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## SHRM Research Spotlight: Credit Background Checks

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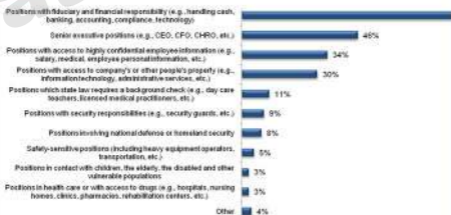
Has the use of credit background checks increased? A comparative look: 2010 and 2004

2010	2004
<p>Does your organization, or an agency hired by your organization, conduct credit background checks for any job candidates by reviewing the candidate's consumer reports?</p> <p>*Survey margin of error: +/- 5%</p>	<p>In general, how frequently does your organization, or an agency hired by your organization check any of the following references for its job candidates?</p> <p><b>Credit Checks</b></p> <p>*Survey margin of error: +/- 5%</p>
<p>All job candidates (13%) Select job candidates (47%) No (40%)</p>	<p>Always (19%) Sometimes (24%)   42% Rarely (18%) Never (19%)</p>
<p>Note: n = 343. Exclude respondents who responded "Not sure." Source: SHRM Background Checking Survey (2010)</p>	<p>Note: n = 296. Exclude respondents who responded "Don't know." Source: SHRM Reference and Background Checking Survey (2004)</p>

### Research Findings

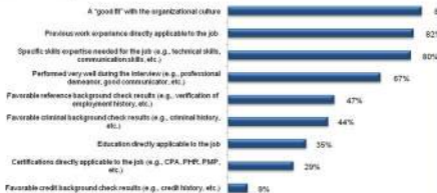
- The use of credit background checks in employment decisions has not changed in any discernible way over the past 5 years.
- Most organizations do not conduct credit background checks on all job candidates.
- Organizations conduct credit background checks for those positions where this information is most job-relevant.
- Employers place lower relative importance on credit background checks than other job-related factors in making hiring decisions.
- Employers do not use credit background checks to screen out more numbers of candidates in the early phases of the application process.
- Credit background check results are seldom used as a definitive hiring criterion.

On which categories of job candidates does your organization conduct credit background checks? (Select job candidates)

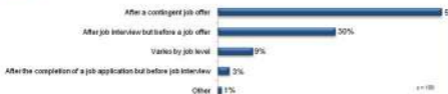


### SHRM Research Spotlight: Credit Background Checks

In general, when making a hiring decision about a job candidate, which are the most important factors influencing the final decision to hire a particular candidate over another?



When does your organization, or any agency hired by your organization, initiate credit background checks on job candidates?



Does your organization allow job candidates, in certain circumstances, the opportunity to explain the results (e.g., high debt, bankruptcy, etc.) of their consumer report that might have an adverse effect on an employment decision?



**Methodology** | These research findings summarize two research studies on credit background checks – the Background Checking: Conducting Credit Background Checks data findings which were released January 2010 and a SHRM Poll that was conducted in June 2010 with HR professionals in the employment and recruitment functional areas. Download the complete research findings at [www.shrm.org/surveys](http://www.shrm.org/surveys).

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