
- 0.00%
- 17.87% Criminal Record
- 0.00%
- 0.00%
- 0.00%
- 18.73% Bankruptcy Check
- 0.00%
- 0.10%
- 0.00%
- 16.99% Adverse Media Check
- 12.53% National ID Check
- 0.00%
- 3.62% Reference Check
- 0.00%

Legend:
- Academic Achievement
- Address Check
- Adverse Financial History Check
- Adverse Media Check
- Bankruptcy Check
- Criminal Record
- Civil Check
- Criminality Check
- CV Gap Check
- Employment Check
- Employment Gap
- Extra Jurisdiction Check
- Financial Regulatory Check
- Global Sanctions
- National ID Check
- Professional Qualification Check
- Reference Check
- Right to Work Check
- Social Media Check
- Directorship/Conflict of Interest Check

% of discrepancies

Check	%
Academic Achievement	5.23%
Employment Check	3.88%
Adverse Financial History Check	1.75%
Criminal Record	0.13%

*This is on a per check basis.

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When recruiting across the world, it is important to understand the increasing needs for your sector. With the need for both local regulatory compliance and how a move to a more variable cost based contracting workforce will still mean mandatory checks concerning experience, skills, education, and integrity – particularly when both permanent and temporary workers are representing your precious brand reputation and impacting the pulse of your culture.

There are many variances across countries and regions, which are influenced by local laws, culture, migratory trends and other regional dynamics. It is important to have a global and local (glocal!) approach to hiring and background checking in order to be aware of the possibilities for discrepancies in background checking in your sector, and for a particular country. The objective being to apply the right combination of checks, and work with the right service provider, who has the knowledge to identify background discrepancies so that you don't hire the wrong person who may damage your business.

New innovations like the Veremark Career Passport have been introduced to help businesses and candidates around the world to build stronger trust between one another. The need for employers to hire specialised skills more rapidly, and candidates moving between roles more frequently, requires a new approach to verifying background credentials. The ability to regularly update and hold verified credentials securely on the blockchain, with the agile ability to immediately retrieve and present / review them, provides the effective hiring and onboarding dexterity required for 2022 and beyond.

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Successful and safe recruitment is dependent on carrying out the right checks to not only protect company and customer interests but also to satisfy compliance. Whether or not staff are permanent, remote, contract, part-time or full-time, staff have access to company property and data, as well as other staff or customers, putting business security and wellbeing at risk. This is why background screening is so important.

We are facing a time when companies are in the highest demand and therefore must maintain high standards**. Veremark are leading providers of local and global background checks, offering 100% digital, 100% accurate checks for new and current staff members in all industries and sectors.**

Talk to us today about the benefits of carrying out your   vital pre-employment checks using Veremark's innovative and straightforward platform.

Whether you're hiring one candidate or many, ensure safe   hiring with employment checks that are fast, accurate, secure, and scalable. Every time.

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AUTOMATED SCREENING.
EFFECTIVE HIRING.
TRUSTED SERVICE.

Add simplicity and confidence to your hiring process with Veremark.

Want to know more?

Reach out to our team for personalised advise by dropping us an email to

marketing@veremark.com

Or visit

www.veremark.com