

A photograph of an office meeting. In the foreground, a woman in a dark polka-dot top stands and gestures while talking to a man in a blue shirt who is holding a folder. To the right, an older man with glasses and a white shirt sits in a chair, looking towards the woman. Next to him, another woman in a white shirt and dark blazer sits in a chair, holding a red mug. In the background, there are office desks with binders labeled 'TAX LAW', 'MAR-16', 'INVOICES', and 'Finance'.

# **SURVEY RESULTS: EMPLOYERS MISS INSIDER RISKS BY NOT LOOKING OUTSIDE**

BUSINESS LEADERS REVEAL A SIGNIFICANT  
POST-HIRE SECURITY GAP

**ENDERA**



# PREFACE

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In December of 2016, we surveyed 278 business executives in varying roles and industries to learn how they use external data to detect insider threats. Almost all respondents confirmed that their company uses pre-hire background investigations to weed out potential threats.

Responses about whether companies continue to screen post-hire revealed an interesting disconnect. More than 99% of companies with more than 100 employees use pre-hire background investigations, but less than 25% of the same group proactively use screenings post-hire when an employee is actually in a position to do damage. The few companies that use post-hire screenings typically only initiate a check after an insider event is already suspected.

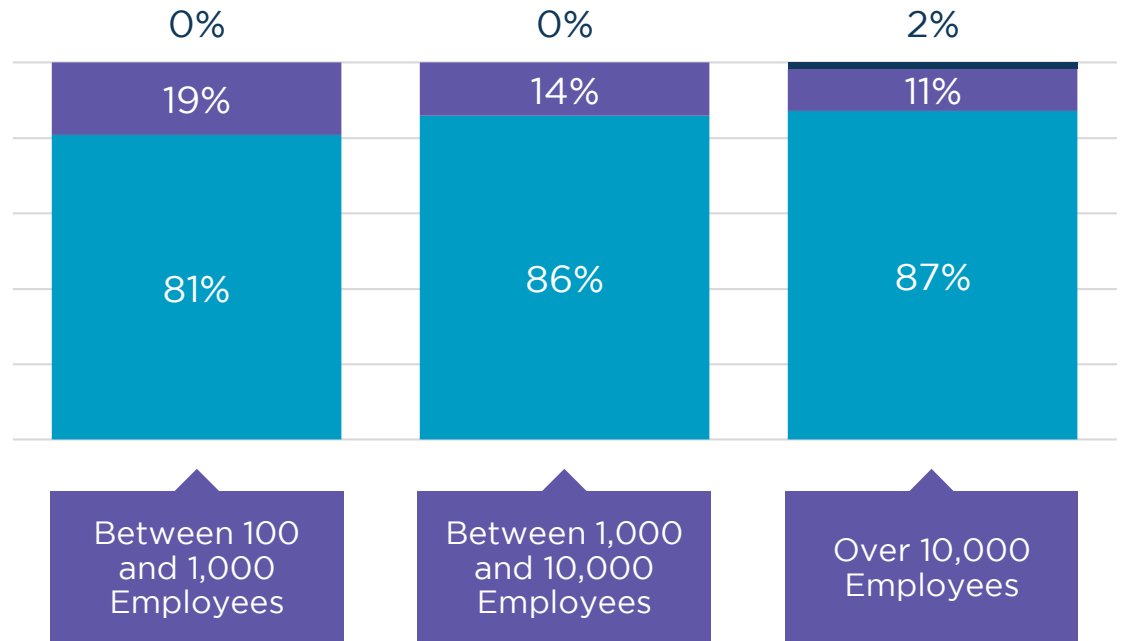
Our survey also revealed that most senior business leaders want to correct the post-hire blind spot created by a lack of continuous monitoring. They want to know the instant an employee or contractor commits a criminal offense, puts a customer or fellow employee at risk, or otherwise threatens the well being of their business. Yet, less than 25% of business leaders that want instant insight into potential issues have access to the necessary information.

# EMPLOYERS WANT TO KNOW EVERYTHING THEY CAN ABOUT A POTENTIAL NEW HIRE

More than 99% of companies surveyed conduct comprehensive background checks on potential new employees.

## DOES YOUR COMPANY USE PRE-HIRE BACKGROUND SCREENINGS?

- Yes, for all employees
- Yes, for selected positions
- No, not at all



# COMPANIES ARE LARGELY BLIND TO EXTERNAL EMPLOYEE BEHAVIOR POST-HIRE

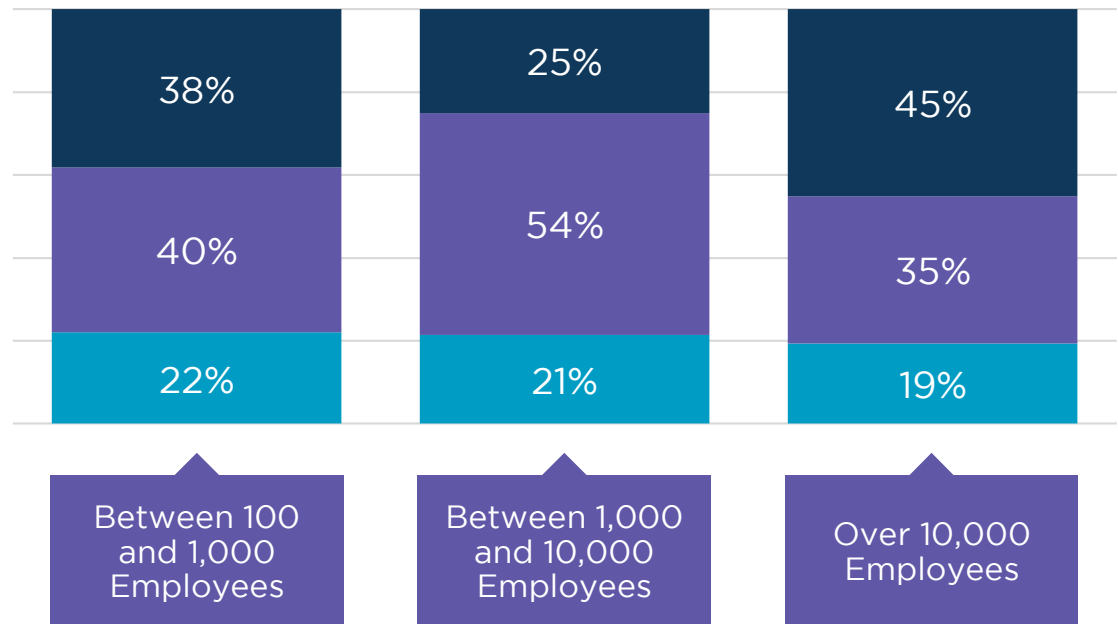
Less than 25% of companies surveyed proactively review current employees for risk.

The top reported employee risk mitigation procedures are:

1. Direct supervisor observation.
2. Employee self-reporting.

## DOES YOUR COMPANY USE POST-HIRE BACKGROUND SCREENINGS?

- No post-hire screenings
- Only if problem suspected
- Periodic post-hire screenings



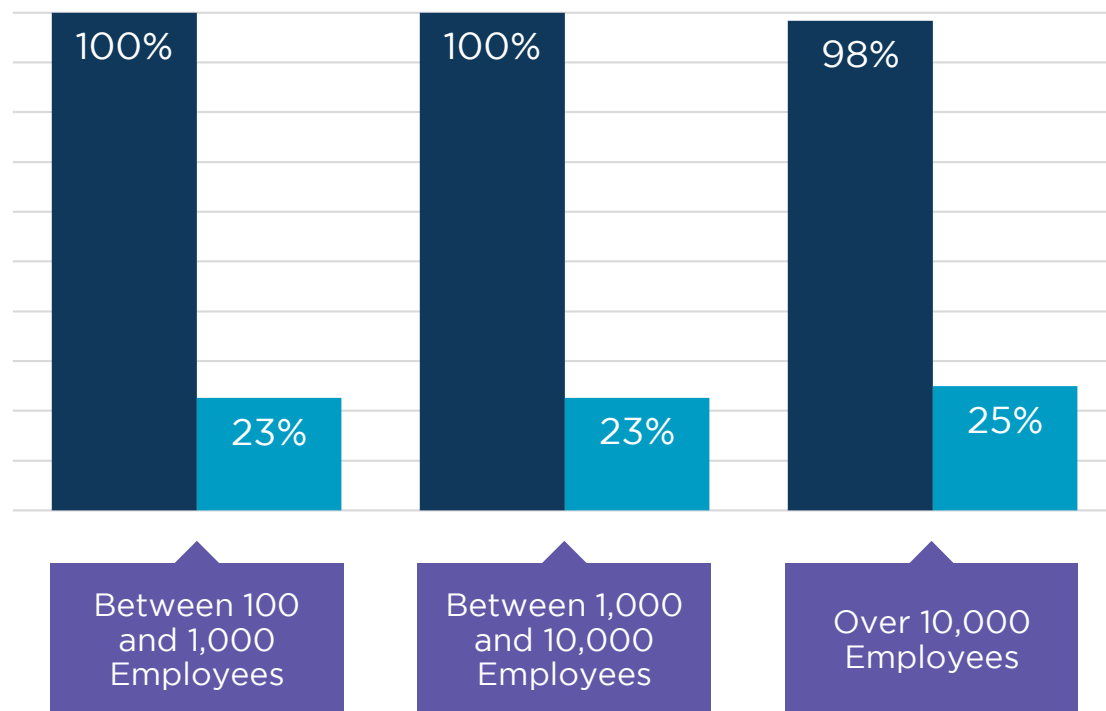
# ONLY 20% OF COMPANIES MAINTAIN THE SAME LEVEL OF VIGILANCE POST-HIRE

Ironically, the risks that are identified as critical to an employer are not tracked once the individual becomes an employee.

Most post-hire employee screenings are conducted only after an incident is discovered.

Companies are mostly blind to the external pressures on employees that contribute to their making bad decisions and causing harm to customers, colleagues and corporate assets.

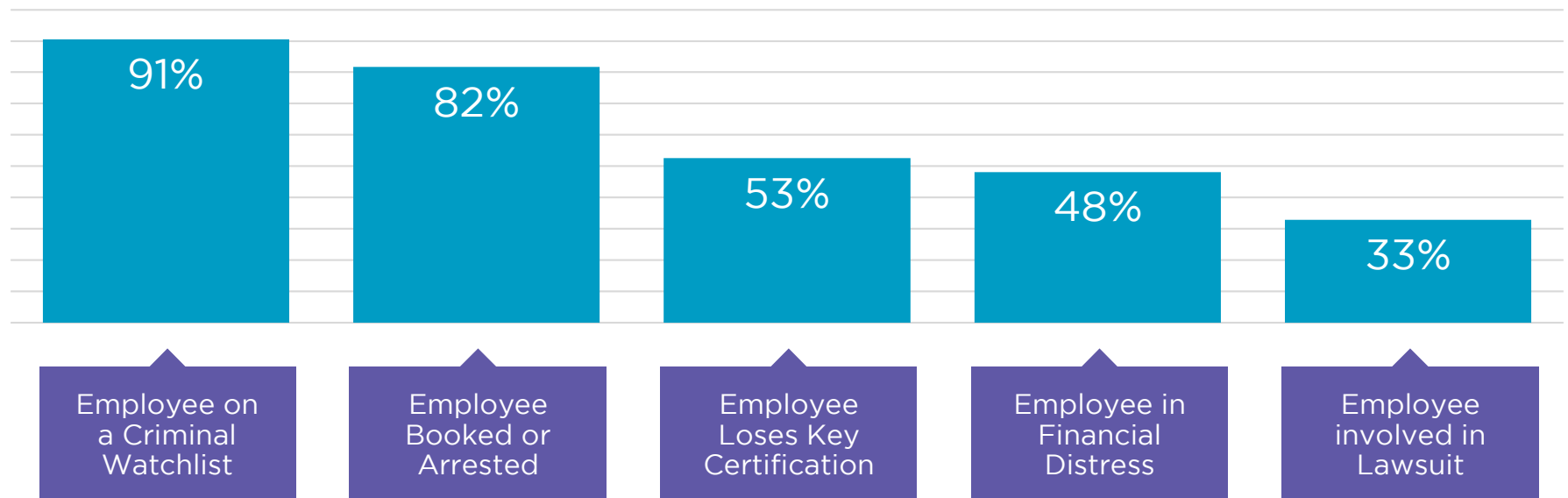
- % of companies that use pre-hire screenings
- % of companies that use post-hire screenings



# MOST EXECUTIVES WANT TO KNOW WHEN AN EMPLOYEE BECOMES A RISK

Senior business leaders say they want the same understanding of existing employee risk that they had when employees were originally hired.

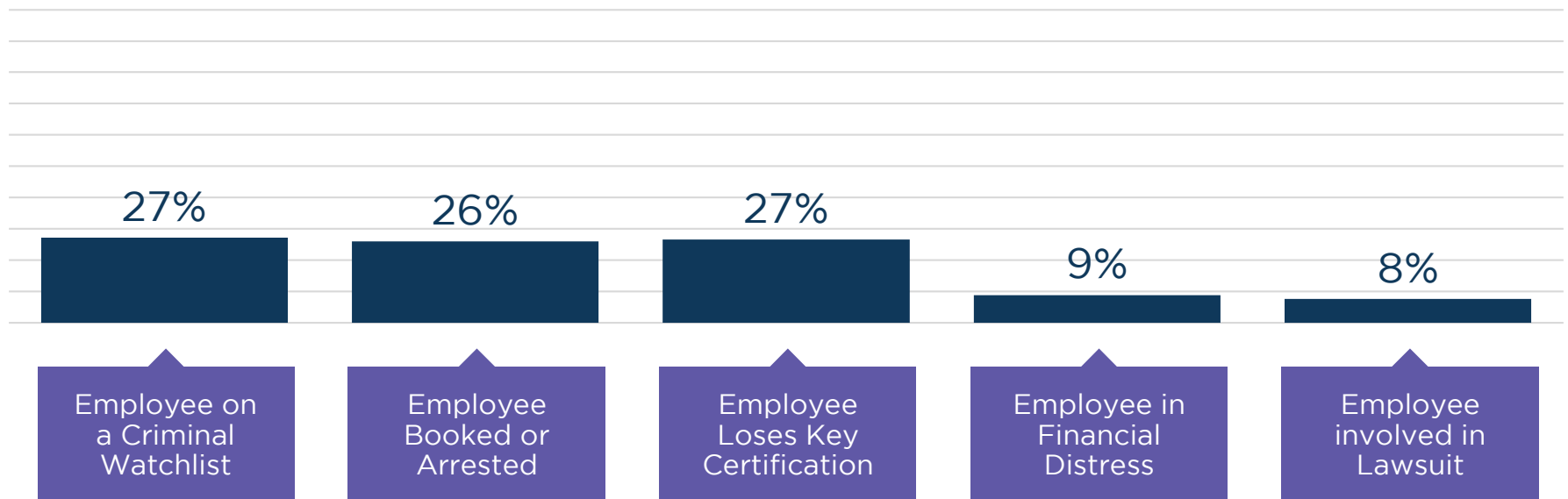
## % OF SENIOR EXECUTIVES THAT SAY THEY'D WANT TO KNOW:



# MOST EXECUTIVES BELIEVE THEY REMAIN IN THE DARK

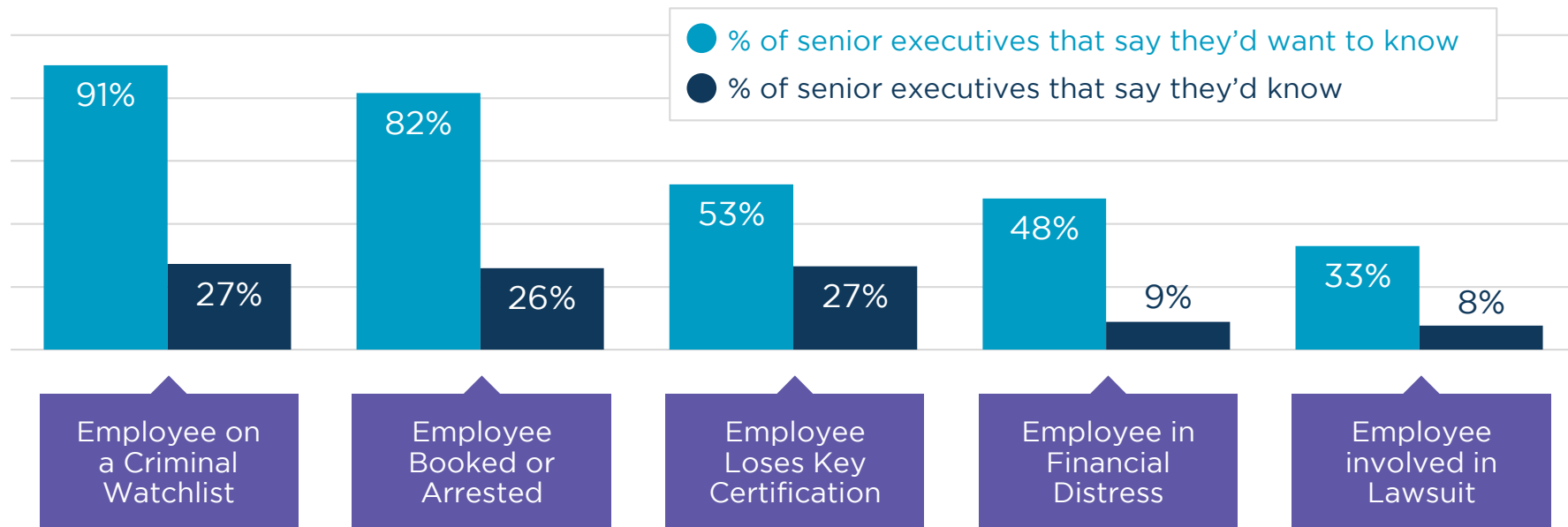
Less than 30% of senior executives say they would know if an employee was arrested, put on a criminal watch list, or lost a key certification or license.

## % OF SENIOR EXECUTIVES THAT SAY THEY'D KNOW:



# THE POST-HIRE SECURITY GAP IS SIGNIFICANT

Closing the post-hire security gap illustrated in this chart represents a significant opportunity for companies to use external data to stop insider threats before they occur. Companies should trust but verify that their employees are not a risk.



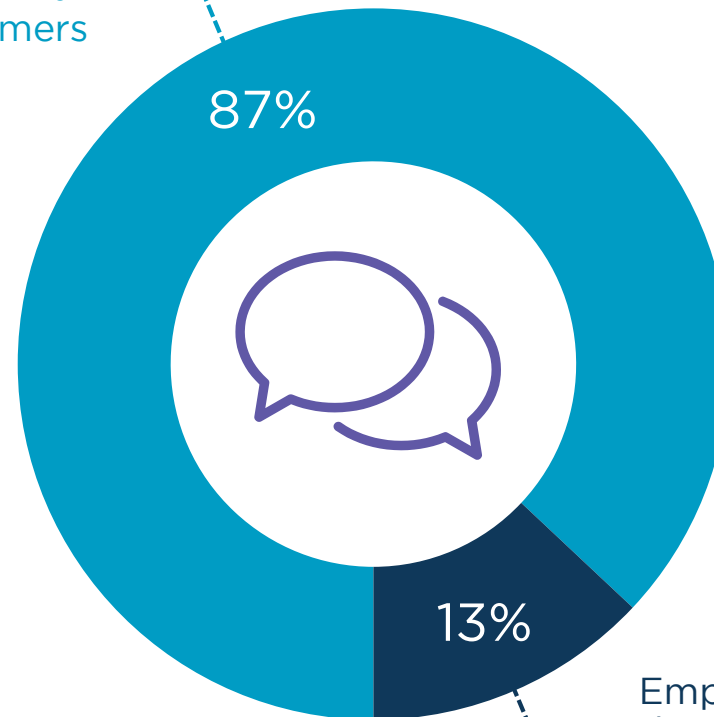


# SERVICE COMPANIES TRANSFER EMPLOYEE RISK TO CUSTOMERS

Our survey showed that service companies were more than twice as likely to want employee risk alerts than their counterparts.

**About 87%** of surveyed companies have employees that interact directly with customers or have access to customers' valuable assets. Service companies are more vulnerable to insider threats.

Employees  
interact with  
customers



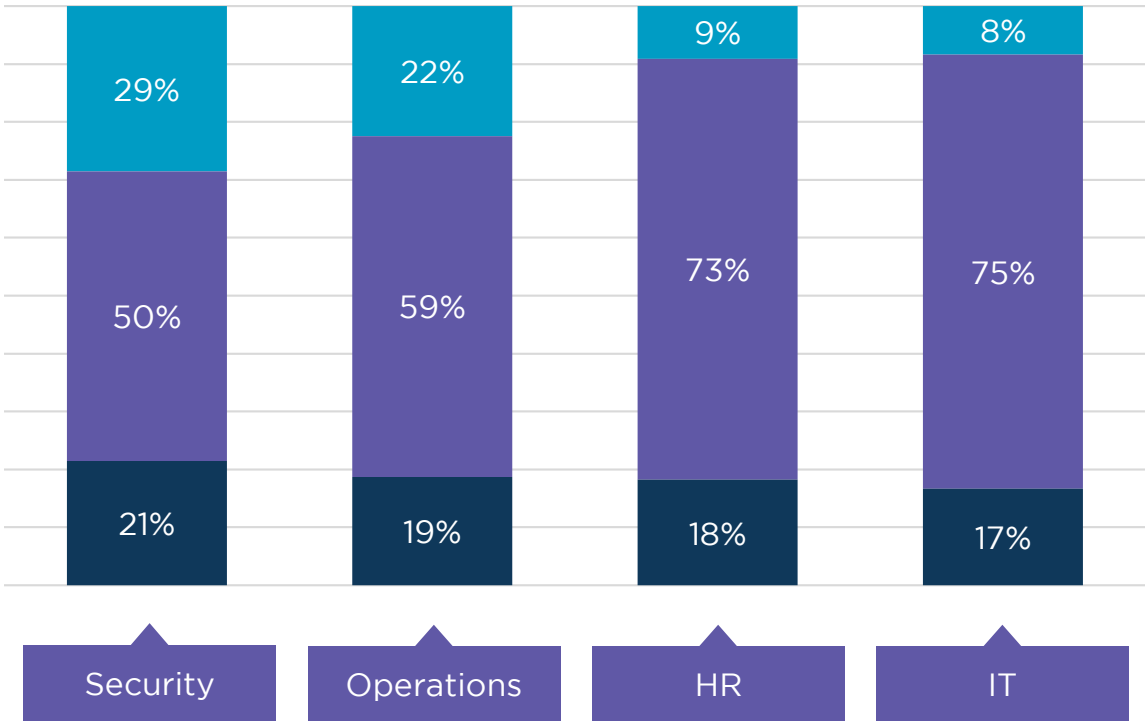
Employees  
do not interact  
with customers

# EMPLOYEE RISK IS A CXO/BOARD LEVEL CONCERN

Background checks are often seen as an HR function and IT does a lot to detect insider threats. However, our survey reveals that it is the general business and security executives who are the most interested closing the post-hire security gap.

These findings are consistent with our experience with many companies where the board is mandating companies broaden the scope of insider threat beyond data and IT assets to directly confront employee risk.

- I would screen my entire workforce every day if I could
- I would consider screening my entire workforce every day if I could
- No way would I screen my entire workforce every day even if I could



# 4 KEY TAKEAWAYS

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1

Almost all employers use a pre-hire background investigation for new hires, but very few maintain the same level of vigilance post-hire.

2

Executives want to know the instant an employee becomes a risk, but very few believe they do.

3

Service companies that have employees in direct customer contact are twice as likely as their counterparts to want employee risk alerts.

4

Business executives are leading the charge to use external data to address post-hire employee risks, not HR or IT.

# ABOUT ENDERA

Endera provides the industry's first automated, real-time risk alert platform. Endera scans more than 20,000 federal, state and county public data sources to proactively alert organizations to potential high-risk individuals within their workforce.

Our secure, easy-to-use, cloud-based platform, is available as an identity-based, monthly subscription service, accessible from any web browser without any software for IT to install. Originally developed for the federal government to help the FBI, post 9/11 and subsequently for the Department of Homeland Security, Endera helps organizations detect and reduce insider risk and prevent potential workplace fraud before it occurs.



**Want to see exactly how Endera can help protect your employees and your brand? Join us for a personalized demo:**



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