

# The Baker's Dozen



## THE TOP 13 PROVIDERS OF FULL-SERVICE WORKPLACE SCREENING. BY DENISE DOIG

About 83 percent of *HRO Today* readers are currently outsourcing or considering outsourcing screening and workplace security; it goes to show you just how far screening has come. As more companies recognize the importance of workplace screening, even the smallest businesses are offering basic screening services involving drug testing and employee identification—verifying the candidate, reference checks, education history, work history, credit checks, criminal history, motor vehicle checks, or court record searches. Full-service screening providers offer the entire package—background checks, credit checks, reference checks, physical security, drug testing, technology services, consulting, data and network security,

security monitoring, and security training and staffing. The 2005 Baker's Dozen feature highlights the top 13 full-service workplace screening service providers.

In a post-9/11 world, workplace screening has been affected by statutes such as the Homeland Security Act and the Patriot Act. Even the Office of Foreign Access Control provides access to a database of blocked persons barred from doing business in the United States. Companies are recognizing that they have to comply with these laws and regulations and incorporate more aggressive prescreens. Employers have to be cautious when hiring, especially for jobs that affect national security such as government employment, the transportation industry (aviation, trucking, and mass








transit systems), or nuclear facility employees. In other cases, hospitals and medical groups hiring a physician with a history of malpractice can also be risky. Schools and child-care programs need to be vigilant as well when it comes to hiring workers who do not have criminal backgrounds involving drug or sex abuse.






For our first listing of the top players in the workplace screening market, we contacted 30 screening providers to gather some key data and facts about themselves and their major competitors, which helped to determine the final 13. We also included an interesting variety of case studies and an in-depth guide on how to outsource workplace screening and where the industry is headed.

**Methodology:** This list was developed by contacting 30 of the largest screening providers and requesting the following information: number of full-service screens that they executed in 2004; estimates on the number of full-service screens their top 10 to 15 competitors executed in 2004; and a ranking of their top 10 to 15 competitors by market size. For those companies that could provide us with accurate audits of their 2004 screens (required for publicly traded companies under Sarbanes-Oxley), that number was the final number used in determining the rankings. For those companies that were privately held and could not provide independent audits, we averaged the number they provided us with the overall average of their competitors' estimates to determine a final number of employees screened. We then compared their rank based on the average number of employees screened with their rank based on their competitor's estimates of market share. This enabled us to ensure that, although the final number of employees screened may not be exact, the screening company's relative rankings within the list are.





| Rank | Company   | Employees Screened (2004) | URL  |
|------|---|---------------------------|--|
| 1    | <b>GENERAL INFORMATION SERVICES, INC. (GIS)</b><br>GIS has been a player in the screening industry since 1966 and is the fourth-largest background reporting company in the nation. GIS offers full-service background reporting including international checks as well as talent management and HR solutions.<br><br><b>Clients:</b> GIS serves many of the <i>Fortune</i> 100 companies in America. Among its clients are the largest retailer, insurance company, fast-food vendor, retail toy store chain, and convenience store chain in the world.<br><br><b>Workplace Screening Services:</b> Credit History; Criminal History—county and statewide; Federal Drug Testing; Fingerprinting; Education Verification; Employment Verification; Nationwide Criminal History Search—OIG database, denied persons list, sex offender registries in all 50 states, State Department of Corrections, Office of Foreign Assets Control, Office of Thrift Supervision, Interpol, and fugitive lists; Motor Vehicle Reports; Name and Address History; Social Security Number Verification; Professional Credentials Verification.<br><br><b>Most Important Metrics:</b> Types of searches conducted (e.g., criminal, credit, driver history, education verifications), number of annual searches conducted, screening runs, and average total cost per search. | 6,467,083                 | <a href="http://www.geninfo.com">www.geninfo.com</a> |



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|    |  <b>TALX CORPORATION</b><br>TALX provides employment verifications online via <a href="http://www.theworknumber.com">www.theworknumber.com</a> . Employers can check employment history by entering a prospect's social security number in the database, which contains more than 100 million records of past and current employment from more than 1,000 employers. Major users (such as staff agencies) pay for TALX's "The Work Number" solution for instant verifications.<br><br><b>Clients:</b> Aetna, Alcoa, American Express, Home Depot, Hewlett-Packard, Ingersoll-Rand, Merrill Lynch, Stanford University, Walgreen Co.<br><br><b>Workplace Screening Services:</b> Employment Verification.<br><br><b>Most Important Metrics:</b> Turnaround time—20-to 30-second verifications using The Work Number; labor savings—recruiters save 20 to 30 minutes finding information online; and accuracy—direct date from employee payroll informaton.  | 6,000,000                    | <a href="http://www.talx.com">www.talx.com</a> |
|   |  <b>USIS</b><br>USIS is a worldwide provider of security services to corporate and government clients. USIS offers a broad range of capabilities, including background and drug screening solutions, business intelligence and investigations, and issues relating to national security. USIS assists its customers in protecting critical assets, evaluating information, and mitigating risk.<br><br><b>Clients:</b> N/A<br><br><b>Workplace Screening Services:</b> Pre-Employment Screening, Drug and Alcohol Testing, Business Intelligence and Risk Management, Personnel Security Staffing, Protective Services and Training Background Investigations, Global Mission Support.<br><br><b>Most Important Metrics:</b> N/A   | 6,000,000                    | <a href="http://www.usis.com">www.usis.com</a> |
|  |  <b>FIRST ADVANTAGE</b><br>First Advantage's employment screening services division provides a comprehensive suite of employment screening solutions specifically designed to reduce the time and cost associated with the hiring process. First Advantage focuses on providing single-source solutions, quality products and business practices, customizable technology, helpful compliance and managed services, and highly responsive client support. The screening company delivers services in national and international background verification, fingerprinting, drug-free workplace programs, physical exam management, and much more to thousands of employers worldwide.<br><br><b>Clients:</b> N/A<br><br><b>Workplace Screening Services:</b> Background Verification—for national and international employment verifications, education verification, criminal records, credit reports, motor vehicle reports, and fingerprinting solutions; Drug-free Workplace—substance abuse testing, and physical examinations; Exam Management; Electronic Applications, Employee Assistance Programs; Substance Abuse Programs; Driver Qualification; File Management; School, Church, Volunteer, and Non-profit Screening; Vendor and Business Partner Due Diligence Reporting; Tax Consulting—hiring tax credits.<br><br><b>Most Important Metrics:</b> Turnaround time, accuracy in reporting, partner with financial stability, breadth of services offered, compliance support, extensive and responsive customer service, technology that allows them to do more with less, and high-quality control standards. | 4,000,000                    | <a href="http://www.fadv.com">www.fadv.com</a> |
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| 5    |  <b>STERLING TESTING SYSTEMS, INC.</b> <p>Founded in 1975, Sterling Testing Systems is a provider of employment and background screening services. It offers background checks, drug testing, and other key verification and assessment services. <i>Fortune</i> 500 and thousands of other industry-leading companies use Sterling's screening services in selecting their highest-quality employees. Sterling's Web Direct system enables communication with court researchers and employment verifiers who receive requests on a regional basis reducing time zone delays and virtually eliminating in-house processing delays. Furthermore, Sterling employs an in-house quality control department. This department receives daily reports for each service, which are monitored and analyzed by department managers to ensure that they meet agreed-to performance standards. Client survey results are automatically forwarded to Sterling's management team; results are tallied, reported, and discussed during standard quarterly reviews.</p> <p><b>Clients:</b> Staples, Carquest, Bed Bath &amp; Beyond, Laboratory Corporation of America, Echostar.</p> <p><b>Workplace Screening Services:</b> Criminal History Searches, Credit Reports, Drug Testing, Employment Verification and References, Education Verification, Department of Motor Vehicle Record Searches, Professional License Verification, Sexual Offender Searches, Online Employment Applications, Terrorist Watch Lists, Health Care Checks, Tenant Screening.</p> <p><b>Most Important Metrics:</b> Accuracy and thoroughness—the first critical factor in measuring relationship success with any background-screening client is the accuracy and thoroughness of the services provided; turnaround time—a commitment to delivering the fastest turnaround times which are posted on each order as well as in customizable reports, enabling clients to monitor service commitments; and online customer satisfaction survey—enables clients to provide feedback regarding their experiences at any time.</p> | 1,670,833                    | <a href="http://www.sterlingtesting.com">www.sterlingtesting.com</a> |
| 6    |   <b>PRE-EMPLOY.COM</b> <p>Founded in 1994, this web-based company focuses on providing pre-employment screening services that help employers hire the best people faster, easier, and less expensively. Pre-employ.com's technology gives customers the information to make informed decisions that can reduce cases of workplace theft, embezzlement, violence, and sexual harassment. Both pre-employ.com and its sister company, MyBackgroundCheck.com, are easy to use, allowing both recruiters and applicants to submit their requests and view the results directly over the Internet. This also allows recruiters to track the status of all their requests, whether in progress or completed, via a secure web site 24/7.</p> <p><b>Clients:</b> <i>Fortune</i> 100 businesses and world-class medical institutions.</p> <p><b>Workplace Screening Services:</b> Criminal History, Federal Criminal, Sex Offender, Terrorist Alert, Drug Testing, OIG/GSA, Civil History, Federal Civil, Warrants, Credit Report, Social Security, Past Employer, References, Education, Driving, Vehicle Insurance, Licenses.</p> <p><b>Most Important Metrics:</b> Turnaround time—with an extensive network of more than 3,500 researchers checks are completed in one to two business days; accuracy—monitoring, testing, and utilizing the best sources and researchers; and price—providing the lowest search costs available based on volume.</p>  | 1,225,000                    | <a href="http://www.preemploy.com">www.preemploy.com</a>             |
| 7    |   <b>KROLL BACKGROUND AMERICA, INC.</b> <p>Kroll Background America, Inc. (KBA) is the Kroll subsidiary that provides employee and vendor background investigations and fraud solution services in the United States. It is also one of the largest international background screening firms. KBA provides services to a wide range of business and non-profit clients. Its employee-screening clientele includes corporations and institutions across all sectors.</p> <p><b>Clients:</b> Department of Homeland Security's Transportation Security Administration and Customs and Border Patrol, Ryder</p>  | 1,000,000                    | <a href="http://www.krollworldwide.com">www.krollworldwide.com</a>   |

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|      | Systems, and clients in the healthcare (long-term care, assisting living, hospitals), service sector (staffing), financial services (banks, investment firms), and the logistical/transportation industries.   |                           |  |
|      | <b>Workplace Screening Services:</b> Employee and Vendor Background Investigations, Identity Theft Monitoring, Restoration.  |                           |  |
|      | <b>Most Important Metrics:</b> Accuracy, timeliness, access to primary source data, and global capabilities.   |                           |  |
| 8    | <b>VERIFIED PERSON</b>   | 843,750                   | <a href="http://www.verifiedperson.com">www.verifiedperson.com</a>         |
|      | Verified Person provides background screening services, applying technology to traditional search methodologies in order to deliver faster, more accurate results at a significantly lower price. In addition to pre-employment screening, the company's technology enables it to offer comprehensive, cost-effective solutions for OIG/GSA list screening, enhanced sex offender search, and ongoing criminal screening all enhanced for greater accuracy. Verified Person was founded by John Sculley, former CEO of Apple Computer, and Tal Moise, former CIO of Clarian Health Partners. The company is headquartered in New York, NY.   |                           |  |
|      | <b>Clients:</b> Boys & Girls Club of America, FreshDirect, Jefferson Health System.  |                           |  |
|      | <b>Workplace Screening Services:</b> Social Security Verification, Name and Address History, State and County Criminal Search, Nationwide Criminal Search, Federal Criminal Search, Sex Offender Search, U.S. Government Terrorist Watch List Search, Professional License Verification, OIG and GSA List Screening, Education Verification, Employment Verification, Reference Checks, Credit History, Worker's Compensation, Motor Vehicle Records, Drug Screening, International Criminal Searches.   |                           |  |
|      | <b>Most Important Metrics:</b> Cost, turnaround time, accuracy (including percent reduction in false positives), and coverage.   |                           |  |
| 9    | <b>ACCURATE BACKGROUND, INC.</b>   | 800,000                   | <a href="http://www.accuratebackground.com">www.accuratebackground.com</a> |
|      | Accurate Background, Inc. has emerged as a strategic partner with clients throughout the United States and internationally—needing precise and timely background screening solutions. Consistently exceeding clients' expectations by providing customized solutions for growing organizations, the company offers an array of innovative and cutting-edge solutions and security research products meeting the needs of human resource, loss-prevention, and security/legal professionals in employment screening, vendor certification, and fraud prevention.  |                           |  |
|      | <b>Clients:</b> N/A  |                           |  |
|      | <b>Workplace Screening Services:</b> Criminal Court Searches, Civil Court Searches, Education Verification, Employment Verification, Personal and Professional Reference Verifications, Address History and Identity Verification, Professional Licensing Verification, Drug Testing, Compliance Services, Integration Services, International Screening Products.   |                           |  |
|      | <b>Most Important Metrics:</b> Creating customized packages such as one that may include, social security number trace, criminal, motor vehicle report, and drug testing.  |                           |  |
| 10   | <b>HIRERIGHT, INC.</b>   | 750,000                   | <a href="http://www.hireright.com">www.hireright.com</a>                   |
|      | HireRight is a worldwide provider of on-demand employment background screening solutions that help large organizations implement, manage, and control multifaceted screening programs. Many of the world's most innovative and successful companies utilize HireRight, because the company delivers effective, customer-focused solutions that provide greater efficiency and fast results. HireRight provides pre-integrated employment screening services through enterprise e-recruiting solutions from best-in-breed providers such as Oracle, PeopleSoft, Taleo, VirtualEdge, Deploy Solutions, and Recruitmax. HireRight's worldwide headquarters are located in Irvine, California, with offices and affiliates around the globe. |                           |  |
|      | <b>Clients:</b> Cisco Systems, Hyatt Hotels and Resorts, Cingular Wireless.  |                           |  |

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|      |  <p><b>Workplace Screening Services:</b> Criminal Records Search, Social Security Trace, Motor Vehicle Records Examination, Education and Credential Verification, Employment History Verification, Military Record Verification, Credit History Examination, Professional Reference Check, Workers Compensation History, Nationwide Background Search, Volunteer Check, Drug Screening, Assessment Tests.</p> <p><b>Most Important Metrics:</b> Turnaround time, first-time quality, customer satisfaction, customer service, system uptime, and hit rates.</p>   |                              |  |
| 11   |  <p><b>EMPLOYMENT BACKGROUND INVESTIGATIONS, INC.</b></p> <p>Employment Background Investigations (EBI) offers background checks, drug testing, and occupational healthcare solutions, along with worldwide capabilities tailored to clients' exact background screening needs, and integrated seamlessly with their workflow.</p> <p><b>Clients:</b> N/A</p> <p><b>Workplace Screening Services:</b> Criminal Records, Social Security Number Trace Reports, Credit Reports, Motor Vehicle Records, Employment Verification, Educational Verification, Licensing and Military Verification, Drug Testing, Physicals, Occupational Healthcare solutions.</p> <p><b>Most Important Metrics:</b> Faster turnaround times, customer service, comprehensive solutions, efficiency, technology, and accuracy.</p>  | 718,750                      | <a href="http://www.ebiinc.com">www.ebiinc.com</a>                           |
| 12   |  <p><b>VERIFICATIONS, INC.</b></p> <p>Verifications is a provider of global employment screening services. With quality customer service, Verifications helps its clients to hire and retain the best employees. Verifications consistently delivers high-quality services with fast turnaround using the best people, process, and technology. The company is ISO 9001:2000 certified, a founding member of the National Association of Professional Background Screeners (NAPBS), and certified on the HR-XML integration standard.</p> <p><b>Clients:</b> Kelly Services, Sprint, Kraft, Sara Lee, Boeing, Lockheed Martin, Bridgestone, PricewaterhouseCoopers, Aon, CNA Insurance, US Cellular, USAA, Edward Jones.</p> <p><b>Workplace Screening Services:</b> Comprehensive Employment Screening—background checks, drug testing, occupational medical, applicant processing services (online employment application, offer management, and onboarding).</p> <p><b>Most Important Metrics:</b> Accuracy, service, turnaround time, and quality.</p> | 650,000                      | <a href="http://www.verificationsinc.com">www.verificationsinc.com</a>       |
| 13   |  <p><b>VERIFIED CREDENTIALS, INC.</b></p> <p>Verified Credentials is a technology driven solutions provider specializing in background screening for employment and higher education purposes. The company incorporates web-based technology, innovation, and customer focus into service offerings.</p> <p><b>Clients:</b> Mayo Clinic, Carlson Companies, CH Robinson Worldwide, Andersen Windows, Rental Service Corporation</p> <p><b>Workplace Screening Services:</b> Online Ordering, Reporting, and Financial. Student Background screening for colleges; Criminal—federal, state, county; Civil; Credit; Employment; Education; OIG/GSA; Criminal/Predator Databases; Motor Vehicle; FCRA consulting.</p> <p><b>Most Important Metrics:</b> N/A <small>HRO</small></p>   | 250,000                      | <a href="http://www.verifiedcredentials.com">www.verifiedcredentials.com</a> |