

# 5 Reasons HR Leaders Hate Their Background Check Company

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We were recently awarded #1 background check company in the nation based on our customer service, and it made us look at the trends over the past 20 years and celebrate the fact that finally, customer service is the number one reason employers love or hate their background check provider. Initially, much attention was given to the technology side of things.

For instance:

The 90s brought us bleached hair, fanny packs, and the ability to build a website. While the first two may not have done much for anyone's popularity, having a website presence definitely set one apart from the crowd (in a good way). When it became feasible to actually order a background check and read your report online, HR leaders really started to notice.

The early 2000s saw Luke Perry's popularity begin to fade. Faxing's popularity also began to fade as personal information began to be encrypted and sent digitally. The mid 2000's brought the need to integrate with HRIS or applicant tracking systems. They also brought speed dating but I don't like to remember those times. Beginning in the late 2000's and early 2010's, mobile devices, and the ability to order and receive background check results on them, became deal closers. You also had the ability to take a picture of how happy you were with this convenience and upload it to your Instagram account...

And now here we are, the year 2016, and most large background check companies have all of these technological abilities mastered. This has caused HR decision makers to demand a service level commitment not seen in the background check industry before.

## A Business Relationship is Like Any Other Relationship

There comes a time in many relationships when the initial romance wears off and you realize you have an immense distaste for the person sitting across the table from you. This is what began to occur with HR decision makers. Once they realized what they really desired in a background check partner was superior customer service, many began to hate (and I am quoting) their current providers.

By the time we were awarded #1 in the nation for background check provider based on customer service, we were ecstatic that the hr world was coming around to our way of thinking (again), and had a pretty good understanding of why we won.

## The Bad, the Worst, and the Ugly

For several years we've been collecting scenarios from HR managers that illustrate why fantastic and loyal clients of our competitors eventually turned into frustrated and at-their-wits- end professionals who came to us for help.

We analyzed all of these scenarios and saw that five specific things were frustrating people the most and causing them to hate their background check vendors. These same 5 things kept coming up over and over again.

We decided to take these 5 scenarios and create a guide that would help HR decision makers to A) know they're not alone with their frustrations, and B) recognize that it may be time to look for another background check partner.

Here are the 5 most common reasons HR leaders hate their background check company:

# 1. Pricing

Nothing makes a client more upset than pricing that is unfair or sky high. Clients feel taken advantage of or betrayed.

"I came to them admitting I was not an expert in background check processes or procedures. In hindsight, I know [sic] see that they quickly added searches I didn't need, and charged me double what my peers are paying for the exact same searches." (Bonnie, HR director, 2000 employees, retail industry).

Every industry and company has a different need for their background checks.

Some companies pay the least amount of money possible and knowingly miss records. This is across all industries but is prevalent with small staffing firms that demand cheap databases, regardless of their accuracy. Their priority is not to screen out dangerous people, but simply to place personnel and satisfying their contracts. We have had many of these kinds of companies come clean with us.

They explain that the term "background check" is not defined in their contracts. It is up to the client to demand scope and accuracy, not them.

For many of these firms, the background check is a profit center with a markup of 300%-500%.

As far as your individual pricing goes, each company is different. Volume, location and depth of the search play roles in your negotiation.

Having said this, and as a general rule, you should be paying approximately:

- \$9.95 for county criminal checks
- \$9.95 for employment verifications
- \$30 for drug testing

## [FCRA Class Action Lawsuits Skyrocket](#)

According to reports, FCRA class actions rose 67% in June 2015 compared to June 2014 (2014 set a record for the number of FCRA litigations).

## **Lower Pricing with Help From Your Peers**

Referring your background check vendor to other companies like yours and combining volume is a good way to lower pricing. Build your own consortium of friendly businesses that wish to share in the savings.

Consortium pricing can reduce your costs up to 50% on background checks.

## 2. Compliance

While every company needs a lawyer, most HR leaders look to their background check company for advice on legal forms, federal and state laws or regulations, or other advice to take to their attorneys when warranted.

When a background check company is using outdated forms, sending reports late or to incorrect addresses, or simply not complying with the laws, your company can be at risk. This is not an overstatement. The federal and state authorities are cooperating with private class action attorneys to search for the most minor infractions to collect massive sums of monies.

“Pricing was fine, and service was ok, we never heard from them. But the final straw was when we got sued because the forms they gave us were incorrect. They said they were not responsible. We paid off the lawsuit and ended our contract” (William, Chief Compliance Officer 18,000 employees, Transportation).

The lawsuits are numerous and regardless of whether you rely on your own lawyer, inside legal teams or your background check company, the lawsuits deserve to be read.

In one case, *Knights v. Publix Super Markets, Inc.* (2014), the allegations stemmed from the online job application form or kiosk. [View the form for reference.](#)

Can you see the technicality that forced the supermarket to settle this case for \$6.8 million? Yes, \$6.8 million. Don't worry, most can't see it. But you should compare this to the forms your background check company has provided. [Read the entire amended complaint.](#)

Another huge liability for employers is the adverse action process. If you rely on the background check company to process adverse action, you need to make sure you're compliant. For example, Disney faced a lawsuit for adverse action and allegedly failed to give an applicant a copy of their report. [Read more about the lawsuit.](#)

## 3. Speed

Of all of the frustrations human resource managers deal with in the background screening process, speed is one of the ones most complained about. Everyone in the industry knows the importance of fast background checks. It's a given that accuracy is the most important part of the prescreening process, but speed comes in a close second.

HR decision makers are under constant pressure from executives, hiring managers and recruiters to get the background check done fast. Many times they also face complaints from the applicants themselves. Applicants may have several job offers and although your offer to them is their favorite, the contingency of the background check makes them nervous when it takes an extended period of time.

Many human resource executives complain that their background checks frequently take more than three days, some even take up to two weeks, which is about as acceptable as a hair in your Big Mac.

"My biggest complaint with my background check provider is that if I have a slow background check and am waiting to hire an applicant I have to call them to get an estimated time of completion. By the time I call them we are already in the critical zone. For the amount of money I spend with them they should be calling me first." (Robin, 1800 employees, retail industry).

Here's something that really annoys the heck out of HR professionals: when they are forced to call their background check company to find out the status of the search after waiting for days, and then suddenly, and quite mysteriously, the check completed almost immediately.

The question most ask is: if you can complete it that fast when I call why didn't you just do that in the first place?

Savvy employers negotiate background check contracts with a speed base service level agreement attached. For example: 90% of the searches provided by the vendor must be completed within three business days or a penalty of "X" will be assessed to each search outside of this timeframe.

In today's world, you need to have an honest discussion with your background check provider and agree to turn around times that, on average, are achievable as well as reasonable. And you want to incentivize the provider to treat your account with the best possible accuracy and speed.

## 4. Honesty

When we speak to employers who are considering changing their current vendor, they often cite an overall lack of trust with or dishonest statements from their current provider. It's rarely one instance that causes this overall mistrust. Instead, a series of discussions that result in a compilation of no answer, half-truths or even complete lies.

Every employer who has been doing background screening for more than 6 months understands that mistakes will happen. It happens in our own companies as well as the background check provider used. Many times the background check providers are at the mercy of the court's employees, who can also make the mistake of thinking the background check company reports to you. Other errors include data entry, misreading a criminal record that is marked as a felony instead of a misdemeanor (or vice versa), and more. But what employers can't tolerate are the consistent errors that are coupled with an attitude, not taking the blame or no offers of solutions to prevent the errors from coming up again.

*"The first 5 or 10 times that this happened, we honestly believed them when they said it was a court error or something else that was out of their control. After that, we started reinvestigating things ourselves, and in one instance we called the court directly where they said an error was made by the person in charge of the court clerks who said that they keep a lot of every record checked and that no one had come in to check our applicant's name in the past 6 months. It was then when we knew we had a problem of deception." (Shannon, compliance director, 6000 employees, healthcare industry).*

It's not the mistakes that concern most employers. It's the ability to mitigate risk with quick and honest actions from the background check provider, who should be acting as a partner.

### Mistakes Can Be Costly

In a case against Amazon, the plaintiff alleged (in the complaint) that the cocaine conviction was reported in error, which eliminated him from consideration for work. He continues to allege that he was contacted and told not to show up for work due to his background check report. Furthermore, the plaintiff stated that he contacted the staffing firm that supplied the report and reported the information on the report to be incorrect. He also mentioned that he did not receive a copy of his report. In fact, he was recently cleared and able to receive a permit to carry a concealed weapon. [Read about another background check mistake that resulted in a lawsuit against a major online retailer.](#)

## 5. Service

Without a doubt, the number one reason that employers are dissatisfied with (and sometimes hate) their current background check company is a lack in overall customer service.

Several weeks ago I was in a meeting with a potential client who said something about his current background check company that stuck with me. "Every time I have to deal with them and my drug testing program I hate my F'ng life." It was a pretty powerful statement and, watching him say it, I could tell he believed it to his core. He ended up selecting us as his new vendor.

Other clients who have transitioned to us often lament the fact that their previous vendor had no idea who they were when they called. Every time they called they had to wait while someone looked up their account and tried to read notes to get up to speed. Rarely would they talk to the same person more than once, and more often than not, the person they did talk to was not able to help them. At best this person could only escalate the issue up their customer service ladder.

"I like my account manager, he is really nice but incredibly overworked. He can't get back to me quickly and when he does, he has to wait for answers himself, we spend over hundred thousand dollars a year with this company yet they make him be the lead contact for about seven other companies. Very frustrating." (Beth, HR manager, 7,000 applicants screened a year).

HR leaders often complain that they are forced into a ticketing system that rarely allows them to speak to a human being until they call you back. Regardless of the simplicity of your question, you're forced into a ticket that sometimes takes days to get answered.

When they do get an answer, many HR executives complain that they speak to foreign nationals that are difficult to understand, as well as not well-educated on their specific company and needs.

# Stop Hating Your Life

We've been singled out and named a #1 vendor in a crowded industry because we've been able to offer fair pricing, accurate compliance, quick turnarounds and honesty - all combined to offer customer service that stands out.

- Unlike many of our competitors, we don't outsource our customer service overseas. Our team is 100% based in the U.S.
- Our clients are assigned a dedicated account manager who knows them and their organization whenever they call.
- These team members monitor accounts and proactively eliminate issues, which speeds up turnaround time on background checks and the overall hiring process.

If you're tired of working with a background check company that feels less like a partner and more like an enemy and instead want to know what award-winning customer service feels like, [contact Pre-employ for a free consultation](#).



## About Pre-employ

Headquartered in Northern California, Pre-employ is a national leader in the screening industry. For more than 20 years, Pre-employ has provided cost-effective solutions that deliver quality employee background screening services, industry best practices, and valuable resources to help minimize risk and enhance the hiring process. For two years in a row, Pre-employ was named to Business News Daily's Best Background Check Services.

For more information, please visit [www.pre-employ.com](http://www.pre-employ.com).

## The Nation's #1 Background Check Company



Superior turnaround times



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Best price guarantee