

# Background Screening Solutions for Retail and Hospitality

The world's largest retail market exists within the Asia Pacific region, which is responsible for generating roughly 75 percent of global growth.<sup>1,2</sup> With more than 519,100 retail and hospitality workers employed in Hong Kong and more than 6.<sup>3</sup> million employees working in retail businesses across China, regional employment within this sector is strong.<sup>3,4</sup>

However, finding qualified candidates to work in the "high-touch" retail and hospitality industries can be difficult given today's unprecedented market trends. Businesses need candidate-friendly background check solutions that work double-duty to help protect against employee risk without adding extra friction to the hiring process that could drive away good candidates.

## Background checks protect everyone.

Background checks enable businesses to perform a basic level of due diligence that protects everyone—the company, its employees and its customers—from employee-related risk.

However, employee risk can be unique within the retail and hospitality sectors. High turnover rates and seasonal hiring spikes are commonplace. Internal theft is another big issue with research showing that retail workers who steal from their employers average \$1,890.00 in theft, compared to \$438 in merchandise stolen by the average shoplifter.<sup>5</sup>

Knowing this, background check solutions within these industries should be thoughtfully crafted using modern, tech-forward tools and the most comprehensive, accurate and relevant data to help employers:

- Reduce the risk of employee theft
- Protect against physical, reputational and legal risk
- Increase hiring speed

## Who should be screened? Everybody.

Within the retail and hospitality sectors, frontline workers like sales associates, desk clerks immediately come to mind. However, employees at all levels of the business have daily contact with customers, money, sensitive customer information and much more. Given this access, all employees within the organisation should be screened, including:

- Executives, management team, franchise applicants/operators, etc.
- Mid-management including shift managers and supervisors
- Customer-facing positions including sales associates, front desk clerks, servers, valet drivers, etc.
- Janitorial staff
- Information technology (IT) professionals
- Security personnel















### Employee risk is real.

A security officer who was assigned to a Singapore shopping mall stole \$316.9 worth of merchandise from a shop while on her security rounds. The incident was captured on the mall's CCTV. She pleaded guilty and was fined \$2,000.<sup>6</sup>

A background check can reveal high-risk criminal history like this to help employers better protect their business.

## Best practise insights for better background checks.

To help retail and hospitality organisations start a background checking programme or update an existing programme, below is a list of best practise observations based on the searches that are commonly ordered by our customers within these industries.

|  | Basic   | Standard  | Advanced  |
|--|---|---|---|
|  | This is a good baseline screen for ALL candidates | This is a more in-depth screen that may be appropriate for workers who will handle money or have access to customer information or property | This advanced screen is appropriate for executives and mid-management employees who may have "keys to the business" |
|  Identity Verification                  | ✓   | ✓   | ✓   |
|  Criminal Check*                        | ✓   | ✓   | ✓   |
|  Right to Work Check                    | ✓   | ✓   | ✓   |
|  Global Expanded Sanctions             | ✓   | ✓   | ✓   |
|  Civil Litigation Check               |   | ✓   | ✓   |
|  Employment & Education Verification  |   | ✓   | ✓   |
|  Bankruptcy Check                     |   | ✓   | ✓   |
|  Reference Checks                     |   | ✓   | ✓   |
|  Global Reputational Media Search     |   | ✓   | ✓   |
|  Social Media Search                  |   | ✓   | ✓   |
|  Credit Check                         |   |   | ✓   |
|  Professional Qualification/Licencing |   |   | ✓   |
|  Directorship Verification            |   |   | ✓   |
|  CV Comparison                        |   |   | ✓   |

\*Such as police checks, when available and permissible.

1 <https://www.mordorintelligence.com/industry-reports/asia-pacific-retail-industry>

2 [https://www.bain.com/contentassets/fccef5fee07048c3b58eb94e805222ac/bain-brief\\_the-future-of-retail-in-apac.pdf](https://www.bain.com/contentassets/fccef5fee07048c3b58eb94e805222ac/bain-brief_the-future-of-retail-in-apac.pdf)

3 <https://www.censtatd.gov.hk/en/EIndexbySubject.html?scode=200&pcode=D5250003>

4 <https://www.statista.com/statistics/277809/number-of-retail-employees-in-china/>

5 <https://www.nra.net.au/policy-advocacy/safe-retail/internal-theft/>

6 <https://sg.news.yahoo.com/shopping-mall-security-officer-fined-2000-stealing-watsons-stores-items-101836611.html>

We can help. For more information, contact First Advantage today: