Artificial Intelligence and Background Checks

Artificial intelligence and algorithm-driven technologies are impacting every facet of our daily lives. From online advertising platforms that serve unique ads to us depending on our preferences and tendencies to self-parking or self-driving capabilities on our cars, AI is affecting us everywhere we look. That impact has now reached employment.

Many employers now use AI-infused systems to sort resumes and identify the ones that most clearly match what they are seeking in a candidate. Chatbots are a standard piece of the candidate experience, helping job applicants to get answers or information that human hiring managers don't have time to provide. Employment-related technological changes abound, but the most significant change may still be coming: the use of AI to fully drive and automate the employee background check process.

How Artificial Intelligence Is Influencing Background Checks

While AI background checks are not yet the standard, several companies have made a splash by incorporating AI, algorithms, and machine learning into their background check services. We will explore a few of these businesses, including how their technologies work and what kind of long-term impact they may have on the employee vetting industry.

Example 1: Checkr

Perhaps the most well-known player in AI-driven background checks is Checkr. Checkr is responsible for conducting background checks for the ridesharing service Uber. Checkr's system uses AI to perform more than a million background checks per month, including checks for new Uber drivers and annual repeat checks for existing drivers. The checks incorporate multiple searches, including county and national criminal history searches, sex offender registry checks, terrorist watchlist checks, driving record checks, and Social Security Number verifications.

Now you know.

AI sorts through background check data and classifies findings based on whether they might impact a person's ability to perform a job. The AI in Checkr's background checks is intended to assist hiring managers in recognizing potential red flags on a candidate's background check. In the case of an Uber driver background check, Checkr would flag any driving-related offenses or license suspensions with a "Consider" tag along with assaults, sexual offenses, and other charges.

The AI does not make any final decisions about clearing Uber drivers to work, but it does streamline the background check process by highlighting the information that a decision-maker should look at before approving or denying a driver.

Example 2: Intelligo Group

While the Intelligo Group is not as well-known as Checkr, the company is one of the top innovators in the industry for AI background checks. Intelligo's background check platform, Clarity, uses a mix of AI and machine learning to collect and comb through data about potential employees. That data includes criminal history databases, blacklists, sanctions lists, social media accounts, blogs, news sources, and court records.

Intelligo touts "high-quality structured and unstructured data points from thousands of sources." Algorithms comb through this data, using language processing technology and other AI capabilities to mimic "the human analyst's thought process." The technology prepares a summary about each candidate, highlighting potential red flags such as convictions or gaps in job history. The software can also "conduct ongoing monitoring for future red flags."

As with Checkr, Clarity doesn't make any final decisions about whether a person is hirable but instead compiles a "decision-ready background check report" that draws attention to potential red flags.

Since Clarity is pulling data from thousands of sources using primarily text analysis, it risks running into the same problems as a name-based background check. Intelligo says it has "proprietary name-matching algorithm filters" that can determine whether a criminal record, social account, SEC filing, or any other record applies to the candidate or belongs to someone with the same name. However, the company has not publicly shared details about how this technology works or its success rate for avoiding false positives.

Example 3: CoreLogic

CoreLogic is slightly different from Checkr and Intelligo in that it targets the housing market rather than employment. It is not a background check-driven company—instead, CoreLogic is a brand that seeks to "power housing through data, analytics, and connectivity."

The company offers a range of solutions to landlords and property managers, including tools for underwriting, operational workflow, property valuation, property intelligence, and risk management and monitoring. As part of its risk management solutions, CoreLogic offers background check tools—including automated background check capabilities and AI functions—to landlords and property managers.

CoreLogic can search a prospective tenant's backgrounds and calculate "a single score" that reflects how much of a risk that person would pose as a tenant. Another system allows landlords to set criteria for their tenants through which the tool "processes and interprets" criminal history information and notifies the landlord if a candidate doesn't meet those criteria.

Now you know.

The Benefits of Artificial Intelligence in Background Checks

AI-driven background check tools provide an array of benefits that employers love, hence their growing presence and popularity.

- They can be faster than traditional background checks. Employers often spend a lot of time ordering background checks, reviewing those checks, deciding which pieces of information are relevant, identifying red flags, and making decisions based on their findings. AI background checks automate most of this process, leaving only the first step (outlining background check criteria) and the last (making hiring decisions) to humans. The result, under the right circumstances, is a faster vetting process that involves less work for a hiring manager than a traditional background check.

- They involve less administrative bloat. Uber operates at such a large scale that having a person review background checks for every driver would be a considerable challenge. Automated and AI background checks make large-scale vetting operations easier to manage.

- They enable easy re-checking. Background checks are merely a snapshot of a person's criminal record and history at that moment. Recurring background checks are vital to identify new red flags as they emerge, but most companies don't know how to carry out the re-vetting process efficiently. AI systems can monitor employees and update background checks on a pre-set timeline. These automated ongoing criminal monitoring tools make it easier for employers and landlords to keep their background checks up to date.

- They encourage pre-planning: One of the most positive changes that AI background checks introduce is a more thoughtful background check planning process. Many employers don't think much about the information that they want to learn when vetting prospective hires, including the specific red flags that might push them to reconsider a candidate. It's in these situations that employers fall into the habit of denying any candidate with a criminal history, even if that history isn't truly relevant to the position at hand. AI systems encourage employers to establish specific criteria for their candidates and then draw attention to data points that violate those criteria.

- They potentially reduce bias: Some proponents of automated background checks argue that AI and machine learning can help remove bias from the background check process. The systems review and categorize information objectively, though the categorizations are typically based on human-configured criteria. These systems are still less likely than a human to be swayed by biases that might lead to discrimination.

- They protect the privacy of prospective employees: There is some debate over whether AI background checks help or hurt privacy compared to traditional checks. Some of these tools sort and narrow down background check information so that an employer only sees relevant details, which could mean that the employer is seeing less data about a candidate than if he or she sorted through raw information alone.

The Drawbacks of Artificial Intelligence in Background Checks

While artificial intelligence in background checks has the potential to bring numerous benefits to the table, there are a few drawbacks to this technology that are barriers to wide-scale adoption.

- They oversimplify the background check process. The biggest criticism against AI background check technologies is that they take complex matters and turn them into black-and-white, pass-or-fail cases. In traditional background check situations, employers are advised to consider criminal history findings on a case-by-case basis, factoring in details such as the severity of a crime, how long ago it took place, whether there have been repeat offenses, and the crime's relevancy to job responsibilities. Is AI sophisticated enough to take all these considerations into account?

- The technology is not "compassionate." Another argument is that the technology behind AI background checks cannot be "compassionate" to the plight of someone whose record is not completely clean. Sometimes, an employer or landlord might decide to give a candidate a chance even if that candidate has a few red flags on his or her record. AI, with its objective, analytical approach, might elide these possibilities and urge the disqualification of any candidate with an imperfect past. Could AI and machine learning in background checks negatively impact criminal justice reform?

- The checks don't have a flawless track record. How well do AI-driven background checks work? This question has emerged numerous times regarding Checkr and the background checks that it runs for Uber. Uber has been criticized repeatedly for not doing enough to vet its drivers. "Who's Driving You?", a website and campaign devoted to highlighting the risks of ridesharing services such as Uber and Lyft, details dozens of alleged assaults by drivers, hundreds of sexual assault and sexual harassment claims, 16 alleged kidnappings, and 50 deaths. Uber has rebuffed these criticisms (as well as calls to conduct fingerprint background screenings on its drivers), arguing that its background checks through Checkr are thorough. However, Uber did bend to some of the criticism, announcing in 2018 that it would begin running repeat checks on its drivers annually.

- AI can be biased: While artificial intelligence is more objective than a human hiring manager, there have been cases of AI reflecting the biases of its creators—sometimes in even more extreme ways. In 2015, for instance, Google came under fire when the facial recognition feature on its Photos service started mistaking photos of black people for apes. Even without these bugs, AI background checks are designed to follow rigid criteria when categorizing information or deciding what to flag. As a result, these automated systems may have a disparate impact on minority groups—an issue that a human decision-maker could avoid.

- They might have a limited scope: Quality background checks are often assembled from multiple sources, including county criminal history records, multi-jurisdictional databases, address history checks, alias checks, verifications for resume information, and driving history checks. Not all AI background check tools are using broad-enough data sources to vet candidates. Reports indicate that CoreLogic uses a database of only 80 million criminal records for its searches. In contrast, the proprietary US OneSEARCH database at backgroundchecks.com includes more than 650 million records.

- They lack an understanding of background check laws: States and parts of the country pass and maintain different laws on background checks. For instance, state policies vary on whether arrest history information can be used in hiring decisions. AI background check systems are not sophisticated

enough to determine which laws, ordinances, and regulations an employer must follow. Even if an employer decides to use these background check technologies, they still carry the responsibility of complying with all relevant laws. From the Fair Credit Reporting Act to ban the box legislation, legal requirements still apply, and AI may not enforce them.

The Cautionary Tale of Predictim

None of these drawbacks mean that AI background checks are a lost cause. Artificial intelligence and machine learning could play a central role in the vetting of employees, volunteers, contractors, tenants, babysitters, and others. However, there are arguments to be made against the early adoption of these technologies, including the story of the AI background check company Predictim—one of the earliest failures in this niche.

Predictim was a buzzworthy tool for screening babysitters that received press in major outlets such as The Washington Post, Forbes, and CBS News. The idea behind Predictim: algorithms collect information about prospective babysitters from online sources, including social media accounts and online criminal databases. Predictim would then "grade" each potential babysitter in categories such as attitude, respectfulness, bullying, drug abuse, and explicit content.

The road to Predictim's launch was paved with controversy from questions of racial discrimination to FCRA compliance concerns. Facebook and Twitter blocked the service from accessing user profiles, stating that Predictim violated their rules for privacy and surveillance.

The company halted its launch in 2018 and has been inactive ever since. The company's Twitter account has been dormant now since November 2018, and it is not clear whether Predictim will ever launch.

Conclusion

Automated or AI-driven background check tools can offer benefits such as speed, efficiency, and the creation of more thoughtful background check criteria. However, today's AI tools lack the nuance that is necessary to conduct fair, compliant, and compassionate vetting for employees and tenants. While these tools can supplement traditional and manual background checks, they cannot yet replace them.

At backgroundchecks.com, we offer an ongoing criminal monitoring tool that allows employers to conduct repeat checks on employees each month. This system makes it easier to spot recent developments that might affect an employee's ability to perform a job, but it doesn't lead to the drawbacks or moral quandaries that plague AI background checks. To learn how our background checks avoid the pitfalls of early AI and algorithm-driven vetting, contact us today.

Now you know.