

Contractor guide to pre-contract screening and background checks

Contractors working across all disciplines and industry sectors are likely to undergo pre-contract screening and background checks. Such checks are no longer the preserve of the financial sector.

"Contractors often get screened to a lower standard than employees because of pressures to get them in the door quickly," explains Dan Shoemaker, Senior Managing Director EMEA and APAC of screening solutions provider [HireRight](#). "However, contractors routinely have access to the same sensitive business information as permanent employees and so should be screened to the same standard."

Shoemaker suggests that contractors can help expedite the screening process by preparing a dossier of information in advance. He has prepared a [checklist](#) that contractors can use to prepare their background information,

He warns contractors against trying to omit key background data: "If there is a discrepancy, it is very likely to be uncovered. The best policy is for contractors to be up-front about their past, as this could mean the difference between winning or losing a contract."

Why contractors undergo pre-contract screens

A recent survey of HireRight clients revealed that up to 70% of applications contain a discrepancy.

According to Shoemaker, in most cases, the discrepancy is very minor, such as the start-date of a previous job being a month out, or a mistake in a job title. However, this automatically raises a red flag to future clients in case there is something more sinister in the contractor's background that they are trying to hide.

Shoemaker explains: "If a contractor's CV shows the start date of a past contract as being a month earlier than it actually was, is this down to sloppiness on the part of the contractor, or are they trying to hide something?"

"In most case such inconsistencies are genuine errors, but in others it might be an attempt to hide a month when a new contract ended disastrously, or even time spent detained at Her Majesty's pleasure!"

Pre-contract screening processes - what information is checked

The level of pre-contract screen and the information checked varies from client to client and very much depends on the nature of the role and the client's organisation: "Some contractor clients simply require that the contractor's qualifications and past employment and contract record are checked.

"A financial services client might have more stringent requirements and ask that a contractor's financial history and credit rating to be examined. Pharmaceutical companies may have a particular interest in ensuring a contractor has no past public order cautions or convictions that may suggest links with animal rights movements, to prevent infiltration of their organisation. Every organisation has a different level of risk."

Shoemaker advises that, in general, contractors should be prepared for the following to be checked:

- Identity, nationality and rights to work legally in particular jurisdictions
- Past employment and contracts, including dates and positions held
- Academic and professional qualifications, including dates and grades
- Criminal Records Bureau (CRB)
- Financial history and credit rating
- Current and past company directorships
- County Court Judgments (CCJs).

"We ask contractors to complete an online form that requests the background information the client requires," continues Shoemaker. "Our researchers then contact past clients, employers, academic institutions and other organisations to verify every detail that has been submitted.

"For contractors and clients in the UK and Europe, the process usually takes ten days or fewer. We create a complete paper trail about each contractor's background, and we also check with overseas employers and academic institutions to ensure there are no gaps."

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Dan Shoemaker, HireRight

Contractors have complex histories – what happens when there are gaps?

Shoemaker acknowledges that contractors are not the same as employees. They are unlikely to have a few neat packages of past employment on their CV that can be easily verified. This means adopting slightly different background checking strategies.

“An experienced financial IT contractor with a twenty-year career might have hundreds of assignments on their CV,” he says, “many with companies that no longer exist or line managers long retired.

“So we routinely contact the contractor’s accountant to confirm that they have been continuously employed by their [contractor limited company](#) and may ask to check legal documents, such as contracts, to confirm past assignment details.”

If there are still gaps of greater than around three months in a contractor’s past, which may be down to an extended holiday or sabbatical, Shoemaker adds that third-party verification will be sought to validate the reason for the gap.

Don’t try to hide anything – it will be counter-productive

Shoemaker urges contractors not try and hide anything in their past that they believe will be unfavourable, because it will be found: “A contractor with, for example, CCJs against them are potentially much better off highlighting their existence and providing an explanation.

“It is quite possible that a contractor’s past business failed for reasons beyond their control, resulting in the CCJs. This is a perfectly reasonable explanation that will satisfy most clients. The alternative, to hide the facts, will almost certainly result in their contract application being rejected.”

As the trend is for organisations to increase their contractor and freelancer workforces, Shoemaker believes that pre-contract screening will become an increasingly standard component of the contract application process

He concludes: “Contractors who are prepared for a thorough background check and can expedite its progress may gain competitive advantage as a result.”

HireRight has created a [checklist](#) contractors can use to prepare a background check dossier in advance of any pre-contract screening. This may speed up a contractor’s application process, enabling them to start new contracts more quickly.

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