



BUILDING TRUST THROUGH CONFIDENT HIRING

Understanding the differences between socio-economic studies and background screening

Today's hiring decisions require more than evaluating resumes and interviews. Organizations need confidence that candidates are who they claim to be and possess the qualifications and experience required for the role, helping mitigate risk and build trust from day one.

While both socio-economic studies and background screening can support hiring, they are designed for different purposes. This guide explains how each solution works and the key differences that can help you determine the most appropriate approach for your organization.

Socio-economic study

What is a socio-economic study?

A socio-economic study is **an assessment designed to gather information about an individual's personal, social, and economic circumstances.**

Rather than focusing on verifying risk-related information through authoritative sources, it seeks to provide a broader understanding of a person's living conditions, family environment, employment history, education, and overall socioeconomic context.



Key stages of a socio-economic study

Candidate interview

1

The candidate provides personal, educational, family, and employment information, along with supporting documentation.

Information collection

2

The provider gathers any additional information required to complete the assessment.

Home visit (when applicable)

3

Depending on the scope of the study, a professional may visit the candidate's residence to confirm information provided.

Analysis and report preparation

4

All collected information is consolidated into a report that summarizes the candidate's socioeconomic profile and highlights relevant observations.

Employer review

5

The organization reviews the report alongside other hiring information to support its decision-making process.

When is it used?

Socio-economic studies are generally used during pre-employment processes for roles where employers wish to gain additional insight into a candidate's personal circumstances beyond their professional qualifications.

Who performs it?

Socio-economic studies may be conducted by internal HR teams, independent consultants, social workers, or specialized local providers. The methodology, depth of analysis, and level of verification often vary depending on the organization performing the assessment.

Regardless of who conducts your study, be sure to consult with your legal counsel to understand any applicable legal considerations, requirements, or limitations.

Background screening

What is a background screening?

Background screening is **a structured process that confirms information provided by a candidate using reliable, authorized, and official sources** when available.

Unlike socio-economic studies, which emphasize personal context, background screening focuses on validating information that helps organizations assess employment-related risk, support regulatory compliance, and make informed hiring decisions.

The scope can be tailored according to the position, industry, regulatory requirements, and organizational risk profile.



Key stages of background screening

1 Scope definition

The organization determines which verifications and searches are appropriate based on the role, industry requirements, and applicable legal framework.

2 Candidate authorization and consent

The process begins after obtaining the candidate's informed consent in accordance with applicable privacy and employment regulations.

3 Source verification

Each data point is verified directly with authorized institutions, official records, previous employers, educational institutions, licensing bodies, or other trusted sources.

4 Quality assurance review

Verification results are reviewed for quality, thoroughness, and consistency before a final report is prepared.

5 Candidate dispute or clarification process

Candidates are given an opportunity to clarify or dispute potential inaccuracies after the report is finalized.

6 Final reporting

A thorough report is delivered to the employer, presenting verified findings in a clear and consistent format that supports informed hiring decisions.

When is it used?

Background screening is commonly performed before employment begins but can also support other stages of the employee lifecycle, including onboarding, internal mobility, periodic workforce re-screening, contractor onboarding, and ongoing compliance monitoring.

Who performs it?

Background screening is typically conducted by specialized providers, such as First Advantage, with dedicated operations teams, established compliance programs, secure technology platforms, and standardized quality assurance processes.

These providers follow applicable privacy, labor, and data protection regulations while performing verifications through authorized sources.

Regardless of who conducts your study, be sure to consult with your legal counsel to understand any applicable legal considerations, requirements, or limitations.

Why background screening delivers greater value for hiring decisions

While socio-economic studies provide contextual information about a candidate's personal circumstances, background screening delivers verified information that organizations can confidently use to make hiring and workforce decisions.

Rather than requiring organizations to collect and interpret fragmented candidate information across multiple data points, background screening consolidates the findings into a comprehensive report.

When aligned with the organization's decision matrix, the report can highlight the results that require additional human review, helping teams spend less time on operational tasks and focus more on strategic risk assessment and decision-making.

Background screening also offers greater flexibility by allowing organizations to tailor screening packages according to the responsibilities and risk profile of each role. It is frequently paired with identity verification, helping confirm that the individual being screened is who they claim to be and that every subsequent verification is conducted on the correct person.

This customizable, source-based approach provides a more in-depth and reliable view of each candidate.

Building trust across the candidate lifecycle

Hiring is only the beginning of an employee's relationship with an organization. As individuals change roles, gain new responsibilities, access sensitive information, or become subject to evolving regulatory requirements, organizations need confidence that the information they rely on remains up to date.

Background screening supports this ongoing trust by combining identity verification with role-specific, source-based verifications that can be performed throughout the employment lifecycle. From pre-employment screening and onboarding to internal mobility, contractor onboarding, and periodic re-screening, organizations can maintain consistent hiring standards, strengthen compliance, and make informed workforce decisions with confidence.

[Contact our team](#) to learn more.

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