

# Hiring Trends in the Age of the Gig Economy, Identity Fraud, and Social Media

Research study unveils how HR professionals leverage background checks and screening methods to improve recruitment efforts among traditional and contingent workers

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## Executive Summary

Organizations of all sizes and industries rely upon both traditional as well as contingent workers to help drive the growth of their businesses. As these companies seek to identify the most suitable candidates for the wide variety of jobs they have available—be they for full-time posts, or roles that are associated with the rising gig economy workforce—human resources (HR) professionals are relying more and more on background checks, continuous monitoring, and other screening practices to help ensure the work environments they're building are the safest, most productive possible.

To gain more insight into how organizations use screening methods and other tools today for traditional as well as gig economy jobs, HR.com's HR Research Institute partnered with Sterling, a leading provider of background and identity services, to launch a market research study among HR decision makers in the U.S. The study investigates these areas:

- how the gig economy and contingent workforce are impacting staffing and hiring, and the extent to which companies are using gig workers
- major concerns employers face about screening in an economy where gig workers are employed or used by staff to get jobs done
- how common identity fraud and biometrics scanning are today, and what is expected for the future
- how often employers use drug testing, which substances are screened for the most, and which positions are being tested for drug use
- how frequently companies leverage continuous monitoring programs for screening
- the degree to which organizations use social media for screening purposes today, and what companies expect in the future
- what steps organizations may wish to take to improve their hiring and screening practices associated with contingent workers

### About this Survey

The "Hiring Trends in the Age of the Gig Economy, Identity Fraud, and Social Media" survey ran during August and September 2019. We gathered 317 usable complete and partial responses, primarily from HR professionals in virtually every industry vertical. Respondents were primarily from the U.S.

The participants represent a broad cross-section of employers by number of employees, ranging from small businesses with fewer than 50 employees to enterprises with 20,000+ employees.

The research was sponsored by Sterling, a leading provider of background and identity services.

Please note that the findings and recommendations contained in this report are informational only. None of the information contained in the report is intended as legal advice. Readers are encouraged to seek the advice of an attorney if they have questions about the legal requirements, rules, or regulations associated with any content discussed in this report. Neither HR.com nor Sterling is a law firm. Other information about compliance can be found on the Sterling website: [sterlingcheck.com/resources/compliance](https://sterlingcheck.com/resources/compliance).

Below are the six major findings from the study:

**Major Finding One: *Nearly two-thirds of participants indicate the gig economy is impacting hiring and staffing practices:***

- 24% have a wider range of work arrangements
- 21% are hiring or contracting a greater percentage of contingent workers
- 21% do more work with staffing agencies and/or consulting firms
- 15% say employees do more project-based work

**Major Finding Two: *Contingent worker trends are raising a variety of screening concerns. Among with such concerns:***

- 39% say it takes more time to screen gig economy/contingent workers
- 36% point to confusion about how regulations/laws apply to them
- 34% worry about the expense of doing background checks for them
- 34% are concerned about the accuracy of screening such employees
- 29% cite risks associated with skipping background checks

**Major Finding Three: *Many survey participants have experienced at least one instance of identity fraud:***

- Nearly half of respondents (48%) report at least one instance of identity fraud, which brings forth the potential of litigation risk and damage to the employer brand
- Of those having an instance, however, 39% say such fraud is rare, and 9% indicate it happens occasionally





**Major Finding Four: *Employers continue to screen for substance abuse, including marijuana:***

- Cocaine is the drug most commonly screened for (57%), followed closely by marijuana and methamphetamines (both at 56%).
- Thirty-six percent say they do no drug screening and 46% say they screen for all positions. The most commonly screened for positions include transportation and healthcare.
- Despite marijuana legalization in some areas, nearly half (46%) still screen all employees for marijuana usage. Twenty-three percent say they've stopped screening for it entirely, some screen only for certain types of jobs, and 4% screen only in the geographical areas where it is still illegal. Among other respondents, many have never screened for marijuana or only screen for reasonable suspicion.

**Major Finding Five: *Just over two-fifths of participants report they use continuous background checking services:***

- It is important to note upfront: some organizations may assume that continuous monitoring is synonymous with periodic rescreening. There presently is a wide range of interpretation about both practices. Some organizations may feel that their continuous monitoring efforts should take place every six months or once a year, for example, while others may feel that cadence is too infrequent and should be enabled in as near-real-time as possible.
- Today just over half of organizations (56%) report that they do not continuously monitor their employees, while 29% report they continuously monitor all employees and another 15% report they continuously screen some employees, totaling 44% of participants.
- Among those that report they continuously monitor, nearly two-thirds say continuous screening has reduced risk (62%), uncovered criminal activity (38%), and/or uncovered fraud (18%).

**Major Finding Six: *The use of social media for candidate screening is relatively low, but some think it could become more widely accepted in the future:***

- About one-fifth of organizations use social media for screening purposes.
- There is some uncertainty about the future of using social media for background screening. Whereas half of responding HR professionals expect social media screening to become more accepted, about the same percentage also expect there to be more lawsuits challenging the rights of employers to use social media data for this purpose.

**Key Takeaways: *Based on research findings in this report, the following are key takeaways (all of which are elaborated upon later on) for organizations seeking suggestions in these areas:***

- When creating and updating full-time and contingent workforce plans, consider the impact on screening investments and associated recruiting policies. If one does not exist, formalize a policy for screening and have protocols for their ongoing review and for making sure those policies are up-to-date.
- Stay abreast of changing laws and regulations that impact screening.
- Consider making identity verification part of the standard hiring program to avoid instances of identity fraud.
- Decide if continuous employee background screening is right for your own organization.
- Keep track of the latest trends related to social media, biometrics, and identity verification.



## A Snapshot of the Gig Economy

The gig economy can be defined as a labor market in which many staff members are contingent workers, such as freelancers and independent contractors. Within the survey on which this report is based, we specified:

The term “gig economy” refers to a labor market in which many employees are contingent workers. That is, people operate as independent contractors or freelancers, either as their primary employment or in addition to other full-time or part-time jobs. They are often viewed as belonging to the “fluid” or “liquid” workforce. Sometimes these terms include other types of flexible work arrangements, such as staffing agency employment, job sharing, flexible scheduling, or even full-time employment that consists of working on various temporary projects.

Gig economy workers are often discussed as a means of helping organizations quickly gain needed skill sets and better manage fluctuations in customer demand (e.g. seasonality). An NPR/Marist poll found that one in five jobs in U.S. is held by a worker under contract. NPR reports, “Within a decade, many labor economists believe freelancers will outnumber full timers.”<sup>1</sup>

On the other hand, there has been some pushback against the gig economy paradigm. Indeed, California’s governor recently signed a new labor law into law that extends wage and benefits protections to drivers contracted to drive for ride-sharing companies. Among the industries it covers are healthcare, trucking, and media. This could mark a sea change in how gig-economy workers are viewed and treated in the future.

<sup>1</sup> Noguchi, Y. (2018, January). Freelanced: The rise of the contract workforce. *NPR*. Retrieved from <https://www.npr.org/2018/01/22/578825135/rise-of-the-contract-workers-work-is-different-now>



## Is the Rise of the Gig Economy Affecting Today's Staffing/Hiring Practices?

**Finding: Compared with three years ago, nearly two-thirds of HR professionals indicate the gig economy is impacting hiring/staffing practices**

We asked participants how the trends related to the gig economy have influenced the hiring practices at their organizations. Only about one-third (36%) say “we have experienced no hiring changes at all based on gig economy trends.” Larger organizations are more likely than smaller organizations to have experienced some type of changes due to the emergence of the gig economy and contingent workers.

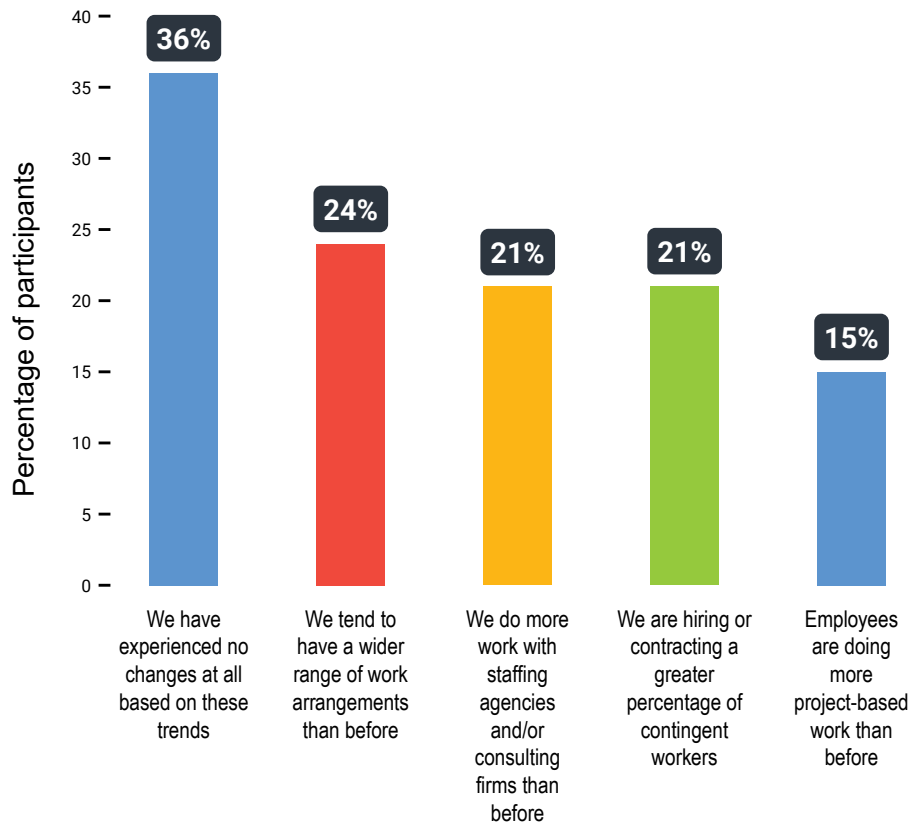
The remaining majority (64%) are experiencing some sort of change because of gig economy trends. The research study indicates that companies are impacted in a variety of ways. Participant organizations are hiring or contracting a greater percentage of contingent workers (21%), and are also offering their current workforce a wider range of work arrangements (24%). Such arrangements could include flex-time, work-from-home scenarios, or a more diverse work experience for a worker while also helping a company meet its demands for staff.

Some respondents are turning to staffing agencies and consulting firms (21%) to meet staffing demands. Agencies often fill part-time, contingent, and consultant positions. Fifteen percent say employees are doing more project-work as a result of these trends.





**Survey Question:** Compared to three years ago, how have the trends related to the gig economy and fluid workforce influenced the hiring practices in your organization? (select all that apply)



About one-third say the gig economy is not impacting them at all

## What Major Screening Concerns Do HR Practitioners Have with Contingent Work Arrangements?

### Finding: HR professionals face a variety of screening concerns

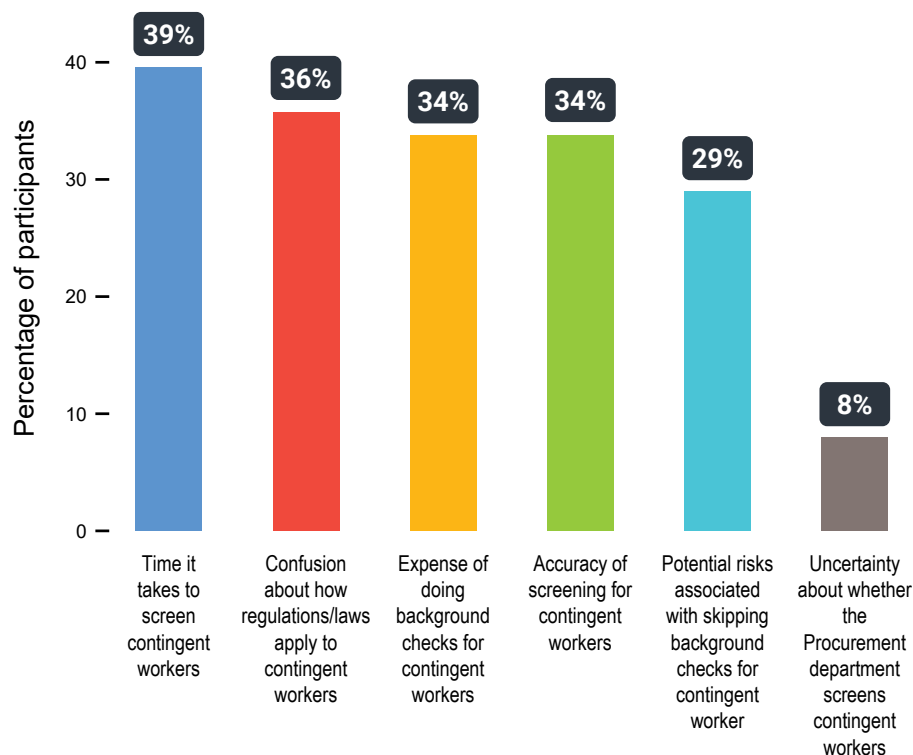
Our research shows that contingent worker trends have given employers a host of screening concerns pertaining to efficiency. Among organizations that cite concerns about conducting screening for contingent workers, 39% say it is time consuming and 34% say it is costly.

Thirty-six percent say there is confusion about which laws and regulations apply to contingent workers. One reason that companies might experience confusion in this area is that laws may vary by nation, state, region, and locality. It can be difficult to stay abreast of changes in these areas.

About a third are worried about the accuracy of screening contingent workers, and more than a quarter cite the potential risks associated with skipping background screening.



**Survey question:** What are your organization's top concerns when it comes to conducting screening for contingent/gig economy employees? (select all that apply)



Screening concerns relate to cost, time, and notably risk

## Identity Verification

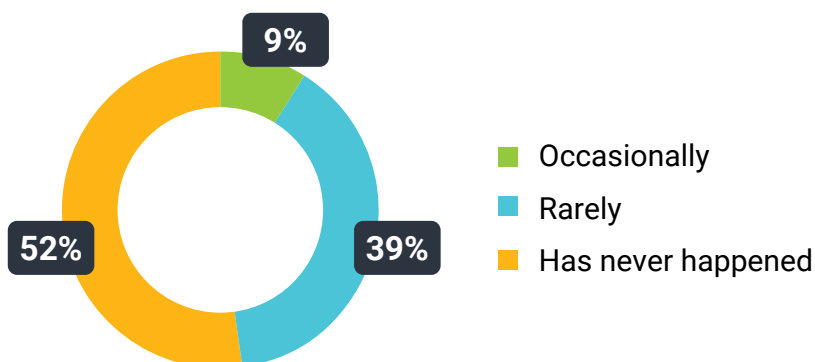
### How Frequently Do Organizations Encounter Identity Employment Fraud?

**Finding: About half report they have experienced at least one instance of identity fraud**

According to the U.S. Department of Justice, identity theft and identity fraud are terms used to refer to all types of crime in which someone wrongfully obtains and uses another person's personal data in some way that involves fraud or deception, typically for economic gain.<sup>2</sup> Nearly half of respondents (48%) report at least one instance of identity fraud: 39% say it occurs rarely and 9% say it occurs occasionally.

Employers that encounter identity theft and fraud face multiple threats, perhaps the most significant of which is compromised safety. A person who is hiding behind someone else's background and identity could be assuming that identity in order to mask issues such as their illegal employment status, their past history of problems (including possible crimes), or even their intent to commit a future crime in the workplace.

**Survey Question:** How frequently does your organization encounter instances of employment identity fraud (e.g. a candidate or employee using someone else's Social Security Number on their application)?



Screening concerns relate to cost, time, and notably risk

<sup>2</sup> The United States Department of Justice. Identity theft. *The United States Department of Justice Website*. Retrieved from <https://www.justice.gov/criminal-fraud/identity-theft/identity-theft-and-identity-fraud>

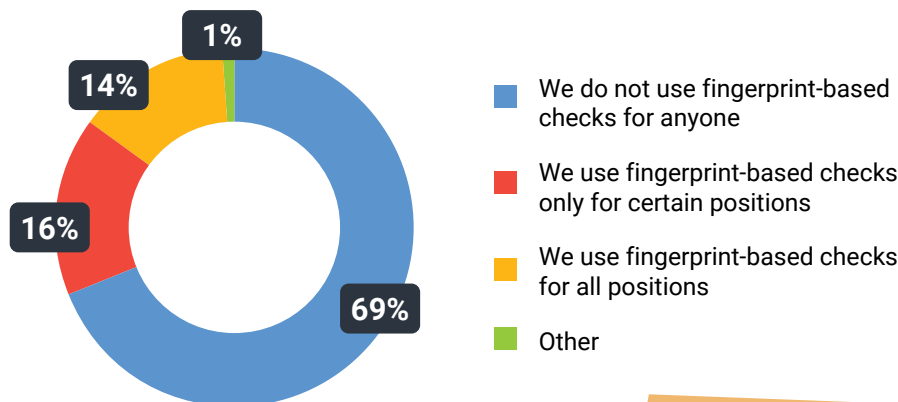


## Do Organizations Incorporate Biometric Fingerprinting in the Screening Process?

### Finding: About one-third use fingerprint-based background checks

A fingerprint-based background check takes an applicant's and/or employee's fingerprint and compares/cross-references it with incarceration and booking records and other information sources to determine if the person has been arrested and is in one of the FBI or state law enforcement databases. Fingerprints can also be used for identity verification, ensuring that the correct people have access to secure areas and technologies. Most organizations participating in the study (69%) said they do not use fingerprint-based background checks. Sixteen percent say their organizations use fingerprint-based background screening for certain positions, and 14% use such screening for all positions.

**Survey Question:** How does your organization incorporate fingerprinting into your background screening process for new hires? (select one)



14% use fingerprint-based checks for all positions



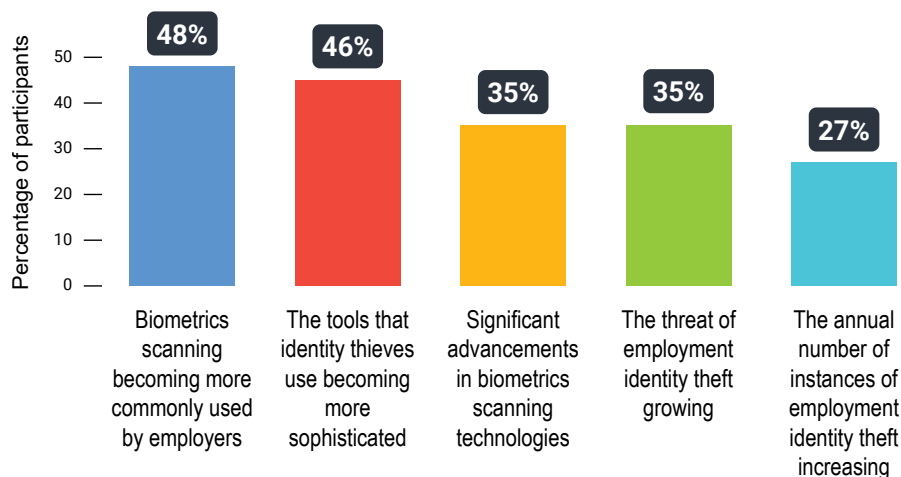
## How Do Practitioners Think Employee Identity Screening Practices Will Change Over the Next Few Years?

### Finding: Half think biometrics scanning will become more common

Nearly half of participants think employers will more commonly use biometrics scanning (48%) as a means of verifying identity over the next several years. One possible driver of this trend is that there will be significant advancements in biometrics scanning technology (cited by 35%). Another possible driver is that the tools used by identity thieves are becoming more sophisticated (cited by 46%).

One sophisticated technology now allows people to make "deepfakes." A deepfake is a technique for human image synthesis based on artificial intelligence (AI). In essence, it can fabricate a person's visual identity.<sup>3</sup> Perhaps one day it might be used to assume another person's identity in the recruitment process or in the workplace.

**Survey Question:** With regard to employee identity verification, what do you anticipate happening over the next several years? (select all that apply)



Nearly half think identity thieves' tools will become more sophisticated

<sup>3</sup> Tegze, J. (2018, May 1). Deepfakes and recruitment. *Source on*. Retrieved from <https://www.sourceon.com/deepfakes-and-recruitment/>

## Drug Screening

### For Which Positions Do Companies Commonly Administer Drug Testing?

#### Finding: About half screen for all positions

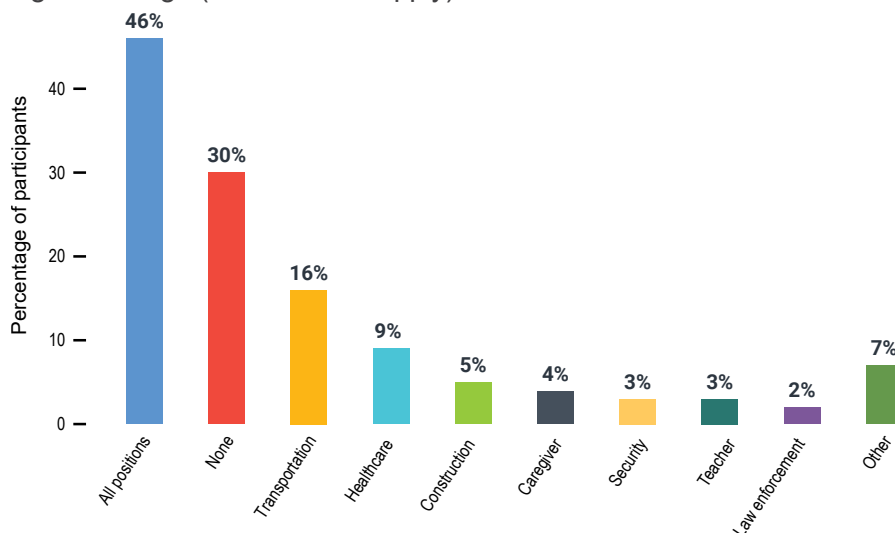
Organizations today are most likely to drug screen for all positions, a practice cited by 46% of survey participants. However, nearly a third (30%) do not drug screen for any position.

The subgroup of organizations that drug screen for some but not all positions are most likely to screen positions related to transportation (65%), followed by healthcare (36%), and construction (22%). (Note: these percentages do not appear in the chart below, which is for all respondents rather than subgroups of them.)

HR professionals responding to the “Other” category by using write-in responses (7% in graph below) cite a hodgepodge of different categories of positions, including equipment operators, safety/environmentally/security sensitive positions, those involved in client-facing projects, those involved with government contracts, and more.



**Survey Question:** For which types of positions is your organization doing drug screening? (select all that apply)



When drug screening is done on an ad hoc basis, transportation positions are most often screened for

## Which Substances Are Organizations Screening for Most?

**Finding: It is common for employers to screen candidates for a variety of substances**

Today employers screen for a variety of substances. The ones screened for most frequently include cocaine (57%), marijuana (56%), methamphetamines (56%), amphetamines (54%), and opiates (53%).

Fewer participants, however, indicate their organization screens for alcohol (36%). Those more likely to screen for alcohol include companies in the transportation industry. The Department of Transportation requires the industries it regulates to conduct random drug and alcohol testing for workers in safety-sensitive jobs, as well as testing after accidents and when there is "reasonable suspicion" of employee substance abuse.<sup>4</sup> Moreover, the federal Omnibus Transportation Employee Testing Act (OTETA) requires tests for all operators of aircraft, railroad equipment, mass transportation vehicles, and commercial motor vehicles.<sup>5</sup>

Just 7% screen for nicotine. One reason that organizations are not screening for nicotine is because many states make it illegal for an employer to refuse to hire someone based on smoking.<sup>6</sup> However, other states do not have such restrictions. Some organizations test so smokers can be required to pay more for their company health insurance.<sup>7</sup>

More than one-third of participants say their organizations do not drug screen at all.

<sup>4</sup> ACLU. State-by-state workplace drug testing laws. *ACLU*. Retrieved from <https://www.aclu.org/other/state-state-workplace-drug-testing-laws> and U.S. Department of Transportation. Drug and alcohol testing. *Transportation Website*. Retrieved from <https://www.transportation.gov/odapc/employee>

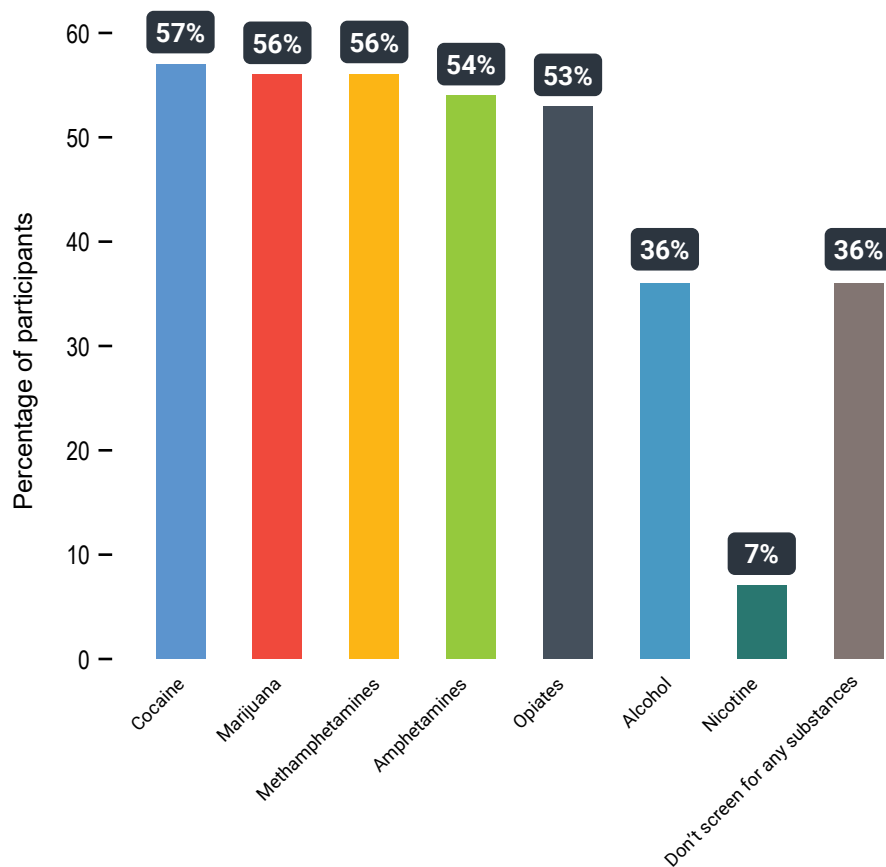
<sup>5</sup> ACLU. State-by-state workplace drug testing laws. *ACLU*. Retrieved from <https://www.aclu.org/other/state-state-workplace-drug-testing-laws> and U.S. Department of Transportation. Drug and alcohol testing. *Transportation Website*. Retrieved from <https://www.transportation.gov/odapc/employee>

<sup>6</sup> Workplace Fairness. Smoking and the workplace. *Workplace Fairness Website*. Retrieved from <https://www.workplacefairness.org/smoking-rights-workplace> and <https://www.workplacefairness.org/smoking-rights-workplace>

<sup>7</sup> Workplace Fairness. Smoking and the workplace. *Workplace Fairness Website*. Retrieved from <https://www.workplacefairness.org/smoking-rights-workplace> and <https://www.workplacefairness.org/smoking-rights-workplace>



**Survey Question:** For which substances is your organization actively screening? (select all that apply)



Over one-third  
do not actively  
screen for  
substances at all

## When Do Companies Screen for Marijuana in the Age of More Legislation?

**Finding: Nearly half screen all employees at hiring and whenever needed after that**

Companies across the globe are evaluating what they should do following the legalization of marijuana for medical and recreational use. In 2018, Canada became the second nation in the world to legalize recreational usage. Uruguay was the first country to legalize marijuana's production, sale, and consumption in December 2013.<sup>8</sup>

In the U.S., marijuana is illegal under federal law. However, in recent years a multitude of U.S. states, as well as the District of Columbia, have legalized marijuana for medical and/or recreational use.<sup>9</sup> In 1996, California became the first state to legalize medical cannabis, sparking a trend that spread to a majority of states by 2016.<sup>10</sup> In 2012, Colorado and Washington became the first states to legalize cannabis for recreational use.<sup>11</sup> As a result, many companies are rethinking if and when they should screen employees for marijuana.

Such legislative changes, as well changes that other countries and states may adopt in the future, raise legal questions such as “When can an organization test its current employees?” and “When can candidates be disqualified because they failed a marijuana drug screen?”



<sup>8</sup> Fox61 News. Canada becomes second nation in the world to legalize marijuana. Fox61 News. Retrieved from <https://fox61.com/2018/06/20/canada-becomes-second-nation-in-the-world-to-legalize-marijuana/>

<sup>9</sup> Steiner, M., Medical marijuana and federal law. Criminal Defense Lawyer Website. Retrieved from <https://www.criminaldefenselawyer.com/resources/criminal-defense/federal-crime/medical-marijuana-federal-laws.htm>

<sup>10</sup> California Department of Justice. (2019, August 6). California Cannabis Portal. Retrieved from <https://cannabis.ca.gov/2019/08/07/california-department-of-justice-releases-new-medicinal-cannabis-guidelines/>

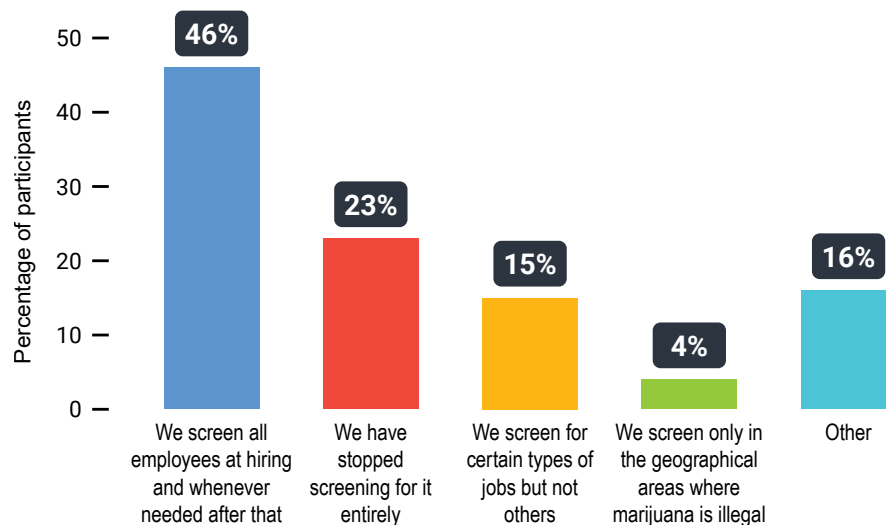
<sup>11</sup> Coffman, K., and Neroulis, N. (2012, November 6), Colorado, Washington first states to legalize recreational pot. Reuters. Retrieved from <https://www.reuters.com/article/us-usa-marijuana-legalization-idUSBRE8A602D20121107>

Today, nearly half of companies (46%) screen all employees for marijuana at hiring and whenever needed after that. Only 4% say they only screen for marijuana where it is still illegal, and about one quarter (23%) say they have stopped screening for marijuana altogether. Fifteen percent screen for certain types of jobs but not others.

Laws are not the only reason organizations are not testing for marijuana. Given the tight labor market these last few years, some companies have stopped testing for it to help them to more easily fill jobs, particularly in industries where marijuana would not impair someone's ability to do their job or put someone else in danger.<sup>12</sup>

The "Other" category response (16%) includes those who screen randomly as well as those who say their organization has never screened for it, even before legalization began. Others say they screen when there is an accident, other cause or reasonable suspicion, behavior, or contractual obligation.

**Survey Question:** Under what circumstances does your organization still conduct screening for marijuana usage? (select all that apply)



About one-quarter have stopped screening for it entirely

<sup>12</sup> Rugaber, C. (2018, May 2). Some businesses stop testing for marijuana. *Herald-Tribune*. Retrieved from <https://www.heraldtribune.com/news/20180502/some-businesses-stop-testing-for-marijuana>

## Continuous Monitoring

### Are Companies Conducting Continuous Background Checking?

#### Finding: Many organizations do not do continuous background checking

As mentioned previously, it is important to note that some organizations are viewing continuous monitoring and periodic rescreening as being synonymous. Some organizations may feel that their continuous monitoring efforts should take place every six months or once annually, while others may feel such measures should be employed daily or weekly.

The primary drivers for using continuous background screening are flagging internal threats/safety concerns and protecting an organization's brand from serious damage.

Our research shows 29% report that they continuously screen all employees and another 15% continuously screen some employees, which totals 44%, or about two-fifths of participants.

Some industries that traditionally screen continuously have employees whose work requires them to interact more with consumers and the general public (e.g. healthcare, security, and transportation). However, in light of heightened concerns about safety as well as recent reports of sexual harassment, discrimination and abuse, many companies today are looking at other roles, including those in retail, public school systems, manufacturing, and more.<sup>13</sup>

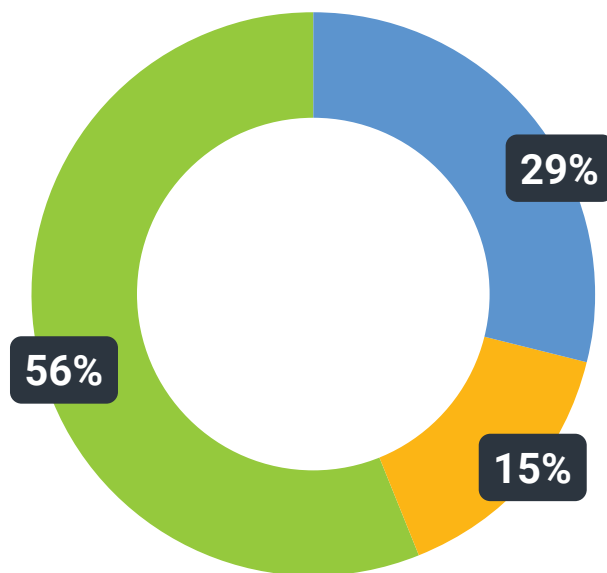
Regardless of role, it is important that continuous background checks processes are examined to ensure they are done in a way that obeys all laws and regulations.<sup>14</sup>

<sup>13</sup> Sasso, M., and Green, J. (2018, July 12). More employers adopting continuous background checks on employees. *Insurance Journal*. Retrieved from <https://www.insurancejournal.com/news-national/2018/07/12/494922.htm>

<sup>14</sup> Sasso, M., and Green, J. (2018, July 12). More employers adopting continuous background checks on employees. *Insurance Journal*. Retrieved from <https://www.insurancejournal.com/news-national/2018/07/12/494922.htm>



**Survey Question:** Does your organization engage in continuous employee background screening?



- Yes, for all employees
- Yes, for some employees
- No

Only 29% say their organization engages in continuous background screening for all employees



## What Do Continuously Set and Periodic Background Screening Programs Commonly Investigate?

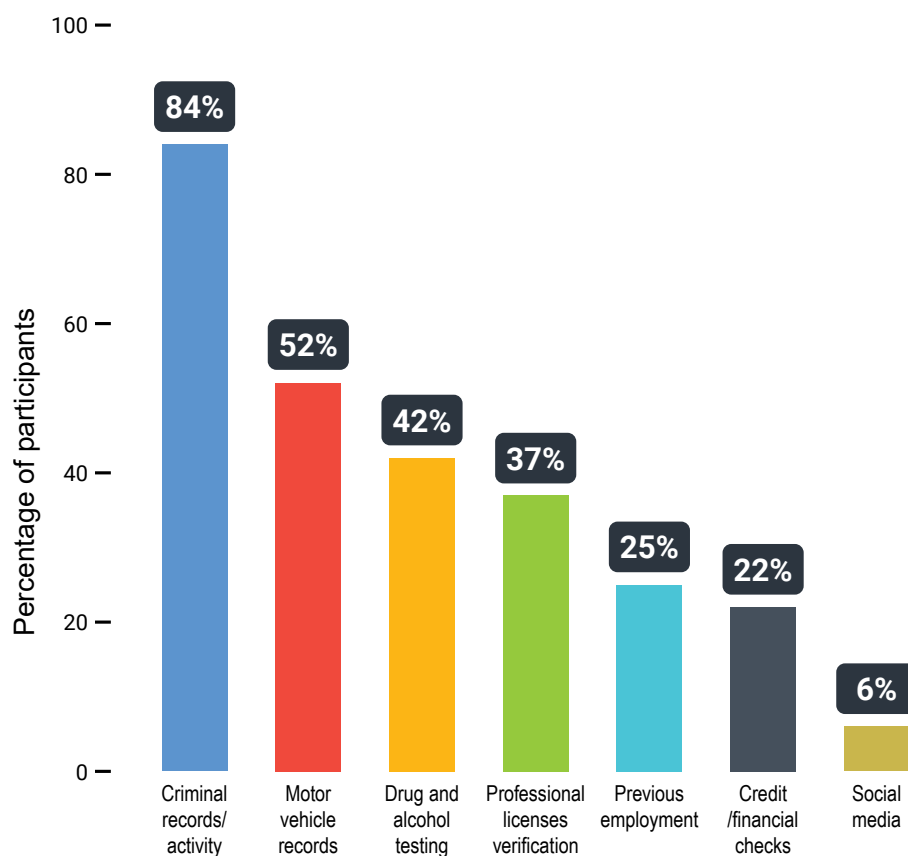
**Finding: Among those that do post-hire background screening, most rely on criminal records/activity**

Of the companies that monitor post-hire either all or part of their workforces, as defined in the previous question, most focus on investigating criminal records/activity (84%). After making a hire, this is an obvious area that employers would want to track because criminal status can change over time, regardless of position type.

About half of participants monitor motor vehicle records (52%) and another two-fifths conduct periodic ad hoc drug and alcohol testing (42%). Employers in the transportation industry, for example, may more commonly review motor vehicle records in addition to a criminal check because information contained within a driving record is not always found in a standard criminal record check (e.g. DUI is not immediately in a criminal record until after court proceedings). Knowing such information sooner than later helps employers better protect themselves, clients, and the general public.

Fewer employers report focusing on continuously monitoring professional licenses (37%), and only one-fifth report regularly conducting credit/financial checks (22%). Even fewer employers report continuously monitoring social media (6%). Although social media has the potential to provide clues into inappropriate actions and behaviors, it is possible that some employers worry about violating privacy and discrimination laws and so choose to avoid regularly monitoring social media.

**Survey Statement:** What does your organization's continuous monitoring program screen for? (select all that apply)



Of firms that engage in continuous screening, 52% utilize motor vehicle records

## Do Employers Benefit from Continuous Background Screening?

**Finding: Among those that report they do continuous background screening, most say it reduced organizational risk**

Among those organizations that report they do continuous background screening, more than three-fifths are motivated by reducing organizational risk (62%), and nearly half (46%) think it has served as a good precaution. Although these responses sound more like subjective opinions than hard data, they illustrate a widely held belief that continuous monitoring is a way to safeguard the organization.

Turning to more objective measures, we asked survey participants how often they actually discovered criminal activity or fraud via continuous background screening. Nearly two-fifths (38%) say their organization has uncovered criminal activity, and 18% have uncovered fraud.

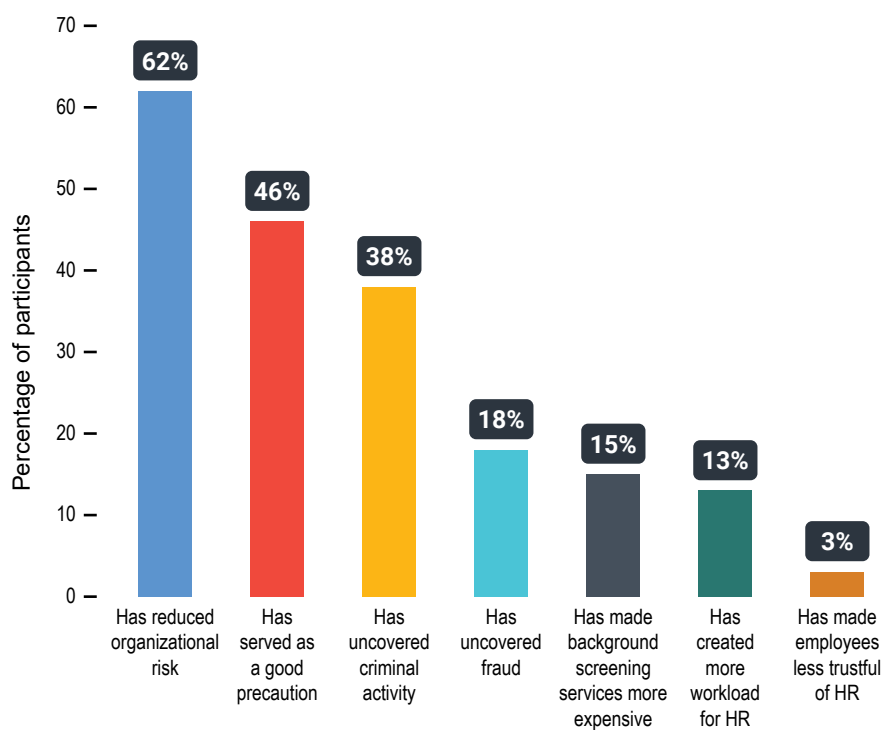
Fewer see disadvantages associated with the practice. Thirteen percent think continuous monitoring has created more work for HR, and a small percentage (3%) think this screening has made employees less trustful of HR.

Compared to small and mid-size organizations, respondents from large organizations are considerably more likely to say that continuous monitoring has reduced organizational risk and has uncovered criminal activity and fraud.





**Survey Question:** What have been the results of the continuous monitoring/screening process? (select all that apply)



Nearly two-fifths have uncovered criminal activity

## Social Media Checks

### Do Background Checks Include Social Media Screening?

#### Finding: Only one-fifth of organizations use social media for screening purposes

On aggregate, just one-fifth (20%) of responding organizations say they use social media as part of background screening. Smaller (27%) and mid-size organizations (23%) tend to use social media screening more than larger organizations (10%).

Why do so few organizations use social media for screening? One concern may be legal or regulatory risks. HR may not have the requisite skills or the bandwidth to continuously monitor social media according to regulations. For example, it is difficult to manually check every candidate's social media profiles on a consistent basis. Screening social media inconsistently could put an employer at risk for a potential discrimination lawsuit.

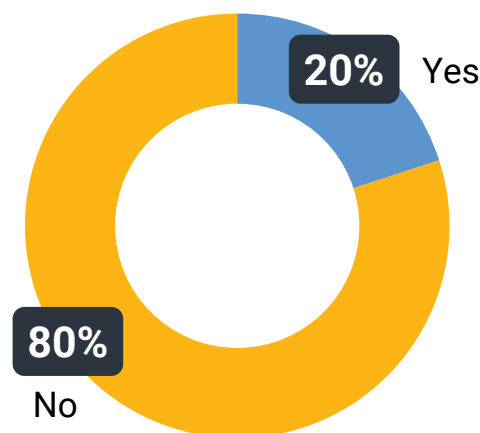
To help address some of these concerns, vendors are beginning to introduce solutions to help organizations better manage the screening of social media with the aid of AI.<sup>15</sup> If organizations wish to use social media for screening, they should be sure it is done in ways that meet government and internal regulations as well as internal ethical guidelines. In other words, adequate protocols for managing internal staff as well as third-party vendors should be put in place.

<sup>15</sup> Compliant, AI-based online screening for the enterprise." FAMA. Retrieved November 27, 2019 from [www.fama.io/](http://www.fama.io/)



We would also add that regulations regarding social media screening are sometimes difficult to interpret and track efficiently, which might be one reason for relying more on third parties to carry out such screening. For example, in 2012, state lawmakers began introducing legislation to prevent employers from requesting passwords to the personal Internet accounts of employees or candidates. Similar legislation prohibits colleges and universities from requiring access to students' social media accounts. More than 20 states have passed laws making it illegal for employers to ask applicants to hand over their usernames and passwords to their private social media accounts.

**Survey Question:** Does your organization include social media screening as part of its background screening of candidates?



## How Do Practitioners Think Social Media Screening Practices Will Change Over the Next Few Years?

### Finding: About half expect more lawsuits to challenge the right of employers to use social media data

Half of respondents (52%) think there will be more lawsuits challenging the right of employers to use social media data. These HR professionals may be heeding warnings from certain experts who warn that privacy and discrimination issues could arise as a result.<sup>16</sup> HR professionals in smaller (58%) and mid-size (57%) organizations are more likely to think this is true compared with those from larger organizations (29%).

At the same time, half (50%) think there will be greater acceptance of using social media for screening over the next few years. Again, HR professionals in smaller (58%) and mid-size (54%) organizations are more likely to think this is true compared with larger organizations (29%).

Perhaps significant media attention on social media is prompting some companies to make changes to their current social media screening policies and methods. If so, they may feel that in a few years they will be more prepared to use social media in legal and ethical ways, instituting clearer policies and/or better technologies.

In fact, more than two-fifths of respondents think there will be better ways of automating screening of social media with artificial intelligence (44%). In contrast, just one-quarter think more technological innovations will make it harder for employers to screen social media (24%).

<sup>16</sup> Ahearn, T. (2018, December 13). Social media screening remains hot topic while CRAs deal with EEOC and FCRA concerns in 2019. *Employment Screening Resources (ESR) New Blog*. Retrieved from <https://www.esrcheck.com/wordpress/2018/12/13/social-media-screening-remains-hot-topic-cras-deal-eeoc-fcra-concerns-2019/>

**Survey Question:** With regard to social media screening, what do you anticipate happening over the next several years? (select all that apply)



Just one-quarter think technology innovations will make social media screening harder







## Key Takeaways

Below are suggestions for how organizations might improve their screening practices in the age of contingent work arrangements, identity fraud, and social media.

1

**Take steps to hire contingent/gig economy workers more effectively and consider the impact on screening investments and associated recruiting policies.** The rise of gig economy workers is causing companies to create a wide variety of work arrangements. However, many companies are not looking for contingent workers beyond the ones they immediately need. Consider creating or updating workforce plans to project needs beyond the current fiscal quarter. Look at positions across all regions of operation. Then, consider the availability of talent in those different markets and determine how contingent workers will be sourced, recruited, and screened. Will you hire the team in-house, using agencies, or some combination? Also, think about surveying the existing employee base to better understand their flexibility needs and overall work preferences.

2

**Determine if and how contingent workers will be screened, and create and disseminate a formal screening policy and owner(s) for that policy.** Formulate or update a policy with the help of legal counsel and input from staff and hiring managers. Contingent/gig economy worker screening may not need to be that different from the screening of full-time staff. Once the policy has been documented and updated, hold regular audits to ensure screening practices align with screening policies. Schedule regular policy review sessions as regulations, tools, and company needs change.

3

**Stay abreast of changing laws and regulations. Keeping up with the changing laws and regulations is no easy task.** Consider naming a point person/compliance official who is responsible for collecting changes to regulations and disseminating updates. Determine if and how technologies, services, and vendors can help support the process. Once you become aware of national or local law changes, document how they will impact the company's overall policy, and make key stakeholders immediately aware of relevant changes. When laws suddenly differ from one region to the next, consider when it is fair and legal to offer different tests in different regions.

4

**Consider making identity verification part of your standard hiring program to avoid instances of identity fraud.** Sometimes job candidates impersonate other people. Identity verification can boost safety and trust in the workplace. Another issue is that, because employers have responsibility to pay employees accurately and also pay taxes to the appropriate agencies, it is essential that a well-defined process is followed for verifying whether workers are who they say they are, and are eligible to work within a particular jurisdiction.

5

**Decide if continuous employee background screening is right for the organization.** For the last several decades, it was relatively uncommon for an employer to run a background check beyond the point of hire. However, an employee's personal and professional circumstances are constantly changing, and new technological innovations are making continuous screening easier. Employers should decide if continuous screening is appropriate for all or some employees. If continuous screening is adopted, create a plan for conveying to employees what will change and why it is important.

6

**Keep track of the latest trends related to biometrics, identity verification and social media.** As online tools grow and more employees work remotely, it will become increasingly important for organizations to understand their options in relation to their needs. Technologies, laws, and court interpretations often shift in this area. If your company adopts such screenings, consult with counsel and ensure the process is properly vetted and implemented. If it is adopted, consider training programs or other tools that will help recruiters and managers use it appropriately.

7

**Consider implementing an ethics hotline or other reporting protocol that addresses issues such as identity fraud and drug usage.** It is possible that some employees are aware that colleagues, managers, or partners are violating the company's policies or Code of Conduct but are scared to come forward. Where a hotline or other reporting protocol exists, make managers and staff aware of it and of how they would go about using it to report identity fraud and inappropriate drug use.

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