

Background Screening: Trends in the U.S. and Abroad



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Executive Summary



With more remote workers now than ever, professional background checks are even more important to safeguard today’s increasingly globalized workforce.

The Professional Background Screening Association (PBSA) completes an annual survey of human resources professionals to identify trends in the expansion of screening in the global labor market. This report examines background screening trends worldwide and compares the differences between organizations with locations in the U.S. and those with no U.S. locations.



Background Screening is Popular Worldwide, Nearly Universal Among Employers with Locations in the U.S.

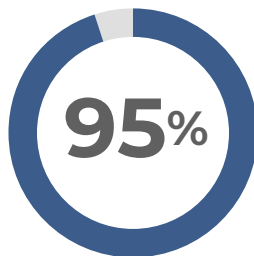


Background screening is widely utilized across the globe, with 93% of all organizations reporting they conducting some type of background screening. Moreover, the research shows that while background screening is nearly universal among organizations with at least one location in the U.S. (95%), it is slightly less common among organizations with no U.S. locations (79%). Further, 76% of organizations worldwide have a documented screening policy.

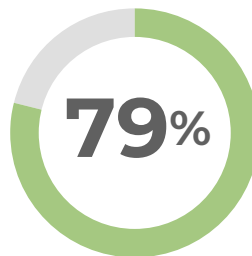
Survey Question: Does your organization conduct any type of employment background screening?

Percent responding yes, some or all locations

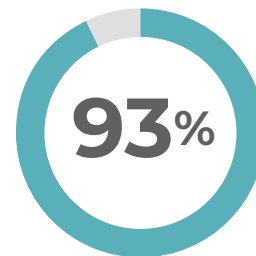
U.S. locations



No U.S. locations



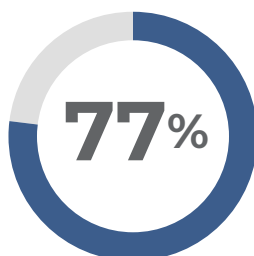
Average



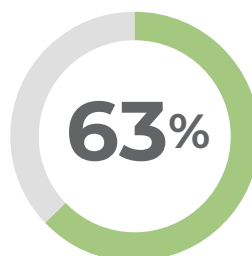
Survey Question: Does your organization have a documented background screening policy?

Percent responding yes

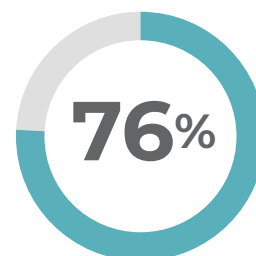
U.S. locations



No U.S. locations



Average



Improving the Quality of Hires and Protecting Company Reputation are More Important Than Ever



For the first time in this survey’s five-year history, protecting company reputation edged out legal and regulatory requirements for one of the top three reasons organizations conduct background screening.

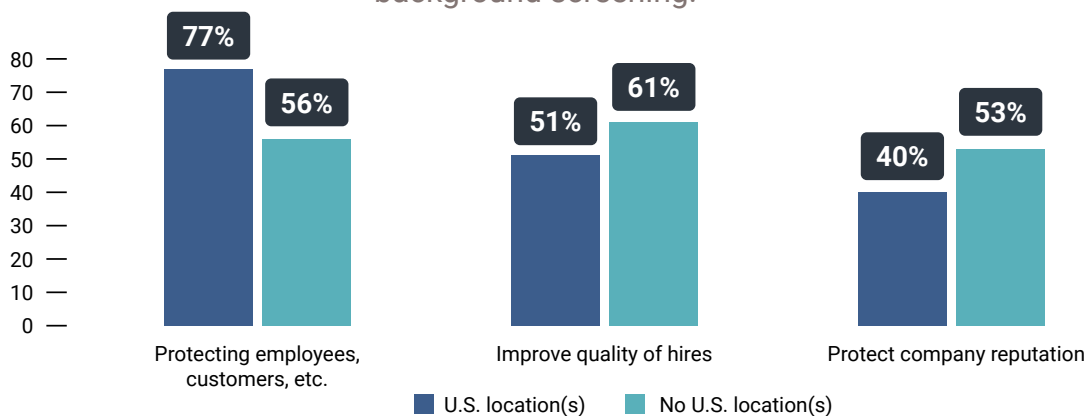
Fifty-one percent of employers with U.S. locations state that improving quality of hires is one of their top three motivations for background screening, up one percentage point from last year. For companies with no U.S. locations, it is the top reason (61%).

Background screening is increasingly being seen as a tool to make sure organizations have the right workforce and a strong reputation in the marketplace.

In 2021, the top three reasons for conducting background checks are to:

- protect employees and customers (76%)
- improve the quality of hires (52%)
- protect company reputation (41%)

Survey Statement: Select the three most important reasons as to why your organization conducts background screening.



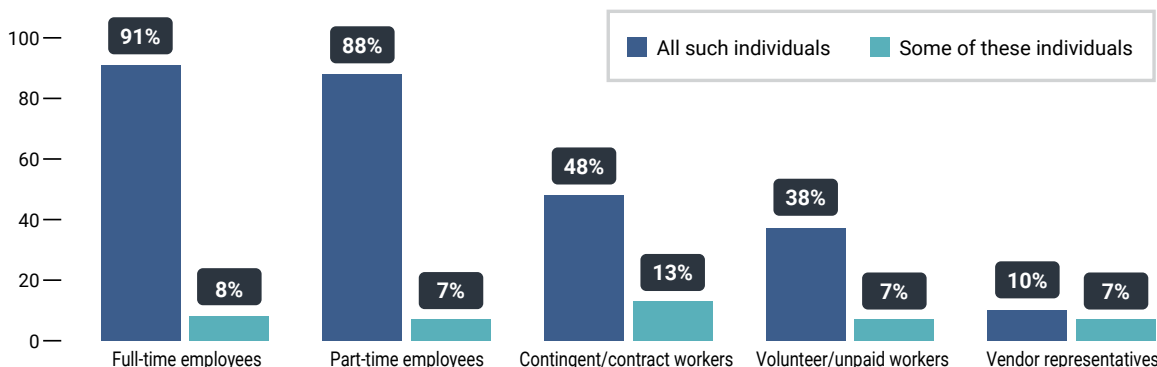
Organizations With U.S. Locations are More Likely to Screen in Most Workforce Categories



Organizations with at least one U.S. location are more likely to screen in most workforce categories than those with no U.S. locations. An exception to this general trend is with respect to the contingent/contract workers and vendor representatives categories, where organizations with no U.S. locations screen at a higher rate than those with U.S. locations.

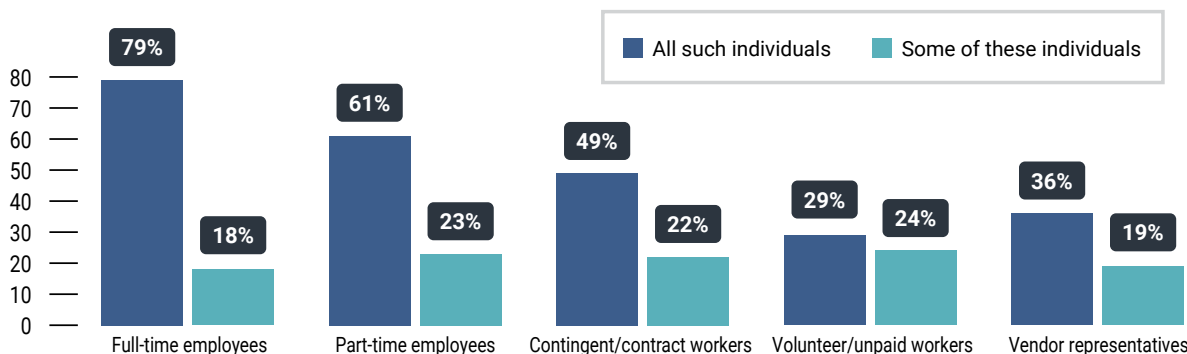
Survey Question: For which of the following types of personnel does your organization conduct background screenings?

Organizations with U.S. locations



Survey Question: For which of the following types of personnel does your organization conduct background screenings?

Organizations with no U.S. locations

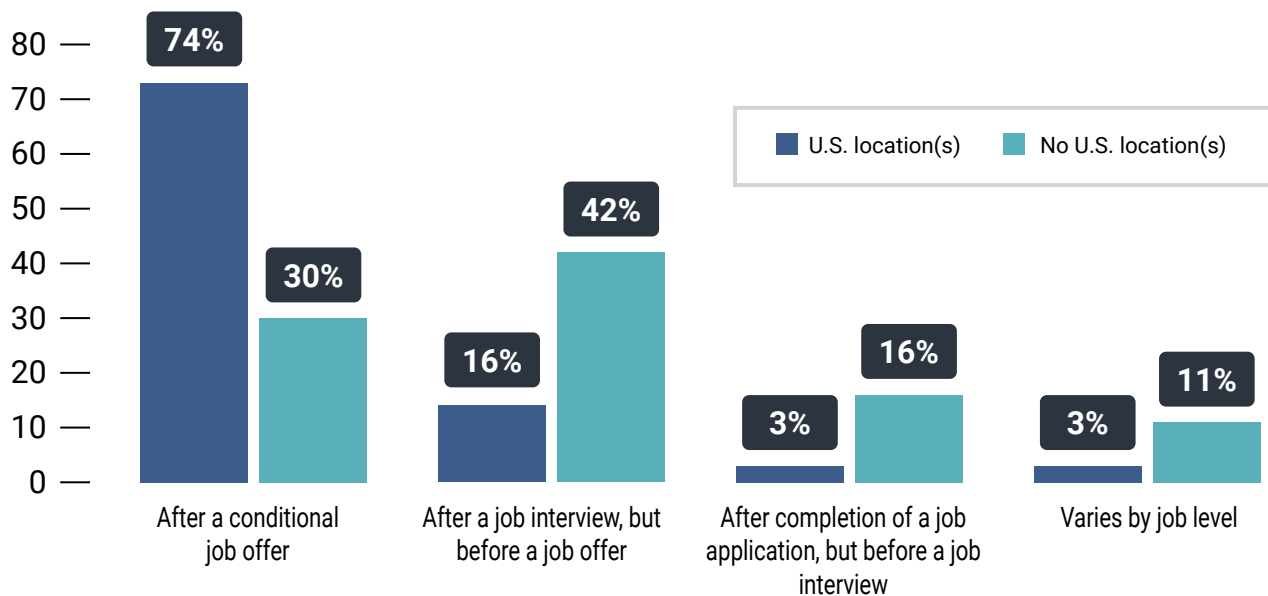


Conducting a Background Check After a Conditional Offer is More Common in the U.S.



It has become commonplace for organizations in the U.S. to wait to conduct background checks until after a conditional offer, with a majority (73%) of organizations with U.S. locations reporting that is when they typically conduct screenings. Outside of the U.S., however, it is more common to conduct a background check after a job interview, but before a job offer.

Survey Question: At what point during the hiring/onboarding process does your organization typically conduct background screening?

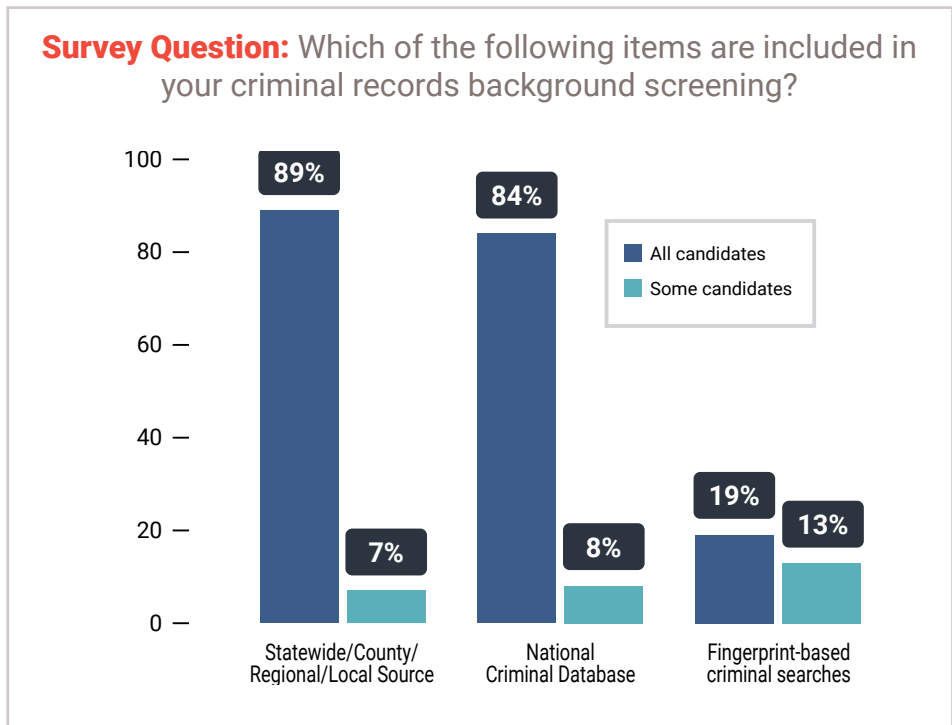


Note: This data does not include those who responded "Other" or "Don't know."

Fingerprint-based Background Checks are Not the Gold Standard



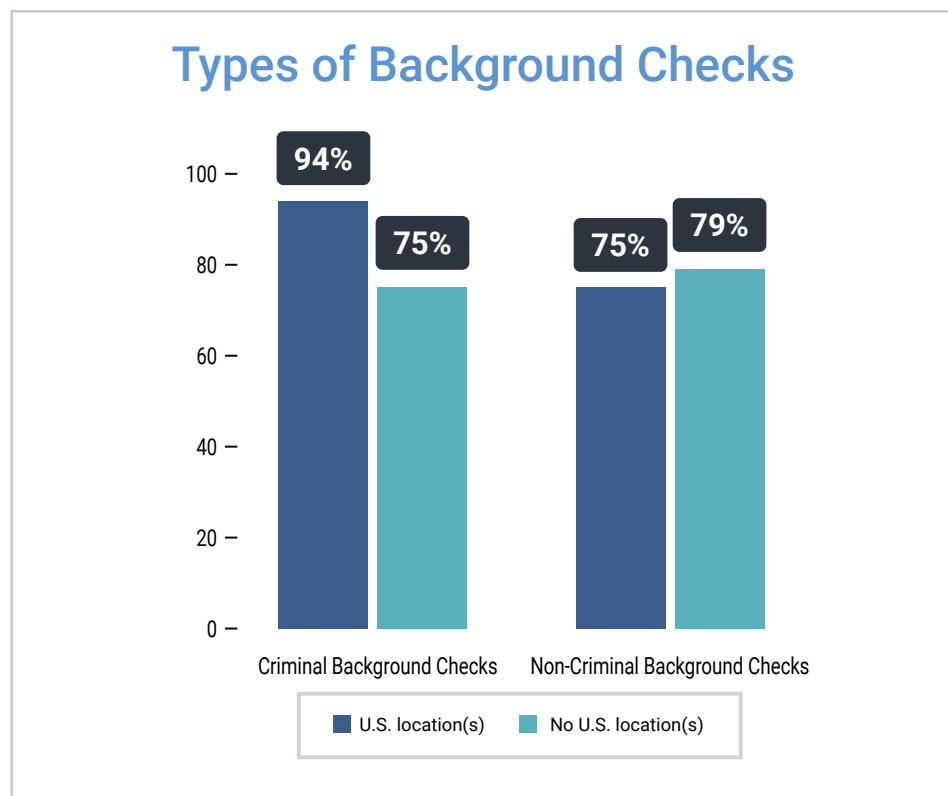
There has long been a false misnomer in the U.S. that fingerprint-based background checks are the "gold standard." However, fingerprint-based background checks have significant limitations and are not recommended as a single source for a background check for employment, volunteer or tenant screening purposes. The 2021 PBSA survey indicates that criminal background checks are the most common type of background check (93%), and far more employers rely on national criminal databases and statewide, county, regional and/or local sources than fingerprinting.



Criminal Background Checks are More Popular in the U.S.



Worldwide, a majority of organizations conduct both criminal and non-criminal background checks. However, criminal background checks are more common among companies with U.S. locations, while non-criminal background checks are slightly more common among those with no U.S. locations.



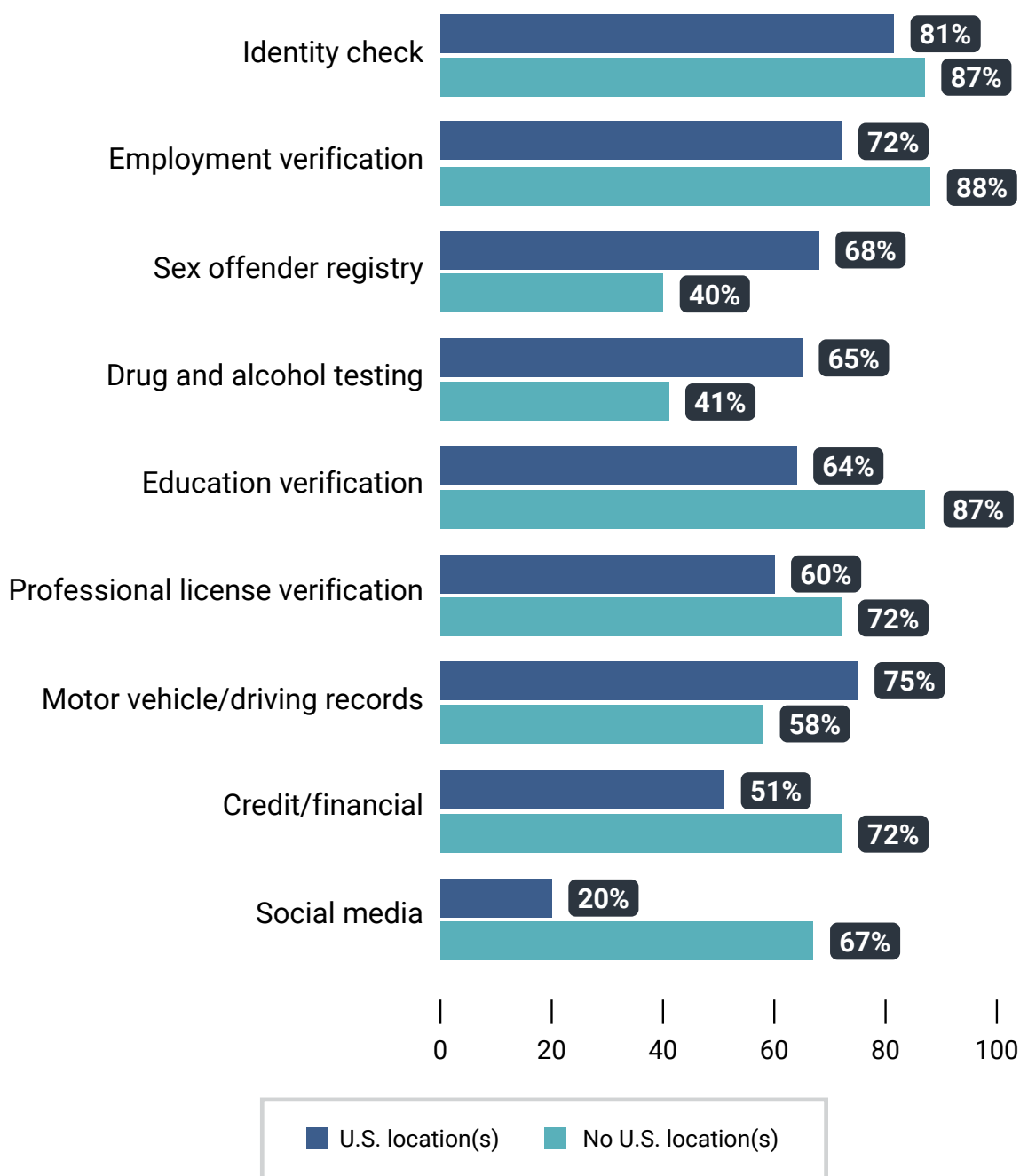
Note: this data is extracted from two different questions, “Does your organization conduct a criminal records check in your background screenings?” and “Does your organization include checks other than criminal history in background screening (e.g., reference checks, employment checks)?”





When examining what elements are included in a background check, organizations with no U.S. locations are more likely than organization with U.S. locations to conduct education verifications, employment verifications, social media, and credit/financial background screenings. For organizations with U.S. locations, driving records, drug and alcohol testing and sex offender registry searches are more common.

Survey Question: Which of these elements are included within your background screening?

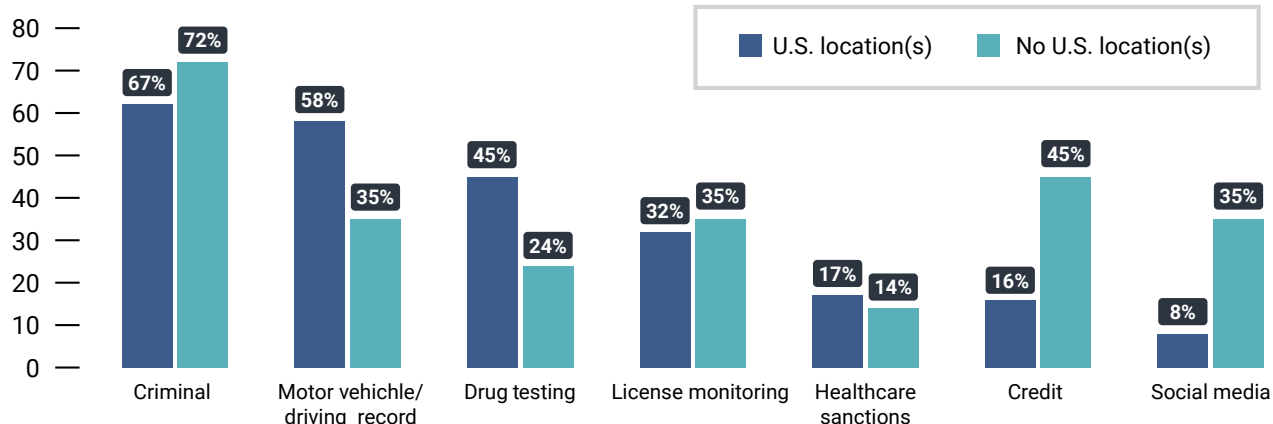


Criminal Background Screening is the Most Common Recurring Type of Check



Among the 19% of organizations that conduct background checks at times in addition to the initial hiring/onboarding process worldwide, criminal background screening is the most common type of recurring background check (67%). However organizations with no U.S. locations more commonly conduct recurring credit and social media checks compared to those with U.S. locations, that place a higher premium on recurring drug testing.

Survey Question: What check(s) do you conduct on an ongoing basis?

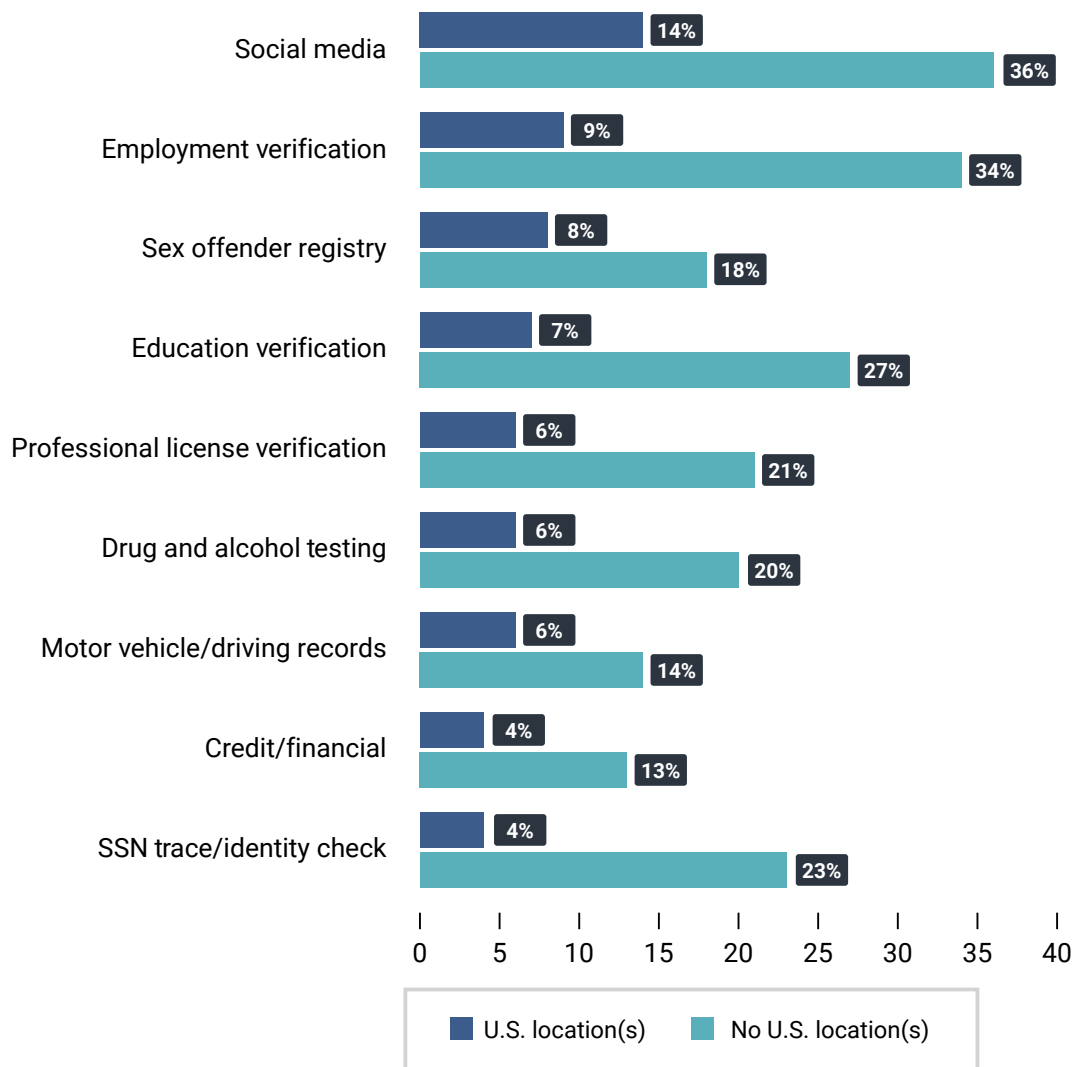


The Scope of Background Screening is Expected to Increase Outside of the U.S.; Social Media is the New Frontier

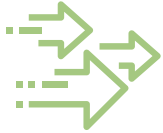


When asked which areas of background screening organizations were considering expanding upon or starting to use, social media was the top selection worldwide. Further, organizations with no U.S. locations had significantly higher numbers across the board than those with locations in the U.S.

Survey Question: Which of the following are you considering expansion of or starting to use?



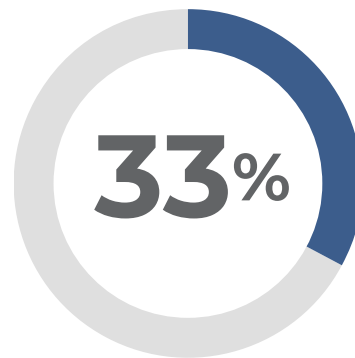
International Screening Capabilities are Vital



The 2021 PBSA survey found that 72% of respondents, regardless of location, think it is important for companies to have access to global/international screening capabilities. Further, 33% report that they expect to hire more candidates that live or have lived in countries outside the organization's location in the next five years.

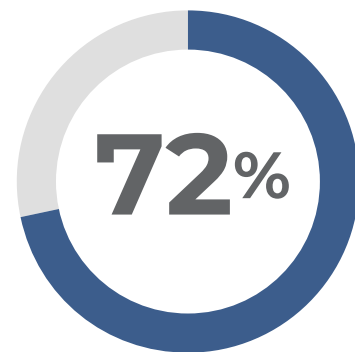
Survey Question: Do you expect that over the next five years your organization will hire more candidates who live, or have lived, outside of your organization's current locations?

Percent
responding yes



Survey Question: In today's marketplace, how important is it for companies to have access to global/international screening capabilities?

Percent responding
somewhat or very
important

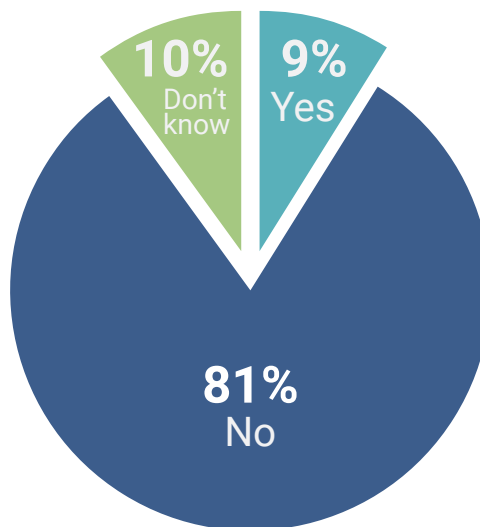


Most Organizations Do Not Intend to Switch Background Screening Partners This Year



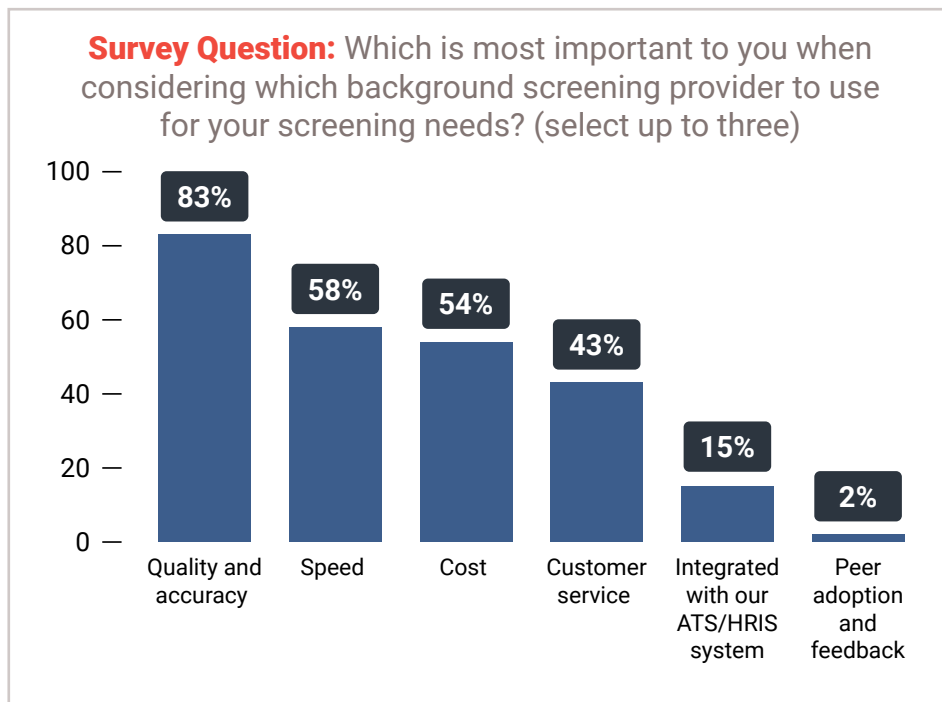
A majority of respondents (81%) report that they have not switched background screening providers over the last 12 months nor will they look to do so in 2021.

Survey Question: Have you switched background screening providers over the last 12 months or will you look to do so in 2021?





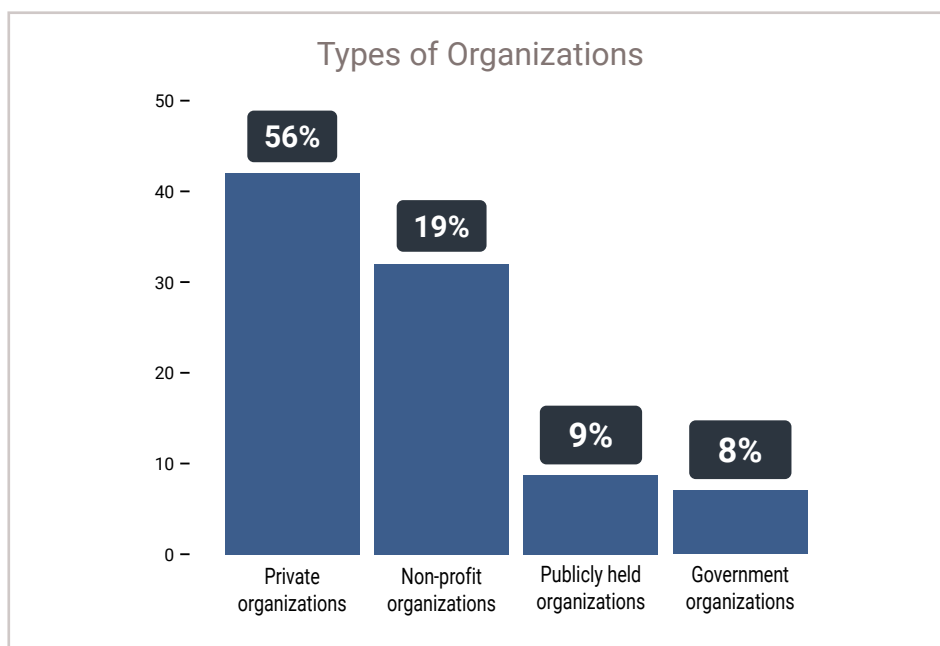
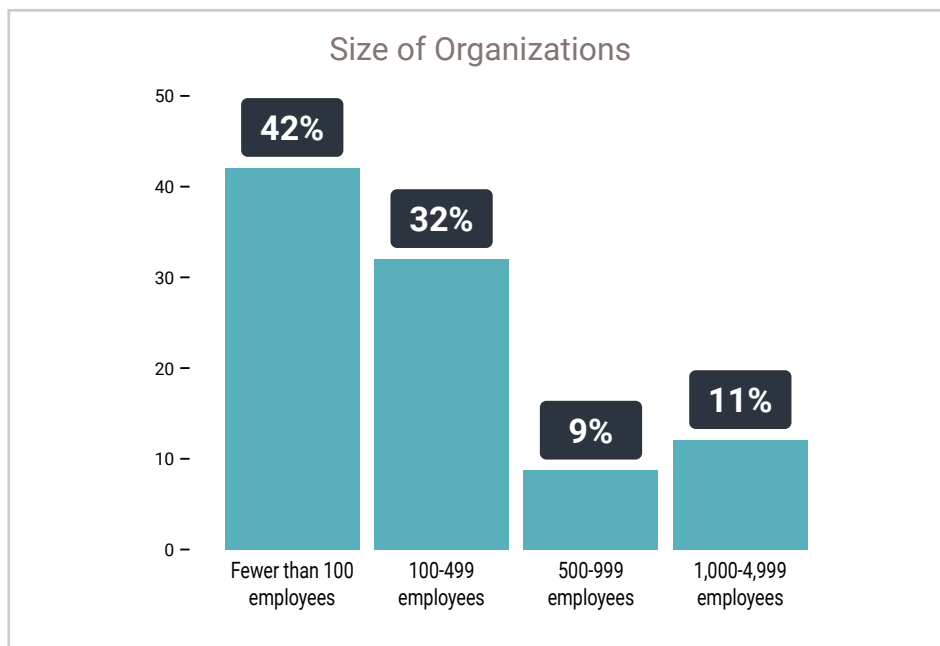
When considering which background screening provider to use for their screening needs, respondents say the most important areas are quality and accuracy, speed, and cost.



Multiple Types of Organizations Use Background Checks



This survey included organizations of all types and sizes. Forty-two percent of respondents are from companies with fewer than 100 employees, and 32% have 100-499 employees. Fifty-six percent of entities represented are privately held, and 19% are non-profit.





About PBSA

Founded as a non-profit trade association in 2003, the Professional Background Screening Association (PBSA) was established to represent the interest of companies offering employment and tenant background screening services. PBSA currently represents over 650 member companies engaged in employment and tenant background screening around the world. PBSA is the trusted global authority for the screening profession. In pursuit of their mission to advance excellence in the screening profession, PBSA promotes and advocates for ethical business practices and fosters awareness of privacy rights and consumer protection issues. For more information on background screening, visit our website at www.thepbsa.org



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