Seven of the biggest recruitment challenges facing HR & talent teams in 2024

How background checking and hiring affect the broader HR landscape

Contents

Introduction & methodology

Zinc, an all-in-one, global background checking provider, conducted an extensive survey involving over 120 HR leaders across the UK to ascertain their priorities for 2024. In addition, this report presents exceptional findings obtained through analysing monthly references and background checks from over 500 customers.

In the current UK job market, there is an increasing focus on identifying top candidates and providing a positive hiring experience despite the challenging economic climate.

Our research indicates numerous companies are actively improving their hiring processes to simplify the candidate experience and ensure the practical selection of suitable individuals. However, ongoing challenges like resource limitations, inadequate integrations, and evolving regulatory compliance emphasise the need for continual enhancements in the recruitment process.

Streamlining and accelerating the hiring process

Streamlining and accelerating the hiring process

Our survey found that 'Quality of hire' is the top success measure for 83% of respondents, followed by 'time to hire' at 71% and 'candidate experience' at 70%.

TOP PRIORITIES IN HIRING

83%
quality of hire

71%
reducing time to hire

70%
quality of candidate experience
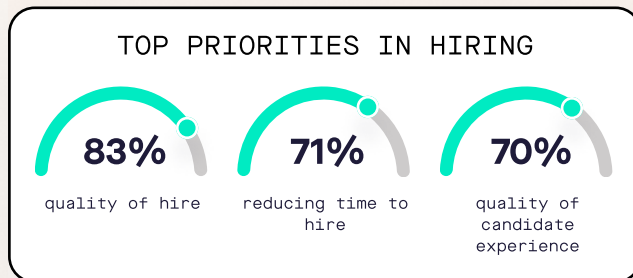
Why is quality of hire so important?

A weak economic climate has resulted in more people looking for jobs in 2024. A KPMG report supports this suggestion: "Employers are reining in hiring and continuing with redundancies in response to the sustained economic slowdown. Businesses want to plan for the year ahead, but the prospect of faltering UK economic growth means the certainty they need isn't there."

Speedy recruitment matters more as companies get bigger

While quality hiring is a top priority across businesses, organisations hiring over 1000 people state hiring speed as the most critical metric. Larger companies may find it easier to attract qualified candidates, but data suggests their hiring processes may be too manual and slow. Reducing hiring speed is essential to ensure talent is secured before they accept other offers.

Automation enables hiring teams to concentrate on crucial responsibilities, such as interviewing and assessing candidate suitability.

WHY DOES IT MATTER?

Hiring exceptional talent quickly while providing a great candidate experience is challenging for teams with limited resources. Many talent teams often find themselves stuck in a cycle of hiring, layoffs, and rehiring. However, investing in automation and technology can help break the cycle.

GOOD PAY & BENEFITS

Even if smaller businesses can't pay as much as big companies, offering good pay and extra perks like health benefits or bonuses can make the job more appealing.

COMPANY CULTURE MATTERS

Talk about what makes your workplace unique. If your company has a positive and inclusive vibe, let candidates know. Many people like working in a friendly environment, aligning with their values.

FLEXIBLE WORK

Give employees some flexibility in their work. Letting them work remotely or have flexible schedules is a big plus for those looking to balance work and personal life.
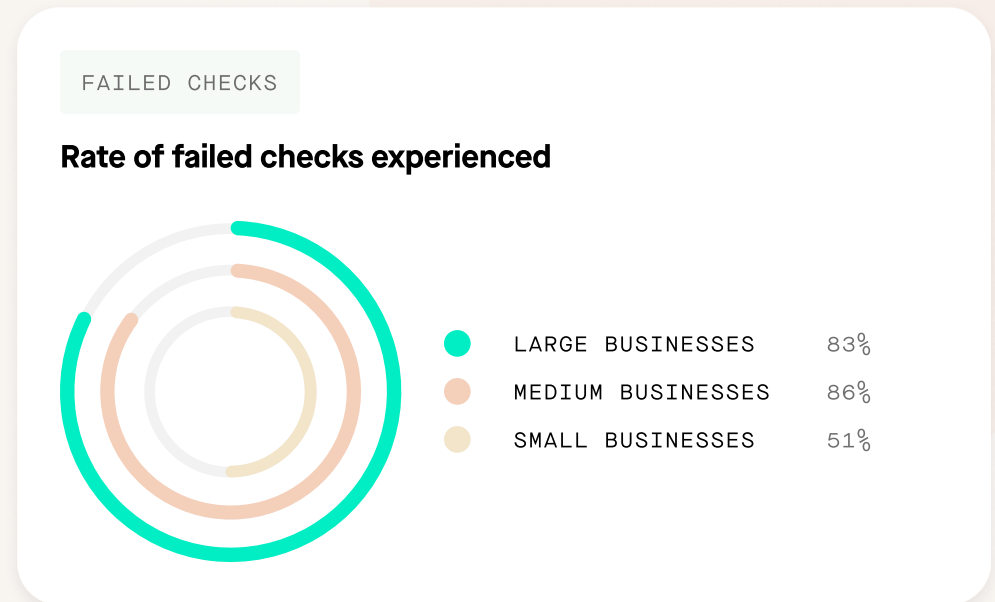
Hiring processes that are both secure and scalable

Hiring processes that are both secure and scalable

When looking for the perfect candidate, a lot of work goes into crafting job descriptions, promoting vacancies, and conducting interviews. However, the excitement of discovering a great candidate might be diminished if they fail background and reference checks.

Relationship between business size and failed checks

Studies show that as businesses get bigger, they are more likely to come across candidates who fail some parts of their background checks.

FAILED CHECKS

Rate of failed checks experienced

- LARGE BUSINESSES   83%
- MEDIUM BUSINESSES   86%
- SMALL BUSINESSES   51%

SMALL BUSINESSES

Half of all businesses making 21-100 hires in a year have had candidates fail part of their background checks.

MEDIUM BUSINESSES

Approximately 86% of businesses, making 101-500 hires in a year have had candidates fail part of their background checks.

LARGE BUSINESSES

Around 83% of businesses, making 501+ hires in a year have had candidates fail part of their background checks.

## 85% report candidates failing background screening

97% of businesses hiring 1000+ candidates yearly have found bad actors, citing reasons like non-disclosure, CV fraud, and conflicting interests. A "bad actor" in recruitment is an individual who engages in deceptive or dishonest practices during the hiring process. This may include providing false information on their resume (CV fraud), concealing relevant details, having conflicting interests impact their suitability for the role, or engaging in non-disclosure of crucial information.

Candidates may resort to non-disclosure or fraudulent activities to enhance their chances of securing a position, especially in larger organisations with significant hiring needs. Smaller organisations may still need to be equipped to detect bad actors automatically.

Are smaller businesses attracting more honest candidates or just failing to detect them?

Of the 15% who hadn't had candidates fail any check were:
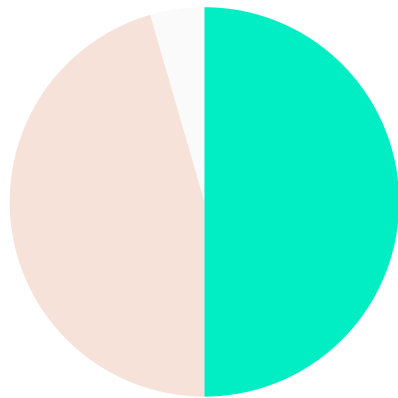
50% were less likely to express confidence in their background screening process

45.5% less likely to have automated their candidate verification process

These organisations were also **2x more likely** to describe their integration between their HR/Talent systems and background checking as 'poor' or 'challenging'

Assuming bad actors are as likely to apply to smaller organisations, it is likely less robust processes, leading them to be open to risk.

Organisations reporting failed background screening for candidates

100%

75%

50%

25%

0%

<250   250-1,000   1,000+
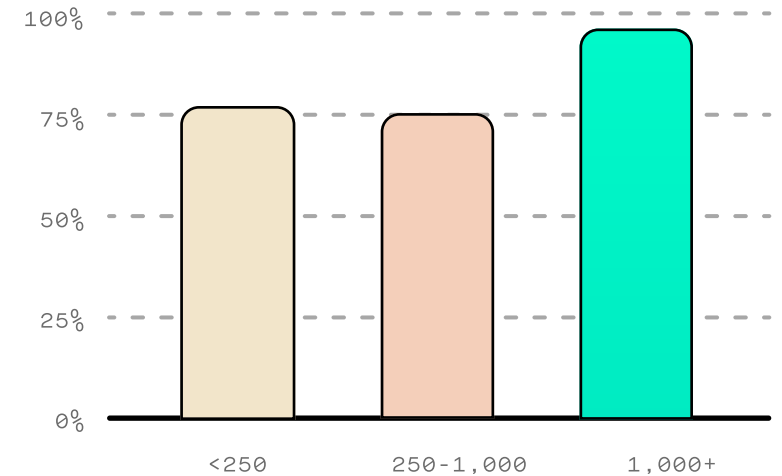
We've spoken to many leading HR and TA professionals who are now reaping the benefits of conducting checks earlier as a screening tool rather than a validation technique. If you're working for a larger organisation, screening earlier in the recruitment process could save you and your team valuable time and budget.

Creating the most appropriate hiring process for the unique needs of your business

Creating the most appropriate hiring process for the unique needs of your business

Zinc's automated background checking data show employment screening failure rates, highlighting sector-specific effectiveness and trends. The failure rate in this context indicates the number of people whose records raised concerns. It's crucial to note a failure doesn't automatically disqualify a candidate; the employer decides if the criminal history aligns with its hiring policies.

Publishing, Logistics and Supply chain, and Telco have the highest levels of failed background checks.

Why might this be the case?

FREELANCE & CONTRACT WORK

Publishing involves hiring freelancers or third-party providers, which makes verifying qualifications and backgrounds challenging and can lead to discrepancies.
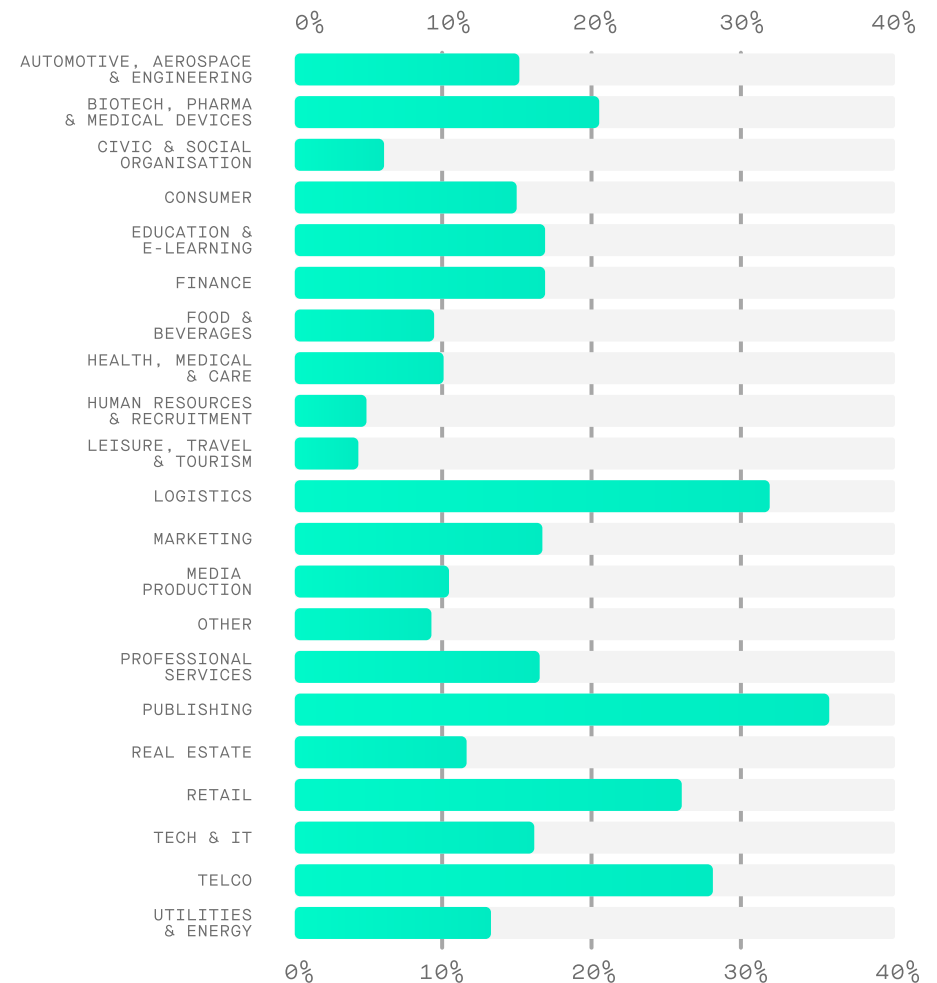
HIGH TURNOVER RATES

High turnover in logistics due to temporary or seasonal work may lead to screening challenges.

GLOBAL OPERATIONS

Industries operating globally may face issues verifying information from multiple regions contributing to a higher rate of discrepancies.
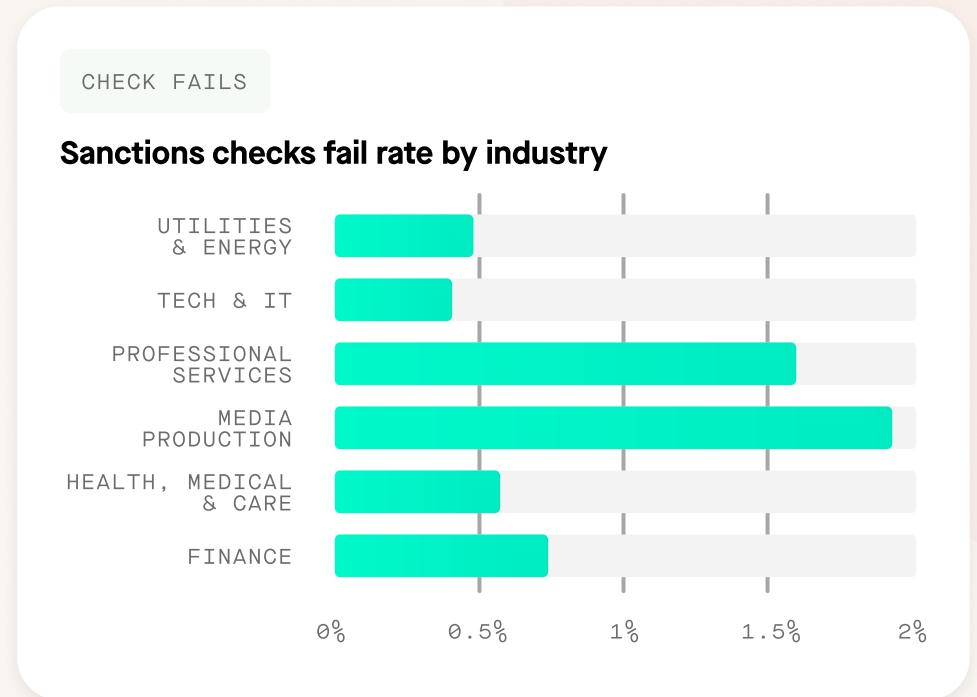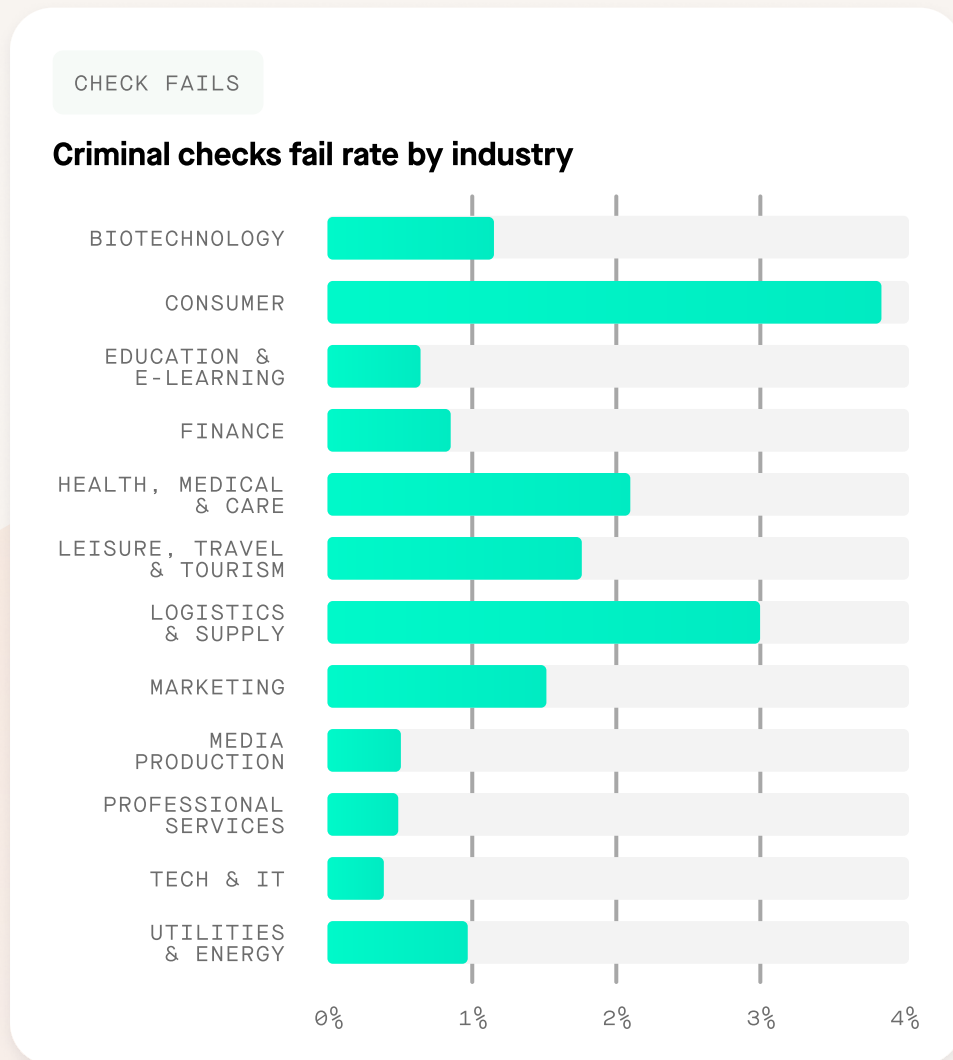
CHECK FAILS

Overall fail rate by industry

The criminal record failed checks per industry

A criminal record check delves into whether an individual has a history of legal infractions. Employers may request a DBS check during the hiring process (previously known as CRB checks), conducted by the Disclosure and Barring Service (DBS).

Notably, the consumer, logistics and supply chain, health, medical, and care industries encounter more cases where criminal checks do not pass.

CHECK FAILS

Criminal checks fail rate by industry

CHECK FAILS

Sanctions checks fail rate by industry

Sanctions check fail rate by industry

Sanctions and watchlist checks ensure individuals and organisations are not involved in activities that could be illegal or harmful by verifying their names against lists of those under restrictions or surveillance. Professional Services and Media Production sectors reported the highest.

Both sanctions and watchlist checks are crucial for due diligence for organisations, especially in finance, healthcare, and international trade, where adherence to regulatory requirements is essential. These checks contribute to risk management efforts, enhance regulatory compliance, and help maintain the integrity of business operations.
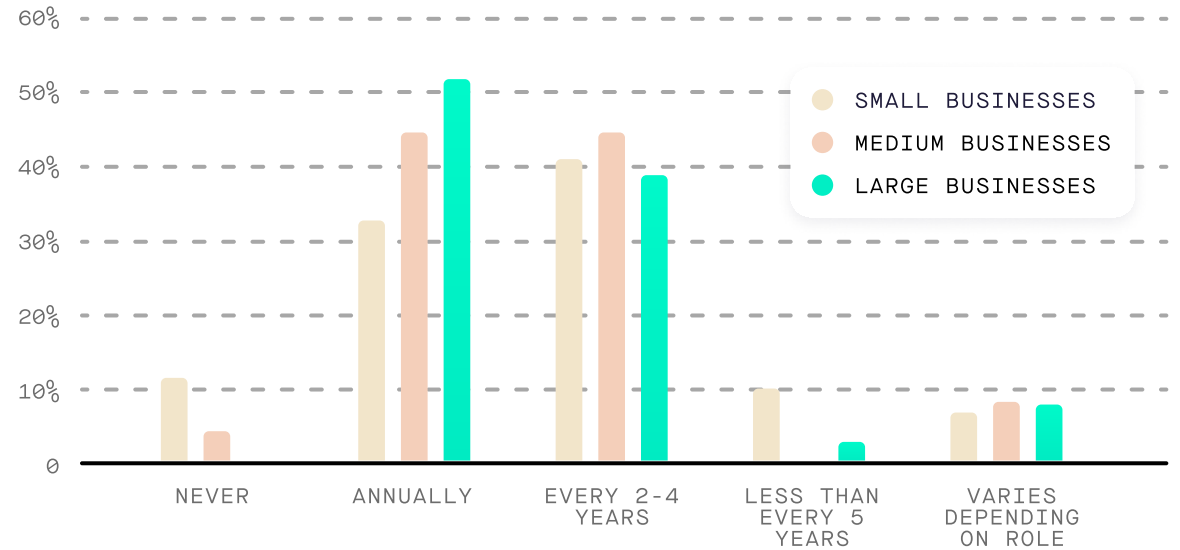
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A step in the right direction for annual rechecks

This graph shows how often companies of different sizes conduct rechecks. As you can see, most (51%) of large organisations conduct rechecks annually. However, only 32% of smaller businesses report conducting annually. Rechecks help a lot in making sure the workplace stays safe and secure. Regularly checking employee info is correct and reliable is critical to keeping things running smoothly. It's a smart move in managing the workforce. These checks ensure everyone is accountable, promoting a culture of trust and responsibility in the company.

So, these yearly rechecks are now crucial to human resource strategies. It shows a solid commitment to managing the workforce responsibly and effectively.

RECHECKS

The relationship between company size and rechecks
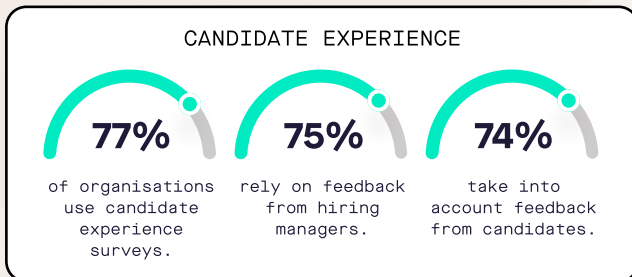
Legend:
- SMALL BUSINESSES
- MEDIUM BUSINESSES
- LARGE BUSINESSES

X-axis categories: NEVER, ANNUALLY, EVERY 2-4 YEARS, LESS THAN EVERY 5 YEARS, VARIES DEPENDING ON ROLE

Y-axis: 0 to 60%

Measuring what matters: candidate experience

Measuring what matters: candidate experience

Positive candidate experiences contribute to a favourable employer brand with candidates more likely to speak positively about the organisation online and offline, helping to further attract top talent.

CANDIDATE EXPERIENCE

77%
of organisations use candidate experience surveys.

75%
rely on feedback from hiring managers.

74%
take into account feedback from candidates.

Measuring candidate experience

Companies actively check how candidates feel about the hiring process: 77% use surveys, 75% listen to feedback from hiring managers, and 74% consider what candidates say about interviews. This shows dedication to building a strong employer reputation by seeing recruitment from the candidate's point of view and making an effort to improve the hiring process.
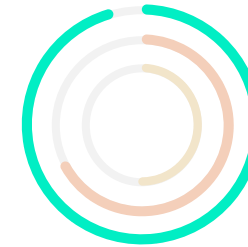

SMALL BUSINESSES

Use an average of five different methods. The most preferred method is "Feedback from hiring managers". This qualitative method lacks standardisation and may be influenced by individual perceptions, biases, and preferences. What one hiring manager considers positive or negative might differ from another, leading to inconsistent evaluation processes.

MEDIUM BUSINESSES

Use seven different methods on average. The most preferred method is "Interview feedback from candidates." This demonstrates a commitment to a candidate-centric approach, valuing the opinions and experiences of individuals going through the hiring process.
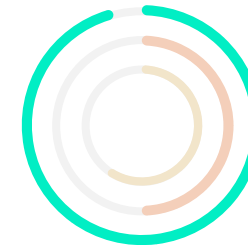
LARGE BUSINESSES

Use seven different methods on average. The three most common are Internal quality audits, candidate experience surveys Interview feedback from candidates.

QUANTITIVE

Candidate experience surveys and time-to-hire and offer acceptance

LARGE BUSINESSES	96%
MEDIUM BUSINESSES	68%
SMALL BUSINESSES	51%

QUALITATIVE

Interview feedback and analysis of candidate behaviour

LARGE BUSINESSES	94%
MEDIUM BUSINESSES	50%
SMALL BUSINESSES	60%
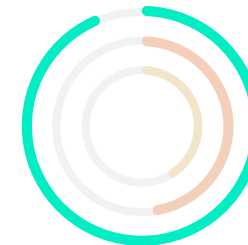
ANALYTICAL

Employee referral rates and internal quality audits

LARGE BUSINESSES	94%
MEDIUM BUSINESSES	48%
SMALL BUSINESSES	42%

WHY DOES IT MATTER?

Most organisations measure candidate experience, and if you are not proactively measuring and improving it, you are in the minority and sacrificing a competitive advantage.

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Recruitment tech integration challenges

Recruitment tech integration challenges

Almost half of all businesses face difficulties with streamlined tech integrations.
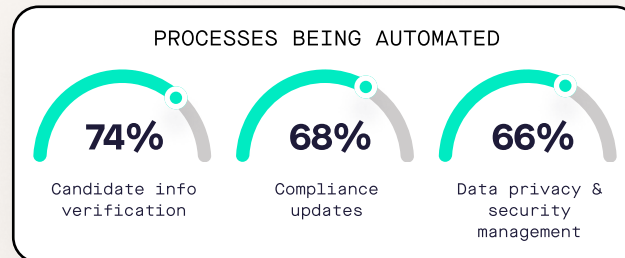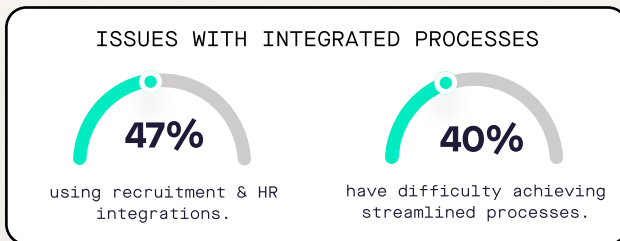
Only 47% report experiencing seamless integration, while 40% encounter challenges, indicating an industry amid transition with many organisations needing help to achieve a streamlined process.

ISSUES WITH INTEGRATED PROCESSES

47%
using recruitment & HR integrations.

40%
have difficulty achieving streamlined processes.

PROCESSES BEING AUTOMATED

74%
Candidate info verification

68%
Compliance updates

66%
Data privacy & security management

Why is this a problem?

Recruitment tools and systems operating separately cause data isolation, making it difficult for HR professionals to access candidate information in one place. This can lead to inefficiencies and errors in data, as manually inputting data into different systems is time-consuming and prone to mistakes. Such manual work slows HR and Talent Acquisition specialists' productivity, leaving them with less time to focus on people-related tasks crucial to their core work.

WHY DOES IT MATTER?

While organisations hiring fewer people experience fewer candidates failing background checks, this lower failure rate is attributed to businesses not automating essential processes like candidate information verification or utilising systems that automatically update new compliance regulations. This raises concerns about the effectiveness of background checks conducted by some organisations.

How Marshmallow saved over a months' worth of work by integrating Zinc with Workable

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Company Overview

Marshmallow, a cutting-edge insurance company, helps over 300,000 people who have downloaded the app to get a fairer deal on their car insurance every year. According to the Financial Times, it is the second-fastest growing company in Europe!

OVER A 6 MONTH HIRING PERIOD

60
new team members

2WEEKS
collective time saved
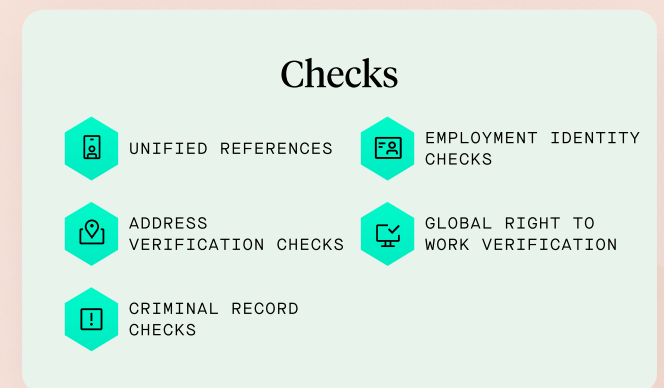
90MINS
saved per new employee

Challenge

As Marshmallow experienced rapid expansion, surpassing the recruitment of 150 employees over 12 months, the hiring process faced significant challenges. Background checking, a crucial aspect of the onboarding process, became a laborious and manual task, consuming valuable time and diverting focus from critical areas outlined in the People Operations roadmap.

Solution

To address the challenges in the hiring process, Marshmallow turned to Zinc as their background-checking provider. Leveraging Zinc's seamless integration with Workable, the company achieved a revolutionary one-click triggering of background checks, automating a previously cumbersome process. Additionally, Marshmallow implemented other HR tools, including CultureAmp, Hibob, and Talenthub, enhancing engagement and streamlining the hiring process.

Results

With the new HR tech stack in place, over a 6-month hiring phase, Marshmallow welcomed 60 new team members, achieving the extraordinary feat of saving around two weeks' worth of collective work time. This translates to an impressive 90 minutes saved per new employee. The substantial efficiency gains brought about by automation not only streamlined operations but also empowered Marshmallow to redirect its focus towards pivotal People Operations objectives.

marshmallow

Checks

UNIFIED REFERENCES

EMPLOYMENT IDENTITY CHECKS

ADDRESS VERIFICATION CHECKS

GLOBAL RIGHT TO WORK VERIFICATION

CRIMINAL RECORD CHECKS

Striking a balance between DE&I initiatives and short-term success

Striking a balance between DE&I initiatives and shorter-term success

Understanding why some companies aren't prioritising DE&I right now

Interestingly, this research shows most organisations, regardless of their size, aren't placing Diversity, Equity, and Inclusion (DE&I) among their top three priorities. Only 58% make it a focus. Organisations see the lasting advantages of promoting diversity and inclusion, making employees happier and boosting overall business success. This year, the lower emphasis on DE&I initiatives might be because teams are stretched thin on resources, trying to get quick wins as the economy bounces back.

> " *Mass layoffs of DEI professionals and less investment have meant that DEIB initiatives have seen significant rollbacks in the last two years. With public policymakers scrutinising DEIB programs more closely, nominally committed organisations will prioritise it even less in 2024.* "
>
> JOSH BRENNER, HIRED CEO

Recruitment fairness

With the rise of remote work, 29% have introduced more extensive background checks for remote staff, addressing unique risks like online behaviour, mental health, public online comments, and home office setups.

BUSINESSES HIRE A SIGNIFICANT AMOUNT

The most common response is "Yes," indicating a tendency to conduct more extensive checks for remote staff.

REMOTE WORK

Extra checks for remote workers

Legend: YES · NO · DEPENDS ON THE ROLE
X-axis: SMALL, MEDIUM, LARGE
Y-axis: 0 to 100%
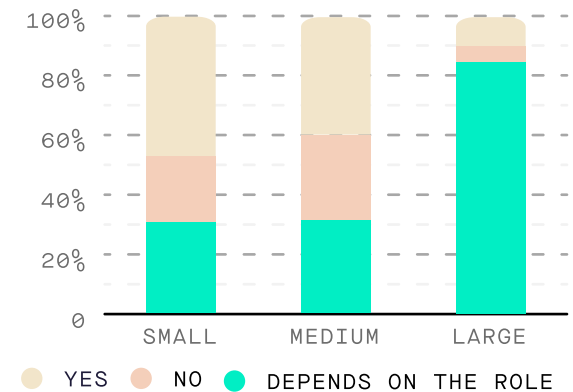
WHY DOES IT MATTER?

The focus on fair recruitment and adapting background checks for remote staff indicates the need for organisations to develop inclusive hiring practices and tailor their vetting processes to suit the unique challenges of remote and diverse workforces.

SMALL & MEDIUM BUSINESSES

Depending on the role, organisations hiring less than 500 people are most likely to do more extensive checks on remote staff.
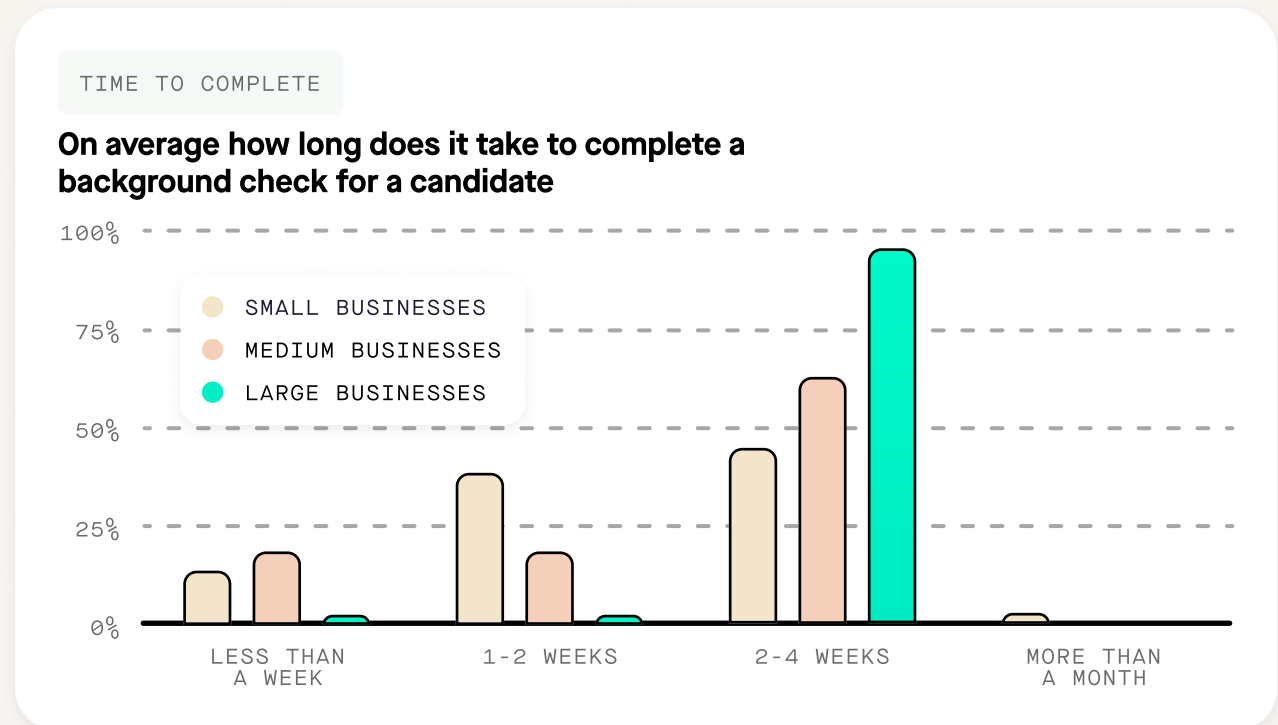
Delays caused by basic procedures affect the recruitment of top talent

Delays caused by basic procedures affect the recruitment of top talent

'Hiring quickly' is essential to 71% of HR leaders responding to our survey. Background checks during the latter stages of the hiring process can be time-consuming, taking 2-4 weeks and sometimes even longer than a month. This delay slows down the entire process.

Surprisingly, **only 9% of companies can finish checks in less than a week**. Organisations with over 501 hires report that about 79% of background checks take 2-4 weeks. This indicates that **businesses hiring more have a higher likelihood of background checks taking 2-4 weeks** than those hiring fewer employees.

Longer background checks affect how smoothly things run and how candidates feel about the process. **Ensuring candidates have a good experience is a worry for 66% of organisations.** Balancing the need for speed with a thorough hiring process is challenging. Rushing the process may negatively impact the candidate experience and discourage top talent.

TIME TO COMPLETE

On average how long does it take to complete a background check for a candidate

- SMALL BUSINESSES
- MEDIUM BUSINESSES
- LARGE BUSINESSES

LESS THAN A WEEK · 1-2 WEEKS · 2-4 WEEKS · MORE THAN A MONTH

How can we speed up the background-checking process?
To overcome challenges, organisations must revamp hiring methods, leverage tech for faster background checks, and balance speed with thoroughness to excel in the competitive job market.

Conclusion

Conclusion

In 2024, HR and talent teams must refine their recruitment practices to adapt to a dynamic job market. This includes enhancing background checks and streamlining hiring to build resilient, inclusive, and efficient frameworks. Embracing technology is key to making hiring faster, more comprehensive, and aligned with company values. This approach breaks down operational barriers and supports a unified talent acquisition strategy.

Focusing on a positive candidate experience is crucial. Companies need to adopt efficient, engaging, and transparent practices to strengthen their employer brand and attract top talent. This is essential for achieving long-term goals.

HR and talent teams are on a path of continuous improvement. By adopting new technologies, tailoring strategies to their needs, and focusing on diversity, equity, and inclusion, they're not just addressing today's challenges. They're shaping the future of recruitment to attract and retain the talent necessary for success in a constantly changing market.

The essential element for hiring at scale
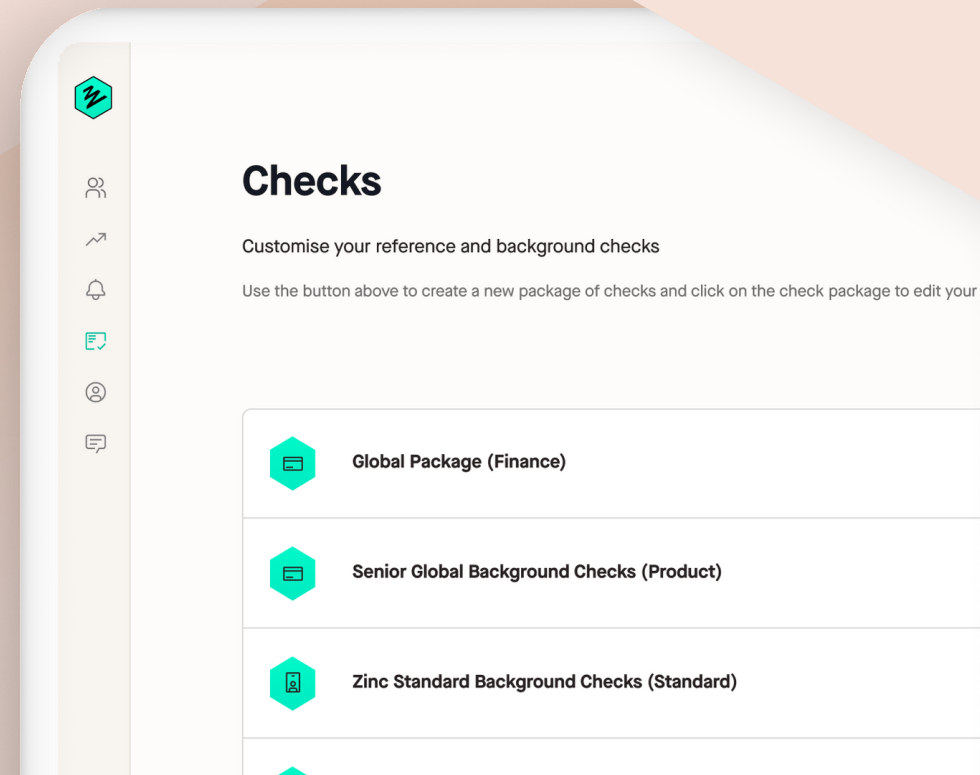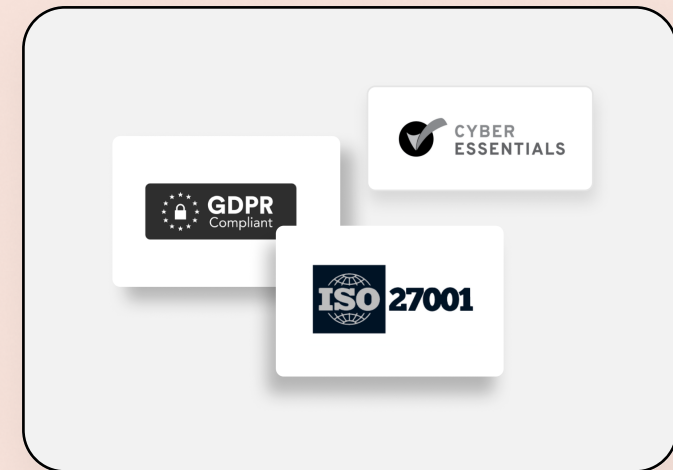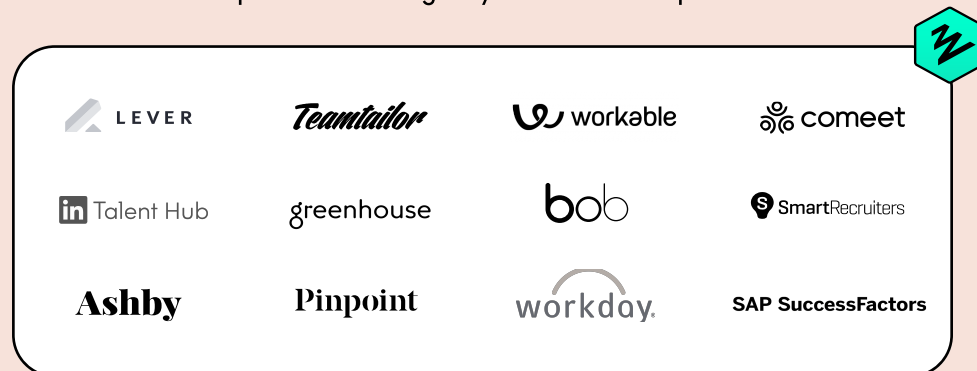
The essential element for hiring at scale

Zinc is a HR technology company established in 2017, headquartered in London, England. Our approach to global background checking is reshaping industry standards.

With a diverse client portfolio including industry giants such as Hello Fresh and Octopus Energy, we empower Heads of Talent Acquisition and HR Leaders through automated reference and background-checking tools.

With Zinc, background checks become a one-click process, resulting in quicker hiring decisions with heightened confidence.

Zinc integrates with 14+ HR tools

Create a seamless workflow for your HR team with one-click check requests that save time and provide the insights you need in one place.

LEVER

Teamtailor

workable

comeet

Talent Hub

greenhouse

bob

SmartRecruiters

Ashby

Pinpoint

workday.

SAP SuccessFactors

CYBER ESSENTIALS

GDPR Compliant

ISO 27001

Checks

Customise your reference and background checks

Use the button above to create a new package of checks and click on the check package to edit your

Global Package (Finance)

Senior Global Background Checks (Product)

Zinc Standard Background Checks (Standard)

Reviewed, rated, and recommended