

Latest trends in background screening - MIE annual report

Background screening and talent management solutions are increasingly being relied upon as a means to identify top talent and manage the risks associated with hiring new employees.



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This is one of the main take-outs from the [2023 Annual Background Screening index](#) by Managed Integrity Evaluation (MIE), which identifies various background screening and vetting trends in South Africa's evolving employment landscape.

Over 3-million background checks

In 2023, MIE completed 3,210,763 background screening transactions for companies throughout Southern Africa, significantly up from 2022, indicating a growing demand for solutions that help organisations find the best talent with the right skills for the job.

MIE head of marketing, Jennifer Barkhuizen, says the increase in volume from 2022 is reassuring, especially in light of the high-profile cases of misrepresentation that have made media headlines in recent months.

“It is evident that the failure to check the credentials and qualifications of new hires can result in major reputational damage to organisations.”

Notably, the most requested checks submitted to MIE for 2023 were criminal record checks, followed by qualifications checks, identity checks, adverse financial history checks, fraud listing and employment history checks.

Barkhuizen says MIE recorded a 13% increase in risk associated with background screening year on year. “This means various discrepancies were uncovered when verifying credentials, or the credentials could not be verified. For example, we recorded a 23% increase in requests submitted for employment history checks in 2023, but discrepancies uncovered when conducting employment history checks were high, at more than 30%,” she adds.



Avoid employee fraud litigation by employing thorough background checks

Dhevarsha Ramjettan, Mbali Nkosi, Bianca Rutherford-Jones & Lutendo Raulinga 22 Jun 2023



Regulatory impact on screening

The report also identifies regulatory changes that are compelling players in various industries to be more vigilant about their screening processes.

In March 2023, the Financial Intelligence Centre (FIC) issued a directive making it obligatory for accountable institutions, including legal firms, real estate agencies, financial service providers, and other entities specified in Schedule 1 of the Financial Intelligence Centre Act (FICA), to conduct regular screenings of potential and existing employees. This measure aims to ensure that these professionals uphold the highest standards of competence and integrity.

The 2022 amendment to the Criminal Law (Sexual Offenders and Related Matters) Amendment Act, No 32 of 2007, requires various industries, including education and healthcare, to check whether employees or potential employees are listed on the National Register for Sexual Offenders (NRSO).

This is to ensure that individuals hired to work with children or vulnerable persons are not registered sex offenders, enhancing the protection of these groups.

Social media

The index also highlights a growing interest in social media screening and how more companies are looking to screen potential new hires on various social media platforms.

Barkhuizen says social media has changed the way people interact, consume news, shop and recruit. “Social media screening can provide additional information on an individual. It can help identify an individuals’ likes and hobbies, or it can highlight unprofessional or inappropriate behaviour that companies may not want to be associated with.”

In 2023, industries that requested the greatest number of social media screening checks came from the government, followed by the finance, banking & insurance; professional business & advisory services.



Employee screening now compulsory for accountable institutions

Johan Botes and Ethan Chetty 19 Apr 2023



Risks and integrity

The automotive industry carries the highest risk for adverse financial history (credit check) verifications, reflecting South Africa's depressed economy and its citizens' challenges in meeting their financial commitments.

Additionally, integrity testing takes the top spot when it comes to assessment and talent management solution requests. "While integrated competency assessments remain the most requested, integrity assessments stand out as the most requested individual evaluation in our portfolio, a trend that has persisted over several years and that underscores the continued emphasis placed by organisations on ensuring ethical standards and trustworthiness within their workforces," notes Barkhuizen.

Priorities

"Looking ahead, we expect organisations to prioritise workforce agility to prosper and excel. To foster this agility, talent leaders are likely to implement coaching, upskilling and internal mobility to address evolving demands.

"To ensure they make informed decisions in this dynamic space, companies are expected to opt for comprehensive background screening and talent management solutions to get a better understanding of an individual, as well as to streamline the recruitment process," she concludes.

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