



Reference &
Credential Checking

The Definitive Guide

A free resource developed by
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1. PREAMBLE

Since past performance is often the best predictor of future performance, the best way to verify an applicant's background and job suitability is to conduct a thorough reference check.

The Specialist Economic Advisors Reference & Credential Checking Policy requires verification of:

- required credentials,
- employment history; and
- a reference check that should include at least two professional work references



2. GENERAL

2.1. Responsibility for Reference & Credential Checking

It is the responsibility of the hiring authority to conduct professional reference checks on the final candidates they are considering to hire. An executive selection / human resources company may also conduct reference checks during the search process on behalf of the company, but it is still recommended that the hiring authority conduct their own reference checks before making the final decision.

The time it takes to conduct reference checks is nominal compared to the time, cost and consequence of hiring the wrong person for the job.

2.2. Purpose of Reference & Credential Checking

Some studies indicate that as many as 45% of all resumes contain false information. College registrars report that at least 60% of the requests for verification concern falsified educational information. Checking references will help to obtain additional information regarding an applicant's work ethic, initiative, and performance.

Failure to conduct a thorough reference or background check can expose the company to a negligent hiring lawsuit if an applicant is hired and subsequently commits a criminal or violent act on the job. If the injured person can show the employer did not exercise proper care in hiring the worker or should have known of the worker's dangerous tendencies, the employer can be held liable.

Employment decisions can be challenged legally in a variety of instances. The best defence is to show that a reasonable decision was made. Checking references and verifying credentials is part of making an informed decision.

2.3. Providing References

2.3.1. Beware of providing a reference for an employee

An applicant may sue a former employer for "defamation" if he/she believes his/her rights have been violated by a reference given by the former employer. Defamation is defined as the act of harming another person's reputation through the "publication" of a false statement, and may be based on either a written (libel) or verbal (slander) statement.

2.3.2. Refer former employees to the Human Resources Department.

If a former employee requests references, refer them to the Human Resources Department line where only basic information is verified.

3. PROCESS

3.1. General

The **Applicant Reference Check Authorization Form** (*available on the Specialist Economic Advisors website*) **should be completed by the candidate(s)**. While the candidate is asked to provide the company with references, candidates should be informed that reference checking may be extended to their current and any or all of their previous employers, even though they may not be on their reference list. (*Please be sensitive to coordinating the checking of the current employer's reference with the candidate. We don't want to jeopardize their current position.*) If a candidate tells you not to contact a specific person or employer, please respect their request. The candidate is not required to provide this authorization, but checking references should be considered a very important part of the selection process and the hiring authority should be very cautious about hiring a new employee who will not provide adequate reference checking authorization. All references should be relevant to the position sought. If a person provided as a reference by the candidate does not have knowledge of the candidate's ability to perform the tasks of the vacant position, then contacting that reference is of little use. The best references are, typically, former employers (supervisors/managers with direct knowledge of the candidates work), former co-workers, and former educators of the candidate.

3.2. Internal Candidates

Reference checks should also be done for internal candidates who do not work for you. You do not need an authorization form from the employee since we are already the employer. You should ask the same questions of the internal supervisor/manager as you would for the external candidate.

3.3. Preparing for the Reference Check

- Limit reference checks to the finalist. Reference checking should be conducted only for the finalist for a position. A finalist is an individual who has been through at least one interview and who, if the references are positive, will most likely be offered the position.
- Ask the same questions. The finalist's references should be asked the same questions for consistency purposes.
- References should be conducted before the hire. Checking references before the hire may give the hiring manager a better assessment of the finalist's work potential.
- Have the finalist sign his/her profile. A signed release should be obtained from the finalist.
- Ask for work-related references. Request at least two work-related references, including a supervisor.

- Review the application and resume prior to conducting the reference check. Identify any data that should be verified. Seek intangible information that cannot be determined from a resume, such as work ethic and initiative. Design specific open-ended questions to ascertain the skills and characteristics desired.

3.4. Call Candidates before Beginning Reference Calls

Calling the candidates first will allow you to:

- Notify the candidate of where you are in the process.
- Confirm the candidate's continued interest (if it has been some time since the application was submitted).
- Discuss the types of references with whom you want to talk (*i.e. references who have the professional relationship with the candidate that will yield information helpful to the screening process*):
 - e.g. a supervisor, "client", colleague, etc.
 - tailoring the references to the position will help to produce meaningful input to the committee's deliberations.
 - "passive" reference checking (*i.e. simply calling a few references named by the candidate without regard to their professional relationship to the candidate*) will probably result in less helpful information.

Ask each candidate:

- "If we want to talk to someone who is not on your list of references, is there anyone we may not talk to?"
 - Adhere to candidate's response

3.5. New Licensee References

Where the company is bringing on a regional licensee consider having more than one board member or senior manager involved in contacting new licensee references for each candidate. This approach:

- Allows for multiple committee members to receive information beyond the written application materials.
- Reduces the chances of committee members inadvertently becoming advocates or adversaries for a particular candidate.
- Protects the integrity of the process from concerns that only one committee member conducted all references for a candidate and reported the information to the committee in a biased manner.

Provide reference check assignments on a chart with following headings:

- Name of candidate, references to be called, member assigned to make call for each reference, candidate's response to questions above re calling off the list.

- Provide each committee member with entire chart so all know their assignments as well assignments to others.
- Develop mechanism within the committee to coordinate calls in instances where calls are made to individuals off the list

3.6. Calling the References

- Contact the most recent employer. Contact a supervisor, not friends or relatives.
- Where possible, contact the reference provider in person or over the phone. Written reference checks can be less effective and may be vague.
- Introduce yourself to the reference provider. Provide your name, title, and organization (i.e. *"I've been talking to X about a position in my office. He/she gave me your name because you know him/her well. May I ask you a few questions?"*)
- Confirm that reference has enough time to go through a set of questions with you.
 - Ideally, the reference should be completed in one call to provide for continuity of the discussion
 - Provide some information about the company, the position, your department, etc. so that the reference has a context in which to respond
 - Restrictions of references

Be advised that many employers are themselves being advised not to respond to requests for references except for information regarding the person's employment dates, salary history, and promotion record. Do not assume that if you receive this response it is because the applicant had problems with this employer.

If a reference indicates that there is no organizational restriction but still does not want to provide information without providing a reason, call Human Resources to discuss how to proceed.

- Talk with the reference provider at a time when he/she is able to speak freely. Give him/her an opportunity to retrieve additional documentation, if necessary.
- Describe the position to the reference provider. Ask for the reference provider's perception of the finalist's performance and what the candidate could change or improve. Do consider whether performance problems reported by previous employers are in an area that might affect performance in the position being filled.
- Remember that all reference questions must be job-related.
 - If you cannot ask a question of a candidate in an interview, do not ask a reference that question.
 - If a reference provides information that appears to be personal in nature but also appears that it could impact the ability of the candidate to perform his/her duties, call Human Resources prior to sharing the information with the other members of the committee.

- Information from references should relate their first-hand knowledge of candidate:
 - If a reference indicates that they have no knowledge of the candidate's abilities or provides second/third-hand information, you may want to ask the reference if he/she would like to recommend someone more appropriate for you to contact.
- Use standard set of questions as basis of conversation with references.
 - You have developed a standard set of questions to ask all references in order to ensure that you are collecting common information about the candidates. This will provide with you a basis of comparison.
 - In addition, to the standard set of questions, you can and should ask follow-up questions to ensure that you understood what the reference meant and that you have received a complete response (see section X.B of Guidelines for fuller discussion of this issue)
- Ask all of the questions that are part of the standard set.
 - Sometimes references provide information that relates to a subsequent question on your list. Don't assume that you have received a full response until you ask the question. Once the reference has actually heard the question, he/she may think of additional information.
- Reword questions several times in response to vague answers. Do not ask questions "off the record" – no answers can be treated as such. Do not ask EEO protected questions.
- Maintain the conversation for as long as possible. The longer the reference provider talks, the more forthcoming the individual is likely to become about the candidate. Listen to the tone of voice, inflection, and word choice for verbal clues regarding the reference provider's disposition toward the job candidate. Ask the reference provider whether there is anything he/she would like to add that you have not asked.
- Make a similar number of calls per candidate.
 - While it may be ideal to reach exactly the same number of references for each candidate, you are not required to do so. However, please do ensure that a similar number of calls made for each candidate. Avoid the appearance of an "agenda" for a candidate that may result if a disproportionate number of calls made.
- Take good notes. Document! Document! Document!
- Thank the reference provider for his/her time.

3.7. Reviewing Internal Applicants

- Handling internal candidates. For internal candidates, the hiring manager should take special care to ensure applications are confidential, and that contact with an employee's current department is not made until a finalist is considered and/or references are to be checked.

- Review performance appraisals. An administrator may request to review all performance appraisal records dating back two (2) years for a current employee who has applied for a position. The HR administrator and/or hiring manager is advised to review these performance reviews as part of the selection process.

3.8. Care in Leaving Messages

- Remember that at this stage of the process, the names of the candidates are not public.
- If it is necessary to leave messages for candidates at their places of employment.
- It is OK to say: "This is John Jones and I am trying to reach Stan Smith" (do not divulge that the individual is an applicant for the position).
- If it is necessary to leave messages for references at their places of employment.
- It is OK to say: "This is John Jones and I am trying to reach Ginny Green because her name was given as a reference" (do not divulge the candidate's name).

4. SAMPLE QUESTIONS

4.1. Basic Questions

- "How long did you work with the applicant?"
- "What was the applicant's formal job title and did he/she hold other titles while at your company?"
- "Why did the applicant leave the company?"
- "If you had the opportunity, would you rehire this applicant into the same/different job?"
- "What was the applicant's salary at the time of termination (including any bonuses)?"
- "How often did the applicant receive a salary increase?"
- "Did you have an opportunity to promote this applicant while he/she worked for you?"
- "Did you promote this applicant while he/she worked for you?"
- "How did the applicant learn the job? What training methods would you recommend?"
- "What support will the applicant need to perform successfully on the job?"

4.2. Job Content

- "Tell me about the applicant's job. What were his/her primary responsibilities?"
- "What do you believe are the most important skills needed to succeed in this job?"
- "Describe a typical day in your department."
- "How frequently was the applicant asked to work overtime?"
- "Describe how the responsibilities of the applicant might have changed or increased while he/she was in this job."
- "Tell me about the work flow process."
- "To whom did the applicant report?"
- "Describe the common verbal/written interaction required for this job."

4.3. Supervision

- “How would you describe the applicant’s management/supervisory style?”
- “How is the applicant’s management style different from or similar to your own?”
- “How would the applicant’s subordinates describe him/her?”
- “What methods did the applicant use to motivate subordinates?”
- “What aspects of the applicant’s management style were most effective/least effective?”

4.4. Performance Level

- “How would you compare him/her with others in your department who were performing the same job?”
- “How would you describe the applicant’s attendance record and the quality of his/her work? Can you give some examples?”
- “What would have made the applicant more effective?”
- “What are the applicant’s strengths?”
- “What kind of mistakes did the applicant typically make? Were these mistakes corrected?”
- “How would you describe the applicant’s work style?”
- “In a few words, how would you summarize this applicant’s job performance?”

4.5. Skill Area

- “How would you evaluate the applicant’s technical skills?”
- “How would you describe the applicant’s interpersonal and written communication skills?”
- “What kinds of writing did the applicant do?”
- “How would you evaluate the applicant’s leadership ability? What leads you to that conclusion?”
- “How would you evaluate the applicant’s verbal communication skills?”
- “How would you evaluate the applicant’s conceptual ability?”
- “Can you give some examples that demonstrate the applicant’s conceptual ability?”

- “How would you compare the applicant’s skills with others performing in the same area?”

4.6. Personal Traits

- “How would you evaluate the applicant’s ability to learn and follow directions?”
- “How would you evaluate the applicant’s ability to take suggestions/criticism?”
- “Is the applicant flexible? Can you give an example?”
- “How would you evaluate the applicant’s ability to pay attention to detail and follow through on a job?”
- “How would you evaluate the applicant’s ability to demonstrate ingenuity and act on his/her own initiative?”
- “How would you describe the applicant’s general attitude concerning his/her work?”
- “How would you evaluate the applicant’s overall accuracy?”
- “Does the applicant accept responsibility? Can you give me an example?”

4.7. Other

- “What advice would you give the applicant’s new supervisor about how to maximize his/her performance?”
- “How would you best describe your company’s culture or personality?”
- “What would be an ideal position for this applicant?”
- “What would you do differently with this applicant if he/she worked for you again?”
- “What haven’t I asked you that you might be able to tell me about this applicant that would help me to evaluate him/her?”
- “Who else in your organization might be able to give me some insight into this applicant’s work?”
- “What advice would you give me about how to best motivate this applicant?”
- “What is the best method for developing the applicant’s skills?”

4.8. Supervisor / Manager Candidate Questions

- How long has the candidate been a supervisor/manager?
- Please describe the number and title of the employees that the candidate supervised directly.
- Please describe the number of people indirectly supervised by the candidate (number of people reporting through other supervisors to the candidate).
- Did the candidate do the following: (Clarify as to whether they had the authority and had actual experience in each of these areas.)
 - Hiring
 - Establishing job duties
 - Recommending pay increases
 - Evaluating
 - Disciplining
 - Firing
 - Supervising/managing in an union environment
- Describe the candidate's supervisor/management/leadership style. (You should clarify and evaluate if it was an effective style.)

5. FREQUENTLY ASKED QUESTIONS

5.1. Legal Aspects

Q Do I need written consent to check references?

A The applicant's employment application includes each candidate's authorization that serves as consent.

Q What does the term "defamation of character" mean?

A Defamation of character is communication to another of information, which is false and injurious to the reputation of an employee or former employee. Employers may and should provide truthful reference information without fear of liability if the information is factual, without malicious intent or discriminatory.

Q What does negligent hiring mean?

A "Negligent hiring" is a failure by a prospective employer to adequately conduct a background check. Employers can be held liable for not thoroughly checking reference information. It is important to obtain adequate information to ensure that the new employee does not repeat negative past behavior and create problems on the job.

Q Who should I share reference information with?

A All reference information should be maintained in a confidential manner with access given to those on a need to know basis. This is particularly important when receiving information about criminal activity and credit history.

Q What kinds of questions are illegal?

A The discrimination laws that apply to interviewing should be applied to reference checking. Do not probe into marital status, age, gender, disability, race, religion, creed, sexual orientation, veteran status or national origin.

5.2. Best Practices

Q Should I check references for all final candidates?

A The process should be handled consistently and thoroughly for all applicants who are under serious consideration in the interview process. At what stage (semi-finalists or finalists) to do references checks is up to the hiring department; however, whatever stage is chosen, all candidates in that stage must receive the same screening treatment.

Obtain several references for maximum objectivity. Use the same list of questions for each reference source and make an attempt to contact the same number of references.

Q Should I document the Reference Checks?

A Yes. Documentation should be maintained on all reference checks as part of the selection process materials.

Q Can I ask others to help in checking references?

A For consistency, it is best if the same person(s) does the reference checks. If it's not possible, make sure that everyone uses the same list of questions.

Q Who can and should I contact?

A The most common reference sources are current or former supervisors, colleagues, or customers. Personal references are less preferred because they do not usually yield objective information.

Applicants may wish that their current employer not be contacted unless they are going to be offered a position or are at least a finalist. Try to respect and accommodate this request. If this is a concern of the candidate, let him/her know when you will be contacting their current supervisor so that s/he may give the supervisor a heads up.

Anyone you know that may be able to provide information about the candidate may be contacted, however, you are encouraged to inform the candidate who you intend to contact.

Q How should I contact references?

A The most effective approach is to contact the reference by phone or in person. Writing to the reference contact is usually not effective and typically yields little information or no response. The supervisor or a member of the HR team should conduct the reference interview.

Q What if the candidate only uses personal references?

A The purpose of obtaining references is to understand how someone performed in a work setting. Personal references do not accomplish this. If the candidate gives only personal references, ask him/her to give you references who can discuss their work performance.

Q What if the reference does not return my phone calls?

A In cases where the reference does not return your phone calls, contact the candidate and ask that they let the reference know the importance of returning your call. This usually is effective.

Q What if the candidate only had one job?

A If your candidate has had only one job, ask to talk with another person in the organization who is familiar with their work. This could be a co-worker or another manager for whom they did some work.

Q Do I have to have the reference check completed before offering a position?

A Yes.

Q If the candidate is internal, can I contact the candidate's current supervisor?

A Yes. As a courtesy, inform the candidate that s/he is being seriously considered for the position and that you will be contacting their current supervisor.

Q What if the candidate objects to your contacting their supervisor?

A Feel free to ask why and be sensitive to the candidate's wishes if appropriate. Thoroughly discuss options of other suitable references from the current job such as colleagues with whom they worked on projects or work groups.

Q I have viewed the personnel file but I would like to learn more about the candidate's knowledge, skills, and abilities.

A Viewing the personnel file should in no way replace directly contacting the present supervisor or other reference sources. It is important to speak to references to determine if the individual is an appropriate match for your vacancy.

5.3. Prohibited Questions

| <u>SUBJECT</u> | <u>STATUS</u> | <u>COMMENTS</u> |
|-----------------|---------------|--|
| AGE | Not allowed | Any inquiry that implies a preference for those of a certain age. |
| ARRESTS | Not allowed | Inquiries about arrests or convictions. NOTES <i>Human Resources conducts background checks for exempt and classified positions and will inform hiring authorities if there is a justified concern.</i> |
| CITIZENSHIP | Not allowed | Inquiries about citizenship. NOTES <i>The selected candidates will be required to show proof of eligibility to work in the country prior to being hired. All job announcements must inform potential applicants that they must be eligible to work in the country.</i> |
| FAMILY | Not allowed | Inquiries about spouse or partner, or their employment or salary, children, child care arrangements, or dependents. NOTES <i>May ask whether an applicant can meet a certain work schedule or has commitments that may prevent meeting work attendance requirements.</i> |
| DISABILITY | Not allowed | Inquiries of the nature, severity or extent of a disability. Whether applicant has applied for or received workers compensation. Also any inquiry that is not job related or consistent with business necessity. NOTES <i>May ask whether the interviewee is able to perform the essential functions of the job with or without reasonable accommodation. Inquiries as to how the applicant could demonstrate or describe the performance of these specific job functions with or without reasonable accommodation. Please notify Human Resources if such a question is going to be asked.</i> |
| HEIGHT/WEIGHT | Not allowed | Any inquiry about an interviewees height or weight characteristics. |
| MARITAL STATUS | Not allowed | Any inquiry which would reveal applicant's marital status. NOTES <i>Refer to all female applicants as Ms. And all male applicants as Mr. unless asked otherwise.</i> |
| LAST NAME | Not allowed | Inquiries into original name that would divulge marital status, lineage, ancestry, national origin or descent. |
| NATIONAL ORIGIN | Not allowed | Inquiries into applicants or applicants family's lineage, ancestry, national origin, descent, birthplace, or mother tongue. NOTES <i>Inquiries into the applicants ability to read, write and speak foreign languages only if those are qualifications for the position are allowable.</i> |
| ORGANIZATIONS | Not allowed | Requiring applicants to list all organizations, clubs, societies, and lodges to which they belong. NOTES <i>Inquiries about membership in job related organizations are allowable.</i> |

| <u>SUBJECT</u> | <u>STATUS</u> | <u>COMMENTS</u> |
|-----------------------|----------------------|--|
| PREGNANCY | Not allowed | All questions as to pregnancy and medical history concerning pregnancy and related matters. |
| | NOTES | <i>Inquiries related to the duration of stay on the job or anticipated absences which are made to ALL interviewees are allowed.</i> |
| RACE/COLOR | Not allowed | Any inquiry concerning race or color of skin, hair, eyes etc. |
| RELATIVES | Not allowed | Any inquiry regarding marital status, identity of one's spouse or partner or their occupation. |
| | NOTES | <i>Administrators may ask names of a finalist's relatives already employed in the company for administrative purposes.</i> |
| RELIGION AND OR CREE | Not allowed | Inquiries about an applicant's religious preference, denomination or affiliations, church, synagogue, parish, pastor, rabbi, or religious holidays observed. |
| RESIDENCE | Not allowed | Names or relationship of persons with whom applicant resides or whether applicant owns or rents a home. |
| | NOTES | <i>The company is allowed to obtain contact information.</i> |
| SEX | Not allowed | Except in the rare instance of bona fide occupational qualification. |
| SEXUAL ORIENTATION | Not allowed | Any inquiry that would reveal an applicant's sexual orientation |

5.4. Support



For more information about your email account, help and support contact Specialist Economic Advisors Human Resources at ops@spec-adv.com.



For information about our online and personalized training sessions contact Specialist Economic Advisors Training at training@spec-adv.com.



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