

Vital Signs for a Healthy Hiring Program

Hiring and Retaining
Top Talent in Healthcare:
Survey Results and
Insights




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Executive Summary

Each year, recruiters and other HR professionals face an increasingly complex range of issues. They must find, screen and retain top talent in a tight job market even while managing compliance in an evolving regulatory landscape. Many are also looking for the best ways to conduct ongoing workforce monitoring.

To achieve such goals, they must answer critical questions. For example, what are the most important factors to consider when screening candidates, and what are the biggest challenges involved in ascertaining accurate information in a timely fashion?

Many organizations partner with background screening companies to address such questions. Therefore, knowing how to choose the best partners is also key. After all, background screening companies could ultimately help your organization streamline and transform your hiring process.

This study examines such issues in detail. In this investigation, a group of industry experts and thought leaders uncover potential best practices and guidance that may allow HR professionals to transform their hiring process and so make safer, smarter and faster decisions.

About this Survey

The "Background Screening in the Healthcare Industry" survey was conducted in the second quarter of 2019. It was undertaken in partnership with Sterling, a leading provider of background and identity services. Analysis of the data focused on organizations in the healthcare industry with 1,000 or more employees, yielding 87 unique responses. Ninety-seven percent of respondents were based in the U.S.

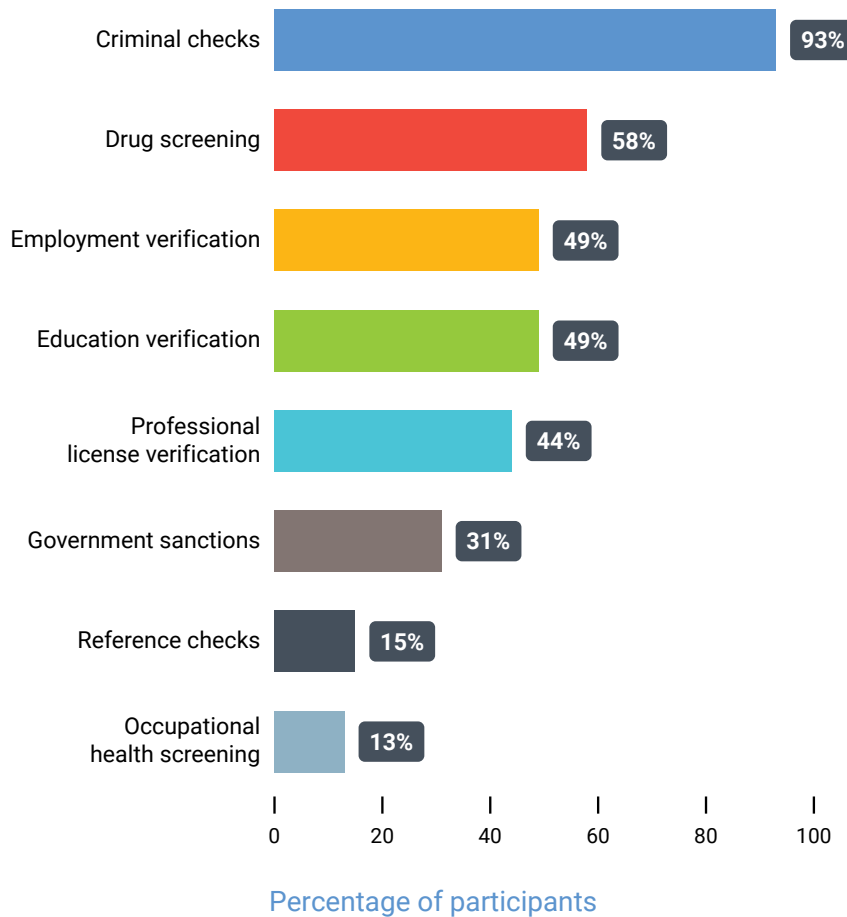
We present the survey responses as well as expert insights into the findings as appropriate. At the end, we've compiled key takeaways.



Disclaimer: Please note that the findings and recommendations contained in this report are for informational purposes only. Nothing in this report should be construed as constituting legal opinions or advice. Please consult an attorney if you have legal questions about any of the subjects mentioned in the report.

STUDY RESULTS

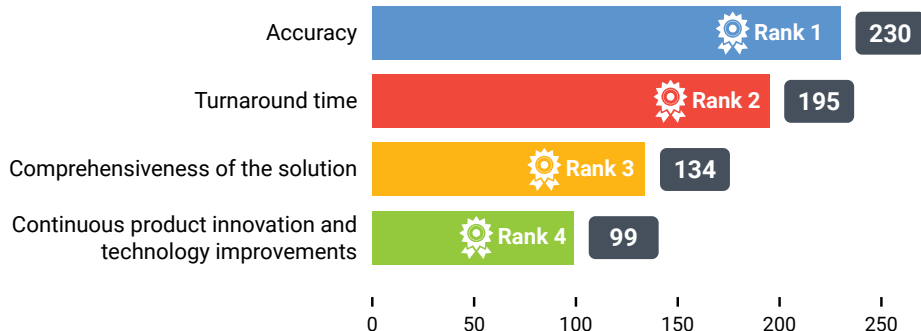
Survey Question: Which four types of background screening areas are most important for your organization? (select up to four)



Finding: Over 90% of organizations rank criminal checks as the most important area to screen

A criminal check is the element of background screening that is viewed as most important (93%), followed by drug screening (58%). Employment verification and education verification are tied for third most important (49%). Note that the factors that score lower on this list are not necessarily unimportant. It is just that respondents do not consider them as important as the other factors on the list. Participants were limited to four responses on this question.

Survey Question: Please rank order the following areas in terms of importance to your organization.



*Editor's Note: The rank of these items is based on the rank distribution scores, which measure the relative importance of items against one another.

Finding: Accuracy is key, with fast turnaround time as a critical component

Turnaround time ranks as the second most important factor, but only a third of participants reported being highly satisfied with the turnaround provided by their solution. These findings present the challenge of balancing accuracy with speed. The faster information is collected and distributed, the less time background screening firms have to properly vet it, potentially resulting in less accuracy.

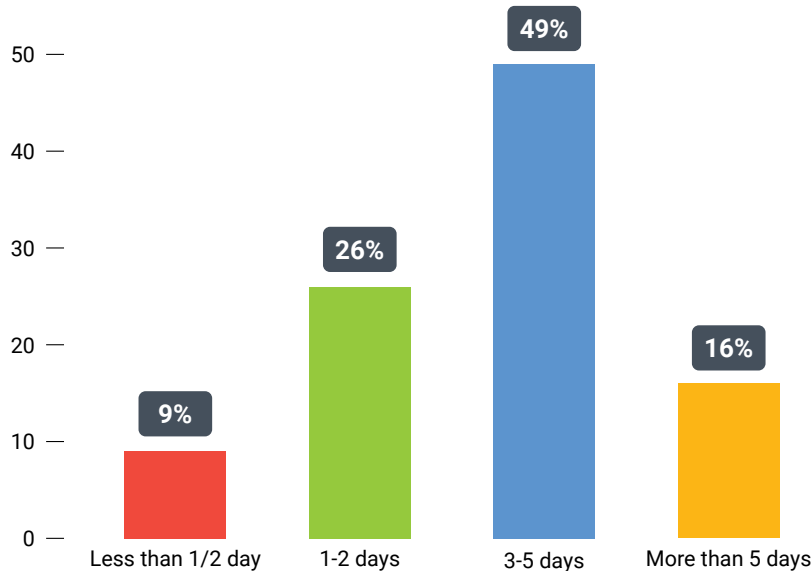
New technologies and processes are, however, starting to make speed and quality more compatible, as is suggested by the quote below from Nathan Anderson, VP of Product at Sterling and a specialist in the healthcare industry:

"While background screening in the past was a time-consuming and manual process, there have been significant investments in technology and innovation in recent years.

"Initially, this started with better technology in relation to county courts, but over time more and more of the screening process is being automated. In the near future, I believe we will see the industry adopting technologies like facial recognition, block chain and artificial intelligence. We can expect innovation to play a bigger role than in the past, so HR leaders should keep an eye on how this can improve their hiring, screening and on-boarding processes," Anderson added.



Survey Question: In your organization, what are the typical background screening turnaround times?



Finding: About half of organizations have a typical turnaround time of three to five days for background screening

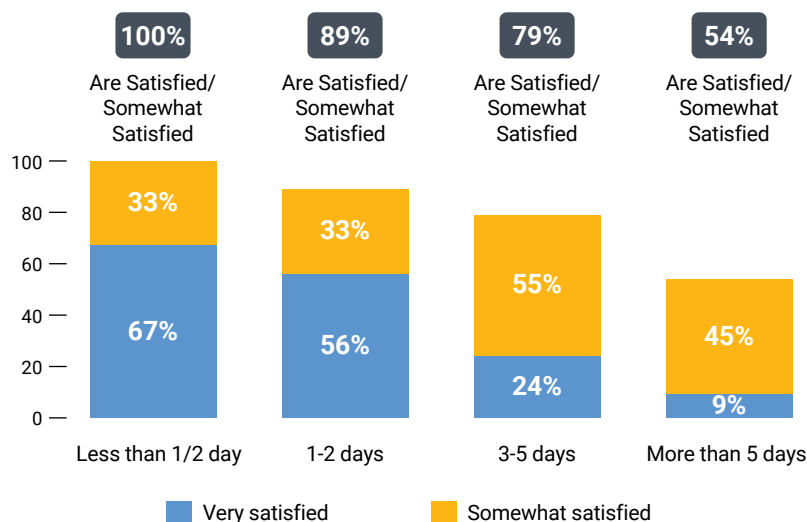
About one in three organizations have a speedy background screening turnaround time of just one to two days or less. However, longer turnaround times are more typical. About half of respondents report that a three to five day turnaround is more typical, and another 16% say their turnaround time exceeds five days.

A slower turnaround time might hurt the candidate experience. An HR leader at one \$10 billion healthcare group on the East Coast noted that slow turnaround times also hold up the organization itself, which is counting on having an empty role filled as quickly as possible. She said that in pre-electronic days it was understandable that background screening could be very slow, but today the process should be faster.

Sterling's Anderson added that the reality of background screening is that turnaround times are quite variable depending on the circumstances of specific cases and the services being performed as part of the check. This means that HR should focus on average turnaround time and systematically work to identify and reduce outliers.

Survey Questions: In your organization, what are the typical background screening turnaround times?

By Degree of Overall Satisfaction with Current Background Screening Solution



Finding: Overall satisfaction with the background screening solutions seems connected to the turnaround time

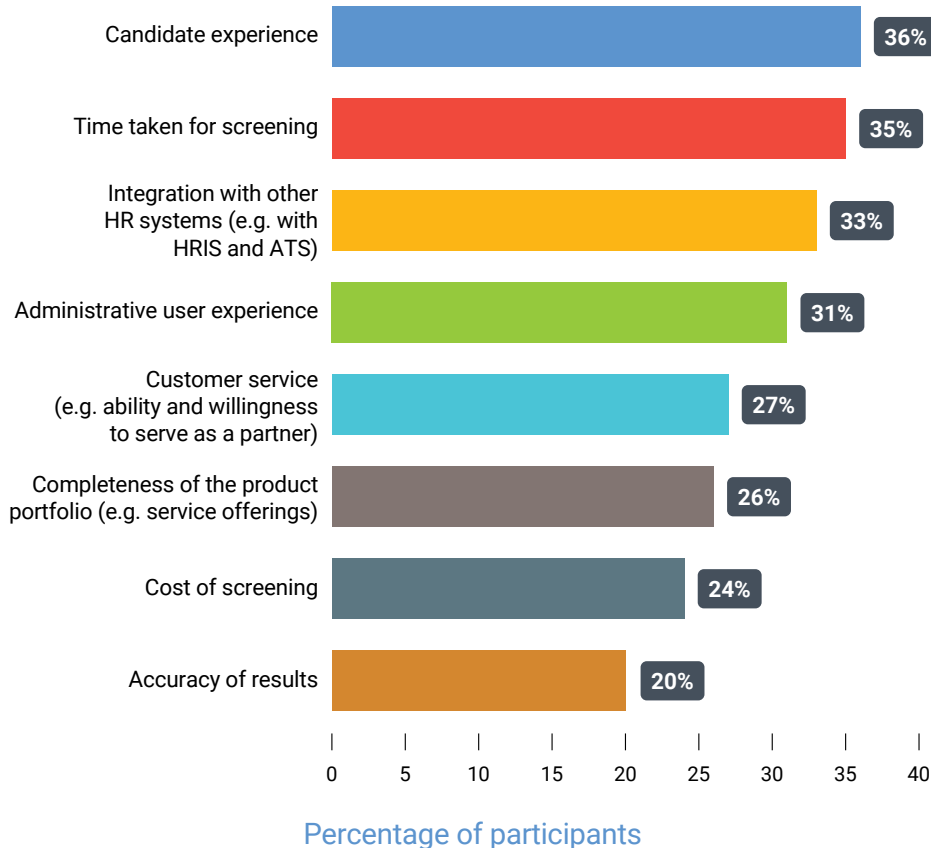
Satisfaction with a background solution appears to be related to turnaround time. Fewer than 10% of organizations with a turnaround time of greater than five days are highly satisfied with the overall quality of their background screening solution. However, 67% of organizations with a turnaround of less than half a day are very satisfied. (We should note, however, that only six organizations had such a fast background screening turnaround time.)

Among those who said their organizations enjoyed background screening turnaround times of 1 to 2 days, 89% said they were either satisfied or somewhat satisfied with the overall quality of their background screening solution. In contrast, among those who said their organizations have background screening turnaround times of more than five days, just 53% said they were either satisfied or somewhat satisfied with the overall quality of their screening solution.

In short, although accuracy is a must, faster turnaround times seem to be an important satisfier.



Survey Question: In which four of the following areas do you find your current background screening solution to be the weakest? (select up to four)



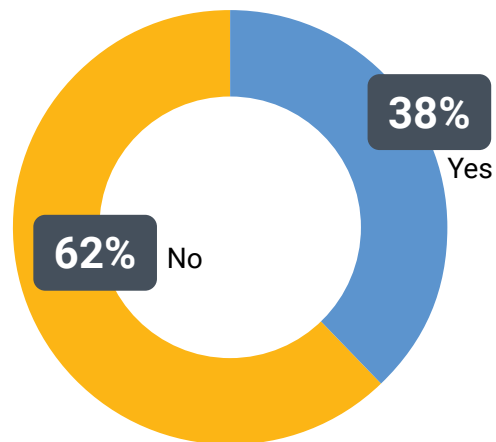
Finding: Candidate experience is the criterion most commonly cited as being a weak element in the background screening solution

Many healthcare organizations see candidate experience as being a key consideration in choosing a background screening partner or solution.

Unfortunately, it is the criterion cited most commonly as weak.

One way to improve the candidate experience is to provide consistent ongoing communication to the candidate so they are not left wondering where they are in the process. Another solution would be to set realistic expectations on how long the process may take; it is better to under-promise and over-deliver than to give people an overly optimistic estimate of how long the process will take.

Survey Question: Do you benchmark your background screening results (turnaround times and accuracy) against other organizations in your industry?



Percentage of participants

Finding: Surprisingly few organizations benchmark their background screening results against other organizations

One might expect that all organizations would occasionally benchmark the results of a core process such as background screening against other organizations, but that is not the case. Over 60% said they do not conduct such benchmarking.

If an organization does not practice benchmarking, it might be a good time to start since the ongoing digitization of the process means the industry is changing. One of the best ways to keep up with that change is to stay in touch with the results other organizations are getting.

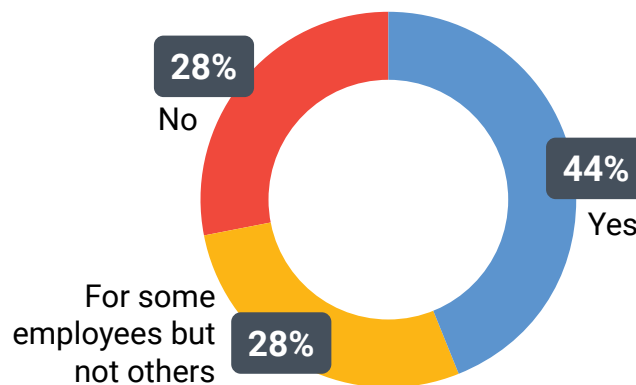
A key challenge, however, is that the exact information or benchmarks desired may not be readily available to the market.



How Widely Used Is Ongoing Employee Monitoring?

Employee monitoring refers to the practice of doing at least some ongoing background screening even after a person has been hired.

Survey Question: Does your organization engage in ongoing employee monitoring?



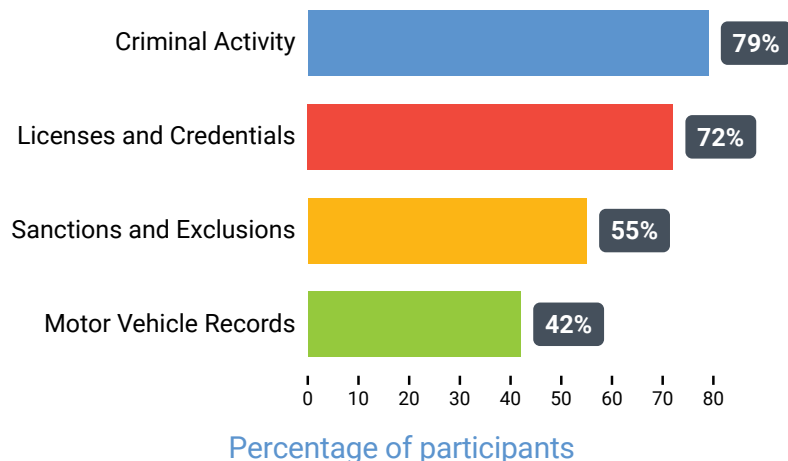
Percentage of participants

Only 28% of respondents do not engage in employee monitoring at all. Of those that do monitor, 44% do it for all employees and 28% for some employees. While employee monitoring may feel like an extra administrative burden for HR, many believe that it is sensible to stay up-to-date on employees' backgrounds in a field as sensitive as healthcare.

An HR leader at a healthcare provider which operates a dozen hospitals indicated that in her experience updating the background check is often ad-hoc. The update could be triggered by a change in position or by self-reporting from an employee (for example, they may report that they are facing a "driving under the influence," or DUI, charge). This approach is problematic because it isn't proactive. Companies that do not uncover adverse information can face heavy fines and penalties.

As the world continues to move in the direction of getting relatively easy and quick access to data on employees, employee monitoring should become an even more common practice.

Survey Question: What is your organization currently monitoring for?*(check all that apply)



*This graph applies to ongoing employee monitoring: that is, monitoring that occurs after employees have been hired

Finding: The factor most commonly checked for in employee monitoring is criminal activity

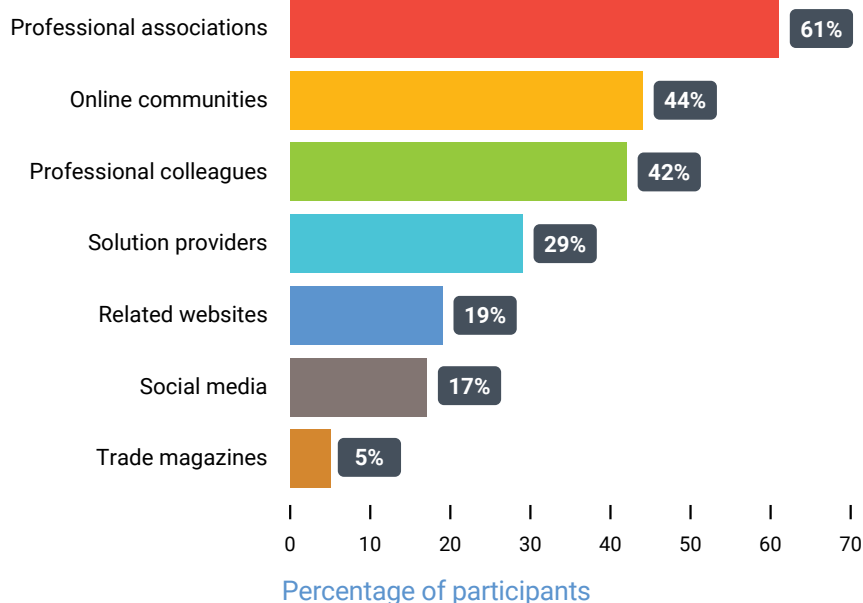
When companies do employee monitoring, they are most commonly looking at criminal activity (79%) and/or licenses and credentials (72%). If, as we expect, background checking becomes easier due to the digitization of records, more organizations will likely check on more factors even after employees have been hired.



How Human Resources and Talent Acquisition Professionals Stay Up-to-Date

The ever-evolving regulatory landscape presents several challenges to HR professionals in the healthcare field. How do you stay current with federal, state and local regulations? How do you know when those change take place and what are the far-reaching implications for your business across state lines and the country? Where do HR professionals turn for trusted, timely information?

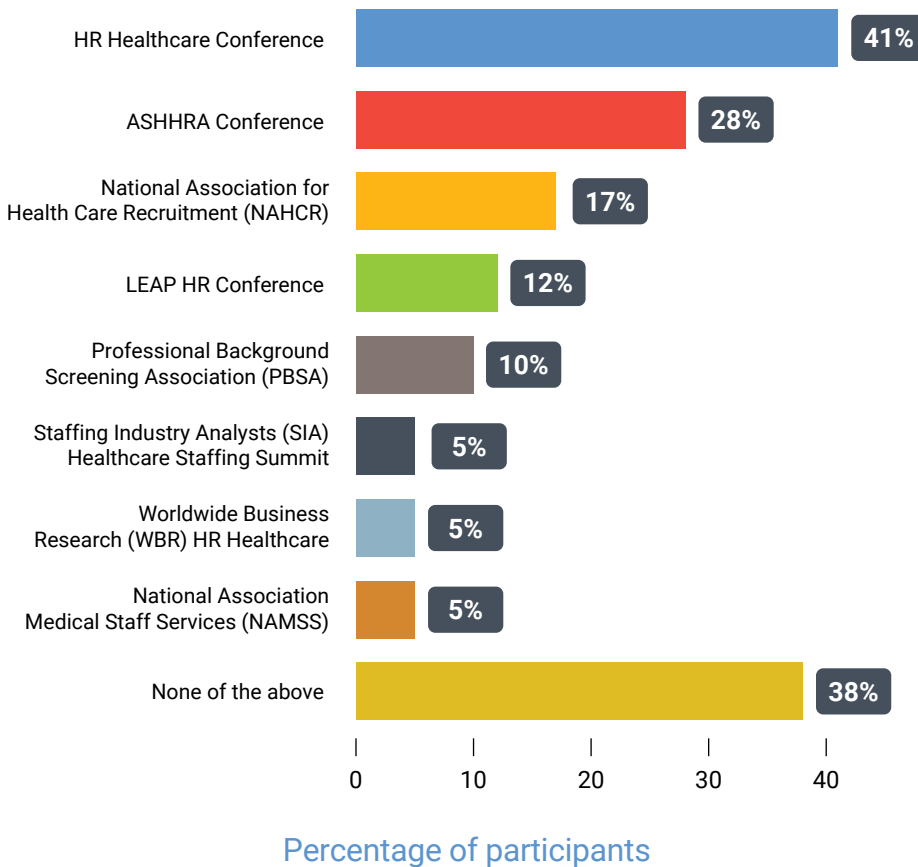
Survey Question: From which of the following sources do you obtain information on background screening solutions and evolving industry trends? (select all that apply)



Finding: The most important source of information on background screening is professional associations

HR professionals use a variety of methods to keep up-to-date on background screening. The only method used by a majority of participants is professional associations (61%), but it is also common to rely on online communities (44%) and professional colleagues (42%) for information. As with any HR process, healthcare professionals need to check if their background screening process is at least on par with current industry norms and meets legal obligations, so staying up-to-date is critical.

Survey Question: What conferences or events do you consider most important for gathering information on Human Resources in healthcare-related industries? (select all that apply)



Over a third do not value conferences as a means for gathering information on human resources in healthcare-related industries

Finding: The conference most commonly cited as a source of information is the HR Healthcare Conference

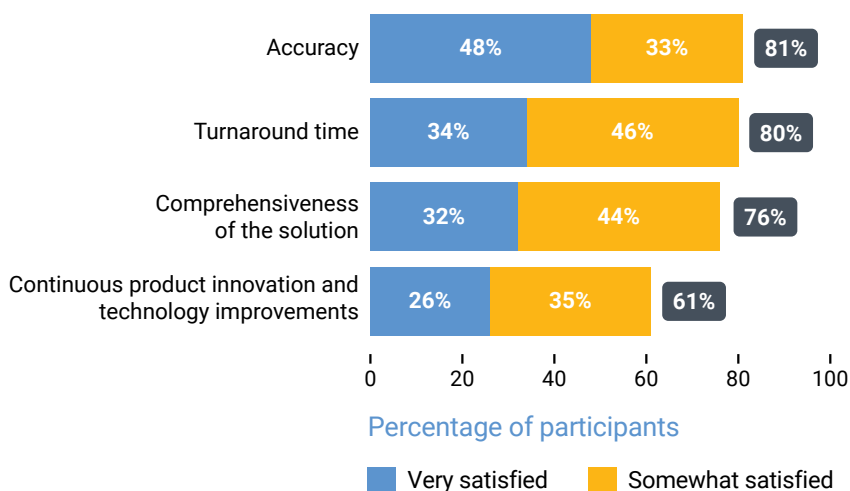
HR conferences are an important source for information and networking, so it is surprising to see that many participants (38%) answered “none of the above” when asked which conferences are viewed as a source of information. The conference that is most widely cited is the HR Healthcare Conference, selected by 41%.

Perhaps many of the survey participants find that other sources of information are more convenient and cheaper than attending a conference. In fact, it's not uncommon for seasoned HR professionals to value conferences more for the connections they make than the content they learn.

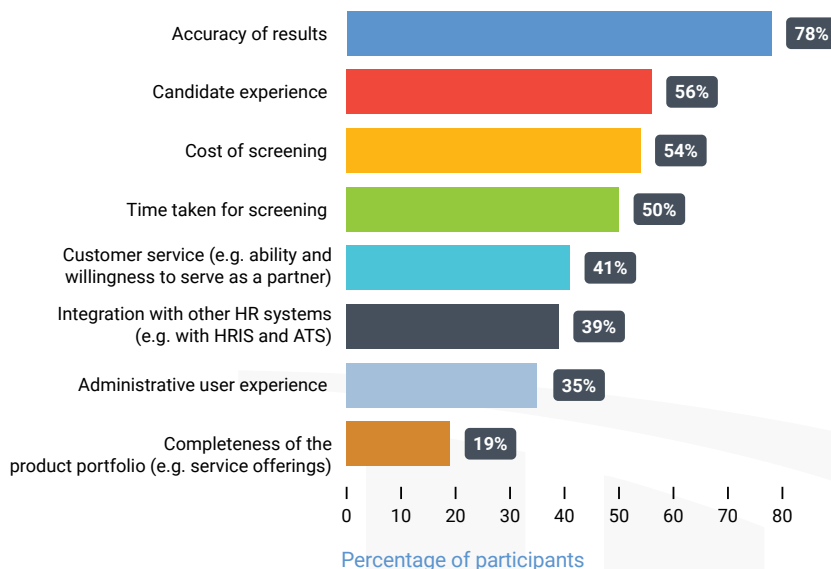
Challenges Defined. Now What?

Now that we've defined the key challenges, we wanted to find out who HR and Talent Acquisition professionals partner with to solve these issues.

Survey Question: To what degree is your organization satisfied with the quality of its current background screening solution in the following areas?



Survey Question: When looking for a provider of background screening services, which four of the following areas are most important for your organizational needs? (select up to four)?



Finding: Accuracy is the top criterion when selecting a background screening provider

Accuracy is essential when choosing a background screening provider, but employers also want job candidates to have good experiences. Of course, other issues are also key, including cost and the time taken for screening. In short, employers want fast, accurate and affordable background checks that do not alienate or stress good job candidates.

Healthcare organizations recognize that background screening isn't just an internal process that goes on behind the scenes. It matters deeply to candidates. Moving to a new job is a major event in a candidate's life, and so it's important that the background screening process does not introduce unnecessary uncertainty. Anything an organization can do to make the process pleasant, efficient and transparent will be appreciated by candidates.

The process should generally be smooth, not have multiple steps and be as quick as possible since "time kills deals." Background screening firms that focus on assuring customer satisfaction with accuracy seem to be on the right track.

Continuous innovation and technology improvements rank fourth in importance, but it is also the factor participants are least likely to be satisfied with.

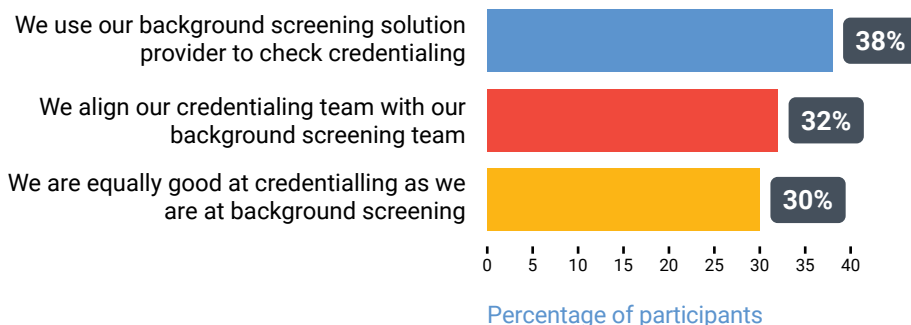
How might background screening companies become more innovative? In the process of this research, we interviewed an HR leader with almost 20 years of experience in the healthcare industry. She states that she would like to see better dashboards with prompt reporting on the status of the background screens, noting that having it available on a mobile device would be a nice plus.

Another HR leader explained that even some simple innovations could be helpful. He mentioned, for example, sending emails that keep client companies up-to-date on how a background screen was proceeding.



What Role Do Background Screening Providers Play in Credentialing?

Survey Question: Which of the following statements are true in your organization? (select all that apply)



Fewer than a third of organizations are as good at credentialing as they are at background screening

Finding: Just over one in three organizations uses their background screening provider to check credentialing

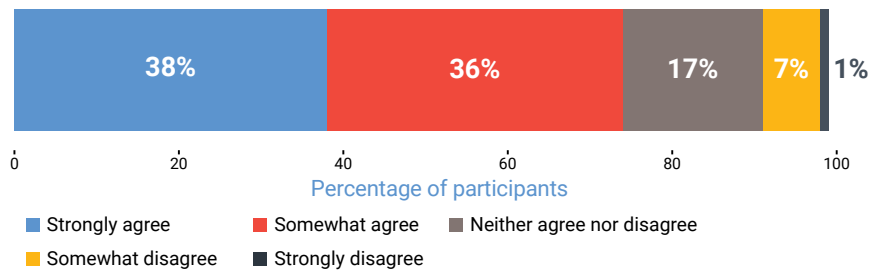
There is a lot of overlap in what is performed by background checks and credentialing teams. So one would expect the two groups to leverage their background screening provider, but that is not the case. Only 38% of responding HR professionals use their background screening provider to support credentialing, and even fewer (32%) say that the credentialing team is aligned with their background screening team.

Another HR leader in the healthcare industry points out that credentialing depends on information provided by the candidate, which can slow things down. She feels the industry is moving towards outsourcing credentialing, but it still tends to be a very manual process. If that is the case, then the question is why are companies collecting this information twice as opposed to just doing it once for both background screening and credentialing?

Overall, credentialing isn't as efficient a process as background screening. Only 30% of organizations report they are as good at credentialing as background checking. This is likely due to the fact that background checks are usually outsourced to background screening providers that specialize in this service whereas a lot of companies perform credentialing in-house. Companies therefore may want to consider integrating their credentialing processes with their background screening solution for increased efficiency.

Industry Expertise Matters!

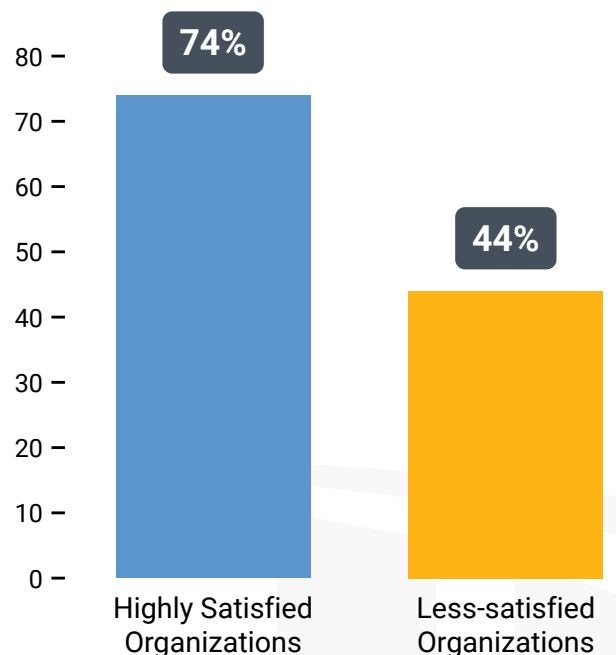
Survey Statement: Our background screening provider knows our industry/business very well



The following graph, which is based on the same question as above, shows that organizations that are highly satisfied with their current background screening solution are also considerably more likely to strongly agree that their solution provider knows their industry well, compared with organizations that are less satisfied with their solutions.

Highly satisfied organizations are more likely than less-satisfied ones to have providers who know their industry well

Strongly agree that provider knows industry well



Almost three-quarters of the organizations that are highly satisfied with background screening use providers who know the industry well

Finding: Highly satisfied organizations are more likely than less-satisfied organizations to have providers who know the healthcare industry well

One notable difference between organizations that are very satisfied with background screening and those that are less-satisfied is that the very satisfied ones are much more likely to have a provider who knows the industry well.

Sterling's Anderson stated, "One of the reasons background screening in healthcare is so complicated is that what needs to be checked, and how, varies for each jurisdiction and job position."

The takeaway here is that industry know-how matters. If organizations are not satisfied with their current background screening partners, then they should consider looking for a provider with expertise in healthcare.





Conclusions, Insights, And Takeaways

1

Current Background Screening Practices

- Criminal and drug screenings are the most important and common searches done.
- Accuracy is the most critical criterion. Also important are turnaround times and positive candidate experiences.
- The average turnaround time for healthcare organizations is 3-5 days, but leaders are looking to shorten that time significantly.
- The longer the turnaround time, the less satisfied the HR professional is with the background screening solution or provider.
- Respondents' current solution is weakest when it comes to candidate experience.
- Few healthcare organizations actually benchmark their screening results against others.
- Only 28% of organizations currently undertake ongoing employee monitoring of all employees.
- Credentialing is usually done internally and does not leverage the information already returned in the background screening process.

2

Staying Current with an Ever-Evolving Regulatory Landscape

- HR professionals rely primarily on associations to stay up-to-date on regulations, legislations, best practices and other industry news.
- Social media has become an important resource in order to stay current.
- Although events can be an important venue for learning and networking, they are secondary to other channels.

3

Background Screening Solutions and Partners

- When selecting a solution or partner, accuracy is widely viewed as most important. Turnaround times and candidate experience are also key.
- Ongoing monitoring and credentialing may be services that a background screening company can also deliver, which allows HR professionals to consolidate and streamline service providers.
- Technology is helping to transform background screening and employee monitoring, providing automation while also reducing the risk of human error and overhead costs.
- Healthcare industry expertise is a big factor when it comes to satisfaction with a background screening provider.

“The survey and its results illustrate the growing challenges HR and talent acquisition professionals in healthcare face on a daily basis. Accuracy, turnaround times and candidate experience continue to be paramount concerns,” said Val Poltorak, General Manager for Sterling’s Healthcare and Life Sciences Industry Practice. “However, many of these professionals aren’t satisfied with the services their current background screening vendor is providing. They need to partner with a company that not only has deep industry expertise and experience, but also the resources, additional services such as credentialing, and advanced AI enabled technology that will help them continue to evolve and scale as the hiring and regulatory landscape changes, and their organization grows,” Poltorak added.



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