



ALL YOUR STAFF WERE PROPERLY REFERENCE CHECKED PRIOR TO EMPLOYMENT – WEREN'T THEY?

“60% OF HIRED PERSONNEL ARE NOT REFERENCE CHECKED.”

Many times in my 21 years in executive recruitment, I have heard that only 40% of hired personnel were reference checked when they were offered the position. If that is the case for your company, look around. Statistically, 60% of your fellow employees were hired without being reference checked. This is an abject failure to fulfill several of the most basic of management responsibilities.

Here is a check list of 10 do's and don'ts and this is followed by a more detailed explanation of why this basic check list is important:

- ☉ Prepare a reference check questionnaire
- ☉ Have this questionnaire vetted by a lawyer
- ☉ Pay little heed to written references
- ☉ Gain written (e-mail is fine) approval from the applicant to approach his/her referees and advise the referees you have this permission when you call
- ☉ Allow ample time for reference checking – do not rush this critical part of the recruitment process
- ☉ Do not discriminate on any of the same areas you are not allowed to use to discriminate in the entire recruiting process
- ☉ Do NOT share the information provided to you during the reference check with anyone NOT directly involved in the hiring; internally or externally
- ☉ Contact referees the candidate has reported to
- ☉ If the candidate has/had a lot of contact with customers and/or suppliers, seek the candidate's permission to contact some of them
- ☉ It is important to conduct a number of reference checks to balance out the “glowing” references with the “uncharitable” references

Prepare a reference check questionnaire

This will be based on the Position Description you have prepared for the position. You will seek to determine if the candidate has the necessary ability to meet the basic criteria in the Position Description. But given the age old saying that “Most people are hired for their skills and fired for their attitude”, you must also enquire after the way in which they interact with their manager's, peers and other employees. This is where you need to make the time to prepare thoroughly for reference checking – no short cuts.

As an addendum to this article, I include several pertinent questions you may want to consider including in your questionnaire.

Have this questionnaire vetted by a lawyer

This really is common sense I am afraid. Reference checking is a legal minefield, don't be caught transgressing the boundaries of discrimination.

Pay little heed to written references

Who in their right mind is going to offer you a poor written reference?

Gain written (e-mail is fine) approval from the applicant to approach his/her referees and advise the referees you have this permission

Approaching referees not offered by the candidate is THE most common transgression. It is especially common when the candidate comes from within the employer's industry and there are shared contacts. Please resist the temptation to enquire with common contacts without the candidate's permission. It will get back to the candidate and is dangerous if the candidate is unsuccessful.

Allow ample time for reference checking – do not rush this critical part of the recruitment process

If you can not - or will not - make the time to reference check properly (45 minutes to one and a half hours per reference check) don't start. Pay someone else to reference check for you. Some reference checks will not take this long for any number of reasons. But the last thing you want to do is to run the risk of not having the time to pursue a negative or positive line of questioning because you have another meeting to attend. Much of the (good and not so good) information you gain in reference checking that leads to an appointment can be used positively in the ongoing management, mentoring and development of the person you hire.

Do not discriminate on any of the same areas you are not allowed to use to discriminate in the entire recruiting process

These include questions relating to the candidate's:

- ☉ Nationality
- ☉ Disabilities
- ☉ Marital status
- ☉ Age
- ☉ Religion

Do NOT share the information provided to you during the reference check with anyone NOT directly involved in the hiring – internally or externally

If you do, you will be running the risk of being in breach of Privacy Legislation and also compromising the legal standing of the person you share the information with. Other than discussing reference checks with those directly involved in the hiring process, this a classic case of the need to "zip the lip."

Contact referees the candidate has reported to

These are the best people to talk to. If the candidate does not offer them as referees, ask the candidate why not. If the candidate has not offered a contact you know and you think the candidate should have, ask the candidate why not.

As I have been involved with so many companies and interacted with so many people, I am frequently in a position to challenge a candidate when they have not offered someone I think they should have. I always leave this to the point where I am about to commence reference checking as I prefer that the candidate is not aware of my knowledge of their current or past managers.

In the instance where the candidate has not offered a current/past manager as a referee it is often because there is some “bad blood” between them. I can assure the candidate that with the right questions being asked, often these referees are amongst the best. But – you need to ask the right questions. Two memorable reference checks I have conducted have been with managers who terminated the candidate I was working with. In both cases, the referees identified concerns that were an issue only to them and spoke positively about the candidate’s skills and attitude. Both candidates were employed and contributed positively to my client’s businesses for many years.

But I confess I still become concerned when the referee answers my call and says in seriously pessimistic tone; “One minute John, I need to close the door.”

The classic “I don’t know where my managers from that company are today – they have all left” response from a candidate is unacceptable. I usually respond with something along the lines of; “I can find them. But it is best if you find them, don’t you think?” This has never failed!

If the candidate has/had a lot of contact with customers and/or suppliers, seek the candidate’s permission to contact some of them

With sales role, it is a good idea to ask if you talk to the candidate’s best customer and their worst customer. It is the same with Supply roles and their best and worst suppliers.

These calls need to be handled with care as does the information gained through them. The candidate must alert these referees to your impending call first and tell you when they have done so. Customers and suppliers are not used to such calls and may have a vested interest in guiding your thoughts one way or the other.

It is important to conduct a number of reference checks to balance out the “glowing” references with the “uncharitable” references

This works both ways. I had to seek out a number of alternate referees in South Africa to balance what were obviously spiteful comments from one General Manager. His comments were 180 degrees away from my assessment, my client’s assessment and the opinions of the first two referees. But as he was the candidate’s immediate manager, I needed to validate or invalidate his opinion. Comments from people much more senior than this referee were so complementary to the opinions of the other four referees and we eventually disregarded his comments.

And this, another example with the referees in Australia:

If it were not for my persistence due to the knowledge I had of the candidate's referees and the contrasting comments coming from within my client's company, the candidate would not have been hired and would not have been a successful General Manager for them for nearly seven years.

The candidate had fired a manager in my client company in a previous company. This disaffected manager was extremely vicious, cunning and clever in running a constant campaign to undermine the candidate. As the "word" from inside my client company was so different to the other **12 reference checks** I conducted in this case, I spoke confidentially with the CEO of the company and made him aware of the "history". He encouraged me to confront the disaffected manager with my knowledge. I did this, and as is the case with so many people, with the knowledge that others were aware of his campaign, he ceased to agitate and withdrew his assertions.

Conversely, about 18 years ago I was recruiting an Assistant Accountant and the preferred candidate had only ever worked for her mother and father and was leaving the family business with their blessings and on good terms! Her mother provided such a predictably positive reference it was actually heart warming – but not quite objective enough. What a surprise. My dilemma was the family business was the candidate's only employer. I was able to obtain a much more objective reference from the company's accountant – even if he did agree with everything the candidate's mother said!

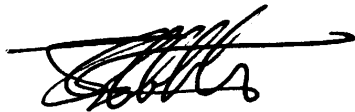
Some useful questions to include in a generic reference check include the following. But they are not an exhaustive list so you will need to apply reasonable thought to this and/or seek professional assistance. For many years I have been prepared to unbundle my services and provide assistance in only one or two parts of the recruitment process. Reference checking is one such component I offer as a separate service.

- ☺ Reasons for Leaving:
- ☺ Describe Primary Focus of Applicants role:
- ☺ Describe the applicants Performance in relation to the KPI's established for this position:
- ☺ Notable achievements:
- ☺ Areas needing special attention/ opportunities for development:
- ☺ Describe Applicants perception by peers:
- ☺ Would you re-hire?
- ☺ Describe the Applicants ability to work effectively in a team environment:
- ☺ If you could say one thing to help candidate in their career, what would you say?
- ☺ Is there anything else I should know?

Please remember, the above list is by no means a comprehensive list. And it should be remembered that each reference check is different and should have a major component of questions tailored to the applicant, the position and your business. There are no short cuts to proper reference checking.

You need to ensure that you and everyone else in your organisation is reference checking properly. It is an obligation that they and you have to your employer, the shareholders and all your fellow employees. An easy way to start is to direct them to this article.

Yours sincerely
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