

Background Checks in a COVID-19 World

COVID-19 has affected jobs and employment more than any event in recent memory. More than 38.6 million Americans have filed for unemployment aid since mid-March—nearly 24 percent of the United States labor force, according to CNN. Many of the workers who have kept their jobs have transitioned to working from home until states begin loosening restrictions, state-of-emergency declarations, and stay-at-home orders. As a crucial part of the hiring and employment equation, background checks have also been affected by this historic crisis.

In this white paper, we will explore how COVID-19 has impacted background checks and what employers need to know about screening job applicants as they pull their workforces back together.

The Effects on Background Screening

The good news is that COVID-19 has not shuttered the background check industry. Background check companies, including backgroundchecks.com, are still operating. We are proud to continue to serve our customers, particularly those that must onboard new employees quickly to respond to urgent spikes in need or demand. Any employer that needs help designing or tweaking their background check policies to suit this unique time is welcome to contact us for advice and assistance.

Some types of background checks have been delayed due to stay-at-home orders. Here are several standard pre-employment background screenings that you may notice process more slowly than usual due to COVID-19:

- **County criminal checks.** Some county courts digitize their records, which means that those searches can be conducted online with no delay from COVID-19—but in some cases, county courts require on-premise searches. Under normal circumstances, backgroundchecks.com maintains a nationwide network of criminal record researchers who can visit county courthouses in person to conduct those on-premise searches. Some of those searches can be completed on a public terminal at the courthouse, while others require paperwork or face-to-face interfacing with court clerks. Even in a normal situation, these extra steps can slow the turnaround time for county criminal checks—though county criminal checks still rarely take longer than our 1-3 business day estimate. Right now, in areas where county courts require on-premise

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searches but are closed due to COVID-19, there may be delays in our ability to process county criminal history searches.

- **Driving record checks.** Driving record checks involve pulling records from state departments of transportation or motor vehicles. For the most part, these checks have not been delayed during the pandemic. The exception is Pennsylvania, where the Department of Transportation was briefly closed. PennDOT has since reopened and is catching up on backlogged work.
- **Drug screenings.** At backgroundchecks.com, we offer a variety of drug tests via a network of Drugs of Abuse Screening Systems. These systems are installed in 2,000+ occupational health clinics throughout the country. Most of these health clinics have remained open throughout the coronavirus pandemic, but some job candidates may not feel comfortable visiting a drug testing lab at this time. Some labs are requiring individuals to pass temperature checks before entering these labs. If you are thinking about ordering drug testing for your candidates through backgroundchecks.com, reach out to learn more about our drug testing network, our open lab locations, and the specific requirements that those labs have for masking, temperature checks, and more.
- **Education verifications.** These checks involve contacting the college, university, or institution listed on a candidate's resume to verify information such as degrees or credentials received and dates of attendance. For the most part, these checks have not been delayed by COVID-19. Even though colleges and universities suspended in-person classes months ago, these institutions have not shuttered entirely. Whether these checks are delayed will depend on the institution and whether any of its offices are closed or personnel furloughed.
- **Employment verifications.** Employment verifications are more likely to encounter coronavirus-related delays than education verifications. Many businesses and organizations remain closed, from retail to restaurants to offices and beyond. Others have transitioned to work-from-home structures but have laid off certain employees or not pivoted all functions to remote work. For instance, employee files in some offices may be tethered to the office, leaving an HR employee unable to answer questions about a past worker's employment from home.

Not all employment checks will be delayed. Some employers have online databases of employee information that they can access from anywhere and HR departments that are still running at full speed. Still, hiring managers should be ready for these checks to take longer than usual.

At backgroundchecks.com, we offer several instant background checks that are especially helpful for employers at this time. Our proprietary multi-jurisdictional database, US OneSEARCH, incorporates more than 650 million criminal records from throughout the United States as well as offender registries, national and international terrorism sources, and more. Other instant checks include US AliasSEARCH, US OneTRACE, and our credit history searches.

Other Factors to Consider

When devising a background check strategy for quarantine time, it's critical for employers to consider all the factors that might influence the checks that they choose to run as well as longer turnaround times and which

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additional checks to consider implementing because of the COVID-19 pandemic. Here are three specific considerations that we are urging our clients to weigh:

1. The need to hire quickly

Most employers have been downsizing or slowing down throughout the pandemic. According to late-March figures from CNBC, nearly 50 percent of companies surveyed were considering layoffs, while one-third were freezing hiring. The ever-climbing unemployment rate suggests that few businesses and industries have been untouched by COVID-19.

Certain sectors have faced upticks in demand during COVID-19 and have been working to hire quickly to keep pace. Employers in the healthcare, grocery, e-commerce, and food delivery industries are hiring at a rapid rate.

In mid-March, Walmart committed to hiring 150,000 new hourly associates by the end of May. Less than a month later, the grocery and department store chain had met that goal after receiving over a million applications and hiring an average of 5,000 associates per day. Walmart subsequently committed to hiring another 50,000 associates. Those jobs include positions in Walmart stores as well as in its distribution and fulfillment centers.

These employers have been onboarding employees quickly for reasons that go beyond their commitment to adding staff. For Walmart, a nationwide uptick in both grocery store traffic and online ordering demanded additional personnel. Most of the roles were temporary, which means that Walmart needed to hire rapidly and get those new employees to work as soon as possible.

What can employers in these situations do with background checks? Despite the pandemic and the delays and disruptions that it has caused for certain background screenings, those screenings remain critical. Background checks are a must for catching candidate red flags that might put customers or employees at risk. No matter how urgent the hire, skipping background checks is not and has never been a smart option.

Current background check delays should be minimal, which gives employers more options for vetting new hires. Delays should lessen as courts, businesses, universities, and drug screening labs reopen—a process that is already underway in many parts of the country. By mid-May, courts across 30 New York counties—most of them in upstate New York—had reopened. Courts in New York City, one of the epicenters of the virus in the United States, were open by the end of the month. Barring a significant spike in COVID-19 cases, there should be little delay with county criminal history checks.

If delays are anticipated, employers on a deadline can rely on database checks such as our US OneSEARCH. While we often advise backgroundchecks.com clients to supplement our multi-jurisdictional checks with specific court searches, the scope and reach of our US OneSEARCH check is a strong start, particularly if courts in a particular county are still closed or are not processing background checks.

We can advise you on whether to expect delays and other roadblocks with any of the background checks that you typically conduct.

Now is the time to assess your background check policy and determine which checks are essential to conduct before a hire starts work and which ones can wait. For most jobs, education or employment verifications are less urgent than criminal history checks.

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Even if you defer parts of your background check process, that does not mean eliminating those checks. If you plan to run a check at a later date, clarify in your letter that job offers are contingent on the successful completion of all required background checks—even if some of those checks will not process until after the candidate has started work.

2. The ability to delay start dates

If you are filling a position that isn't urgent, you might consider delaying a candidate's start date. Waiting will make it easier to conduct a thorough background check and might serve as an added health protection. For instance, UC Davis is currently delaying start dates for new hires if they have tested positive for COVID-19 or display associated symptoms. You can make a conditional job offer now and finalize the hiring process when background checks are possible again or when your hires can pass a health screening.

3. The prospect of a health screening

More companies are weighing health factors as part of the background check process. Both for new hires and individuals returning to work after COVID-19 closures, health screenings are common. Many employers are even using regular temperature screenings as a means of spotting individuals who may be positive for COVID-19 but asymptomatic.

Per the CDC, employers are permitted to delay an applicant's start date or even withdraw a job offer (if the job start date is urgent) if an applicant tests positive for COVID-19 or exhibits symptoms connected to the illness. Organizations may consider adding these checks as they bring employees back into the office or staff public-facing businesses.

Why Background Checks Are Still Critical

Until mid-March, we were experiencing a job seeker's market. In October 2019, the national unemployment rate [hit 3.5 percent](#)—a 50-year low that held steady until the start of the coronavirus pandemic. Now, we are living in an employer's market. [According to the Washington Post](#) (and based on U.S. Labor Department statistics for April), nearly every state in the country has hit record-high unemployment rates. In the three states where the economies have been hit the hardest—Nevada, Michigan, and Hawaii—unemployment spans a quarter of the states' workforce populations.

What do these figures mean for background checks? Many people will be searching for and competing for jobs in the coming months and years. A more competitive market and increased desperation among job seekers could mean more lies on resumes and job applications. This increase in dishonesty from job candidates underscores the need for employers to verify key information, from criminal history to college degrees to past job experience.

Resume fraud is already common: [85 percent of respondents to a 2018 HireRight survey](#) said that they had discovered embellishments, lies, or other falsifications on a candidate's job application or resume at least once. That figure rose significantly from five years previous' 66 percent. Candidates, especially desperate ones, are willing to lie about [a wide range of topics](#), including degrees or education credentials, professional licenses, job titles, job responsibilities, salaries, employment dates, and criminal records.

It is vital for employers to have full access to the facts when making hiring decisions. Most businesses are cash-strapped from pandemic-related losses or slowdowns. In April, only a month after COVID-19 emerged in the United States, [a survey from Main Street America](#) found that nearly 7.5 million small businesses (a substantial percentage of the country's approximately 30 million small business ventures) were at risk of closing permanently. As of mid-May, [studies were showing](#) that more than 100,000 businesses had shut down for good. Businesses that are already operating on razor-thin margins need reliable employees, and they cannot afford the cost of turnover or negligent hiring. The U.S. Department of Labor estimates that the cost of a bad hire [is approximately 30 percent of the individual's annual salary](#). The average settlement for negligent hiring lawsuits is nearly \$1 million, [according to HR.com](#), and employers lose 79 percent of those cases. Background checks give employers more information to work with and identify red flags that can help them avoid bad hires, costly turnover, and business-ending legal troubles.

For these reasons, now is not just the time to stay the course with your background check policies but also an opportune moment to assess those policies to make sure that they are capable of identifying candidate dealbreakers.

A Holistic Hiring Overhaul

Background checks may be delayed, but remember that background screening is just one element within the shifting employment landscape. The hiring process is changing, which may put employers in a position to execute a holistic hiring overhaul, either now or in the near future.

Here are some changes that might emerge:

- **Remote hiring.** More than half of all American workers have spent the pandemic working from home, [according to Zapier](#). This massive experiment in remote work has the potential to reshape multiple aspects of employment. By experimenting with remote hiring processes—and getting rid of in-person interviews and other on-premise touchpoints—employers can onboard new employees while minimizing COVID-19 exposure risk for candidates, hiring managers, and other employees. Embracing remote hiring will likely involve adopting new technologies, including video interview tools and online skills testing systems.
- **Hiring for remote work.** If you are hiring an employee who will be working in a remote role, think about how that factor might affect your hiring choice. Focus on the qualities that you want in a successful remote worker, such as a strong track record of self-motivation, excellent communication skills, and comfort with technology. Workers with these soft skills have been able to adapt to work-from-home arrangements most easily. It may be smart to consider these aspects for all employees going forward in case a second wave of COVID-19 or another unexpected event shuts businesses down again.
- **Job postings and application systems.** Now is the time to revisit your online job postings and applications to make sure that they are designed for ease of use, efficiency, and relative speed. A candidate embarking on a remote hiring process with your company won't have confidence in that

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process if it starts with a slow, clunky online application.

- **Applicant tracking systems.** An applicant tracking systems (ATS) can automate and streamline certain parts of the hiring process, such as sorting resumes and sharing feedback or candidate ratings across your hiring team. If remote hiring is on the rise, expect the ATS to become a central tool of recruitment, hiring, and onboarding.
- **Digital consent forms for background checks.** Especially if your business is in a position to hire quickly, every minute counts. Making sure that you have the permission to conduct background checks as soon as you are ready to start them can save precious minutes, hours, or even days. Devising digital consent forms that clearly communicate what a candidate is authorizing (and that comply with the Fair Credit Reporting Act to the letter) is a must.
- **Chatbots.** Chatbots and other automated technologies have been on the rise, mainly for customer service functions. [One prediction](#) says that chatbots will handle 85 percent of customer interactions by 2021. Employers have a lot to gain by adding these technologies to their hiring processes. Just as a customer may have a question about a product or service that a chatbot can answer, a candidate may come to you looking for answers about the position or the progress of the hiring process. It is difficult for hiring managers to spend time responding to each of these questions, but chatbots can handle them almost instantaneously. These technologies are a way to foster better communication between your business and prospective hires, which improves the candidate experience and leads to better hires.

You should consider implementing technologies or workflows that can streamline and automate the background check review process. If you need to shorten the time between a candidate's first interview and their first day on the job, finding efficiencies in the background check process is a robust way to save time.

Start by identifying which red flags you are looking for on a background check that might cause you to reconsider a job offer. These details should be based on the position at hand—do not waste time worrying about background check findings that do not have any bearing on the person's ability to perform the job. For a delivery driver role, a record full of tickets and license suspensions is a dealbreaker. For a cashier role at a grocery store, driving history may be irrelevant. Thinking about red flags in this manner will not only save you time in the background check review process but will also help you to stay compliant with FCRA and EEOC guidance.

Designing a workflow for adverse action can also save headaches and time. This part of the process—making the call not to hire someone due to something from their background check—is a tricky step, one in which employers do make mistakes. Your workflow must be built on a thorough understanding of both the FCRA and the specific laws, ordinances, and rules in your jurisdiction or area. Armed with this knowledge, you can build a policy for efficiently initiating adverse action that notifies applicants in a compliant and respectful way.

A Note about Rehiring Furloughed Employees

Many employers will be rehiring furloughed or laid-off employees before they start hiring new people. A common question is, do these past-and-future employees need to be background-checked?

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The answer depends on the company and the employee. If the person was recently hired, then the background check that you have on record for them may be up to date. If the person was hired five years ago, now is an opportunity to re-check them.

If you do decide to re-check, focus on details that are more likely to change (such as criminal history or driving records) and not things that have likely remained the same since your last check (such as education or employment history).

Conclusion

Only time will tell how much COVID-19 has changed the job market, hiring, and work. Everything from handshakes in interviews to open-concept office designs could be going away. One thing that needs to remain constant is employee vetting.

Thorough employee background checks are as essential as they have ever been—even as closures in courthouses, drug testing labs, businesses, and colleges and universities cause unprecedented delays. By considering the information in this white paper, your business can prepare for hiring in this brave new world.