

How to Turn Reference Checking into an Effective Candidate Assessment Tool



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(aka Lermusiaux)

- CEO of Checkster
- Former president of Taleo Research, from start to Taleo IPO (TLEO)
- Founder of iLogos (acquired by TLEO)
- Named one of the "100 Most Influential People in the Recruiting Industry"
- Blog has been recognized as the best third party recruiting blog
- Spoke from New York to LA and from Paris to Singapore at conferences with audiences up to 2,000 people
- Quoted in *Fortune*, *The Wall Street Journal*, *Financial Times*, *Business Week*, *Time Magazine*...


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Who is Checkster ?

Provides online
Leadership Development
&
Pre-hire
Tools


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What you will learn

1. What is a reference check?
2. Why use reference checking?
3. When to use reference checks?
4. For whom to use reference checks?
5. Who should be references?
6. What questions should be asked?
7. Legal issues
8. 6 ref checking methods (& automation)
9. Summary & 2 core decisions

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1. What is a Reference Check?



NOT background check

Reference check

Check previous colleagues' opinions on an individual's performance.

Background check

Checks background information of candidates. Typically includes a drug check, criminal check, verifications,...



Successful Reference Check ?

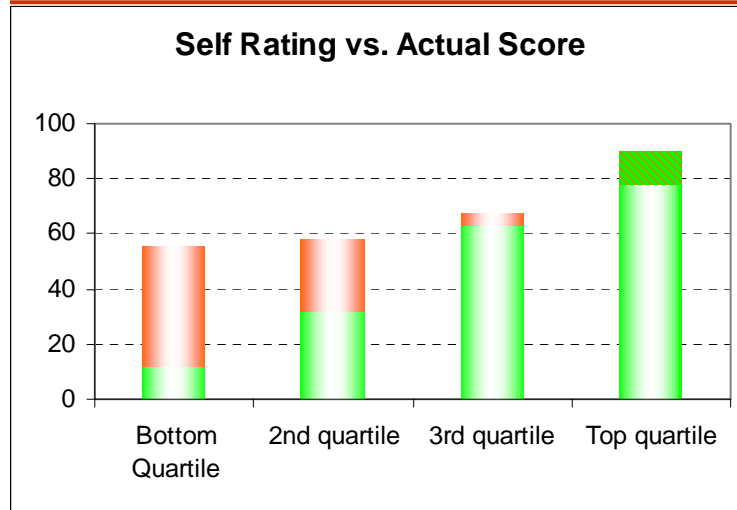
Not only avoid a bad hire

But

Increase the chances of a quality hire

2. Why use Reference Checks?

How Good Are We To Assess Our Strengths?



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Source: Justin Kruger and David Dunning, Cornell University

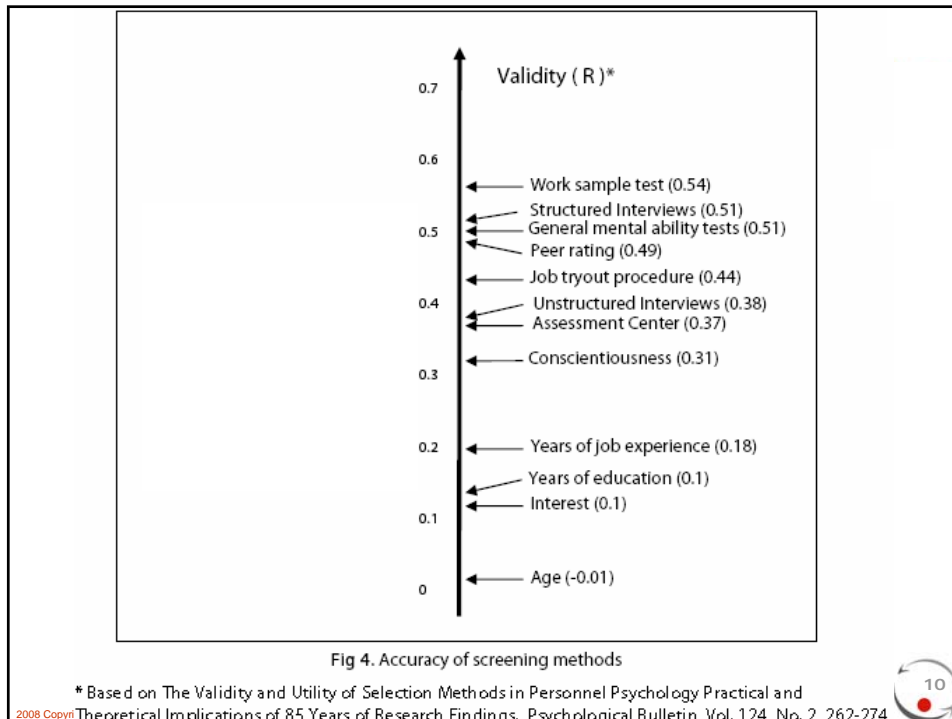



Fig 4. Accuracy of screening methods

* Based on The Validity and Utility of Selection Methods in Personnel Psychology Practical and Theoretical Implications of 85 Years of Research Findings. Psychological Bulletin, Vol. 124, No. 2, 262-274




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Hire and promote first on the basis of integrity;
 second on motivation;
 third on capacity;
 fourth on understanding;
 fifth on knowledge;
 and last, and least, on experience.

Without integrity, motivation is dangerous
 without motivation, capacity is impotent
 without capacity, understanding is limited
 without understanding, knowledge is meaningless
 without knowledge, experience is blind.
 Experience is easy to provide and quickly put to
 good use by people with the other qualities.

Dee Hock, Founder of Visa




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Success rate outside vs. inside

	Outside Hire	Internal Move
Success Rate	55-70%	80-90%
Primary Hiring Decision Criteria	Relevant Past Experience Personality & first impression	Consistent Past Performance Respect earned over time with colleagues
Underlying Differences	Light on performance Heavy on experience	Light on relevant experience Heavy on performance
Focus on	Having the Skills	Producing Results

Table Adapted from "Hire with your head", Lou Adler



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4 most accurate ways to screen (~0.5)

- Cognitive Ability
- Work Sample Tests
- Interview (structured)
- Peer rating → Reference Checkup

Source: The Validity and Utility of Selection Methods in Personnel Psychology Practical and Theoretical Implications of 85 Years of Research Findings. Psychological Bulletin, Vol. 124, No. 2, 262-274

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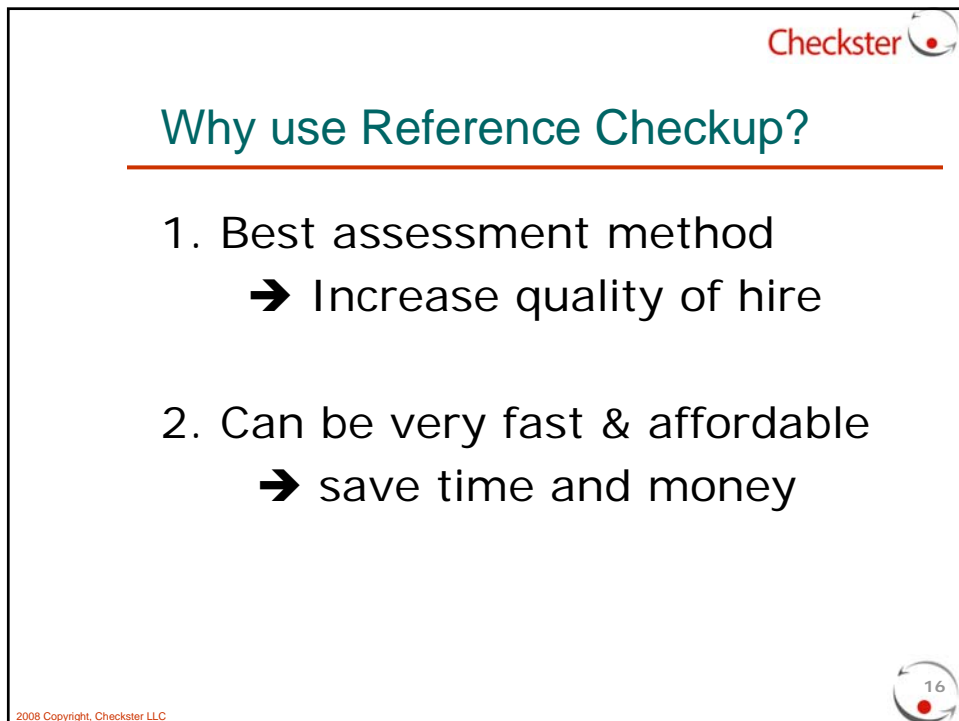
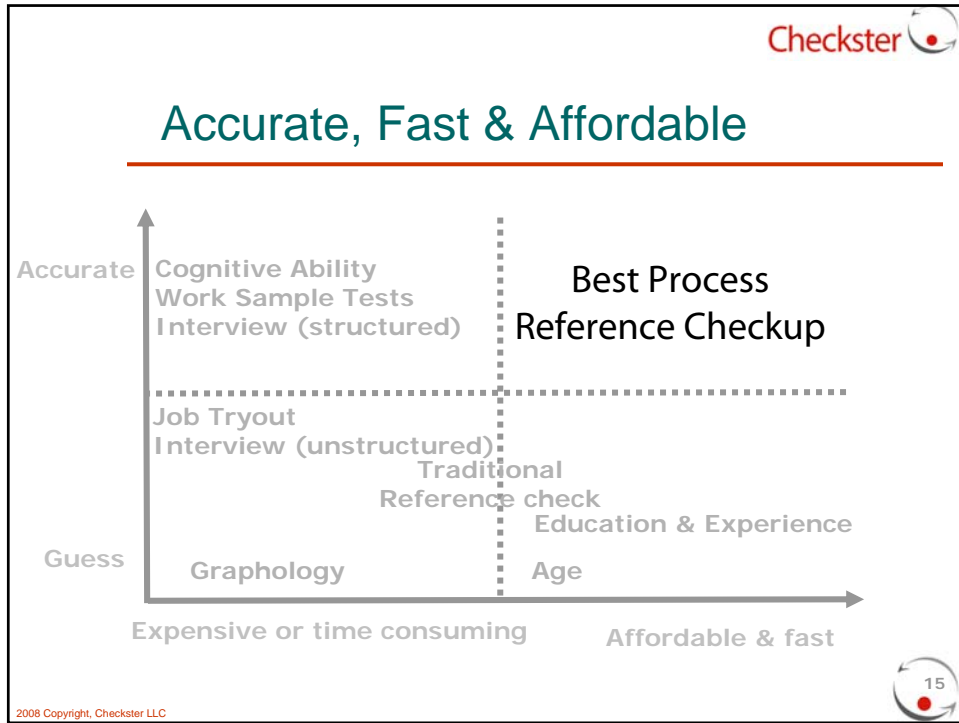


Why use Reference Checkup?

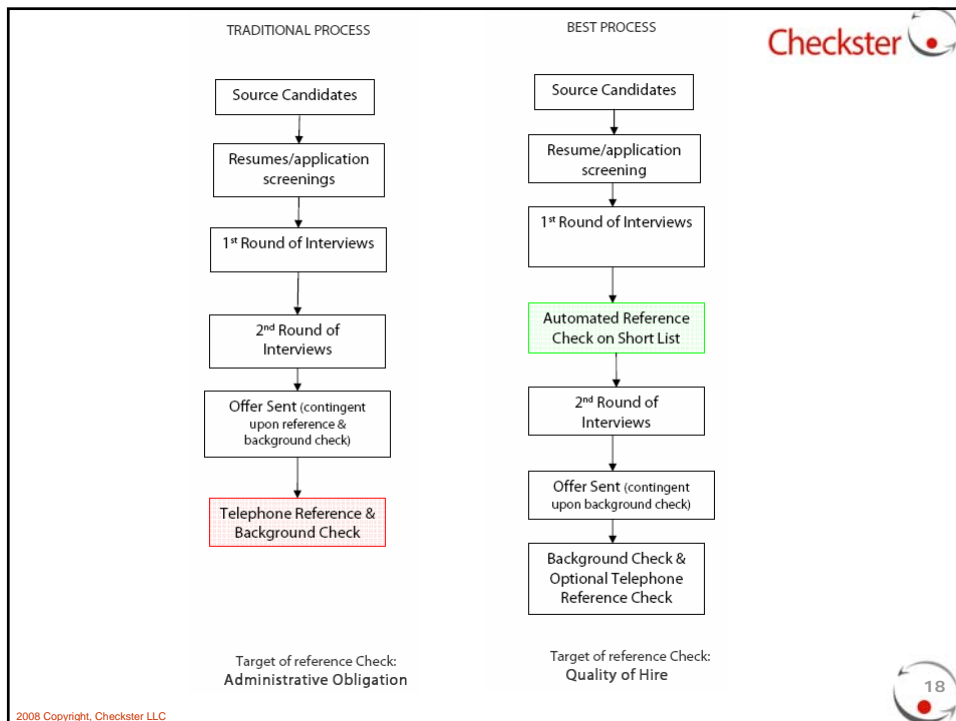
1. Best assessment method
→ Increase quality of hire

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3. When use Reference Checks?



4. For whom to use Reference Checks?

All positions

External hires

Internal promotions

Lateral moves

5. Who should be references?

Hard References,... HR

Don't contact the HR department,...

Unless you want to verify facts

Employment Verification

- Dates of employment
- Salary
- Title
- Eligibility for re-hiring

Most important !

Who you ask

4 criteria:

1. Freshness of relationship
2. Lengths of relationship
3. Closeness of relationship
4. Nature of relationship

We Can Rely On Collective Feedback

If some conditions
are filled:

- Diverse Opinions
- Independent
- Good method to centralize opinions

6. What questions
should be asked?

One Critical Question!

Would you re-hire (or advise to re-hire) the individual?

If no, why not?

Open-ended questions about:

1. Accomplishments
2. Strengths
3. Areas of improvements

List of questions to ask

List of questions in our white paper:

www.checkster.com under Resources
(white papers)

Material for recruiter Probing questions

With the reference Checkup details the interviewer can probe further:

- *“Your reference described that you accomplished X. Could you describe what you did in order to achieve it?”*
- *“ you are seen as being able to cope with stress and pressure. Can you give me some examples and what you did?”*

7. Legal risk?

Organization's side

Can you be liable if you
don't check references?

Yes, if any injuries result...

Organization's side


Can you be liable when you check references?

Yes, if you ask the wrong questions

Reference's side

Can you be liable if you give false references?


Yes, "negligent reference",
defamation,...


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Risk on both sides but rare

	Giving	Getting
Too Much ↕ Not Enough	Discrimination Retaliation Defamation	Discrimination
	Misrepresentation	Negligent hiring

2008 Copyright, Checkster LLC Table adapted from: Legal, effective References – Wendy Bliss




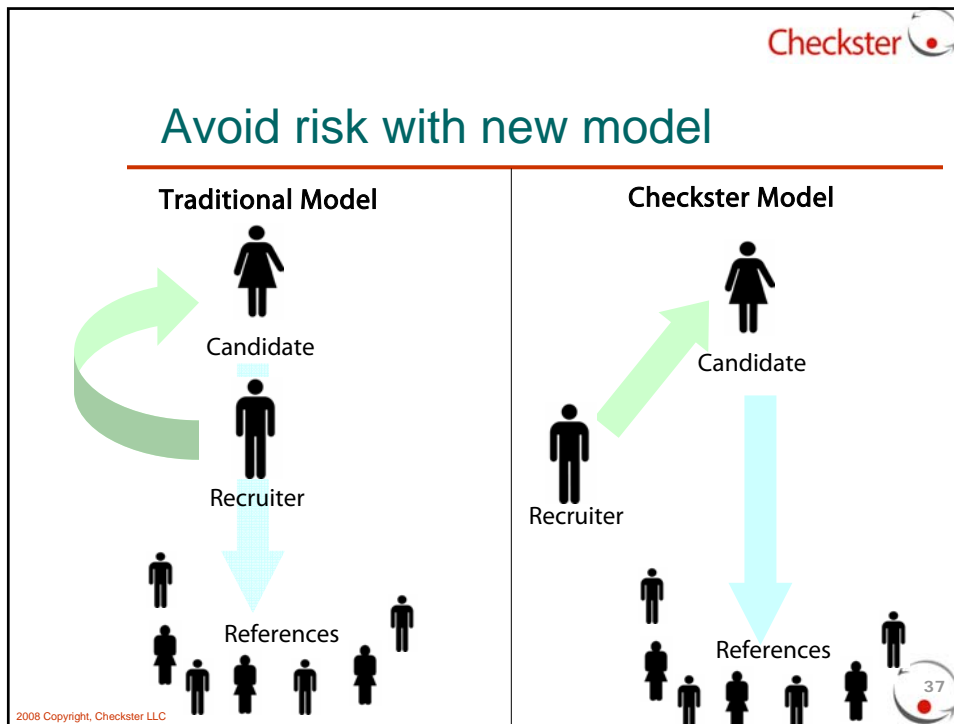
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Do you need an applicant's consent?

Highly recommended

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Summary


- Do reference checks (automated or use questionnaires)
- ➔ It helps reduce the risk (discrimination and negligent hiring)
- Have applicant's consent




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8. Six methods to perform reference checks

6 methods:

More Technology



1. Letter
2. Face to face
3. Phone
4. Email
5. Search
6. Online Tool

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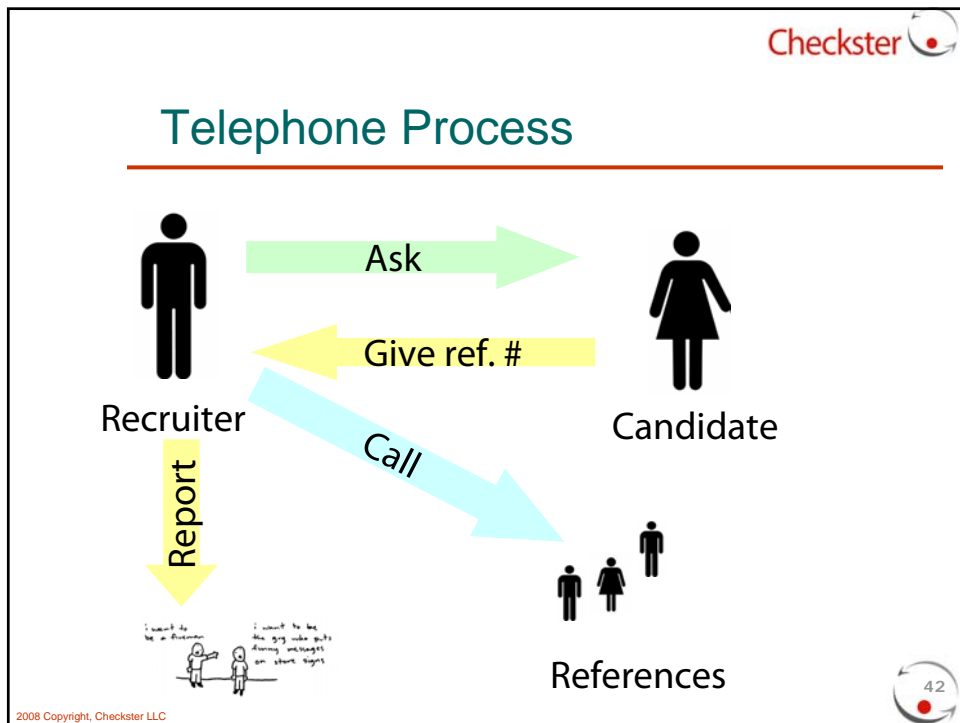
6 methods:

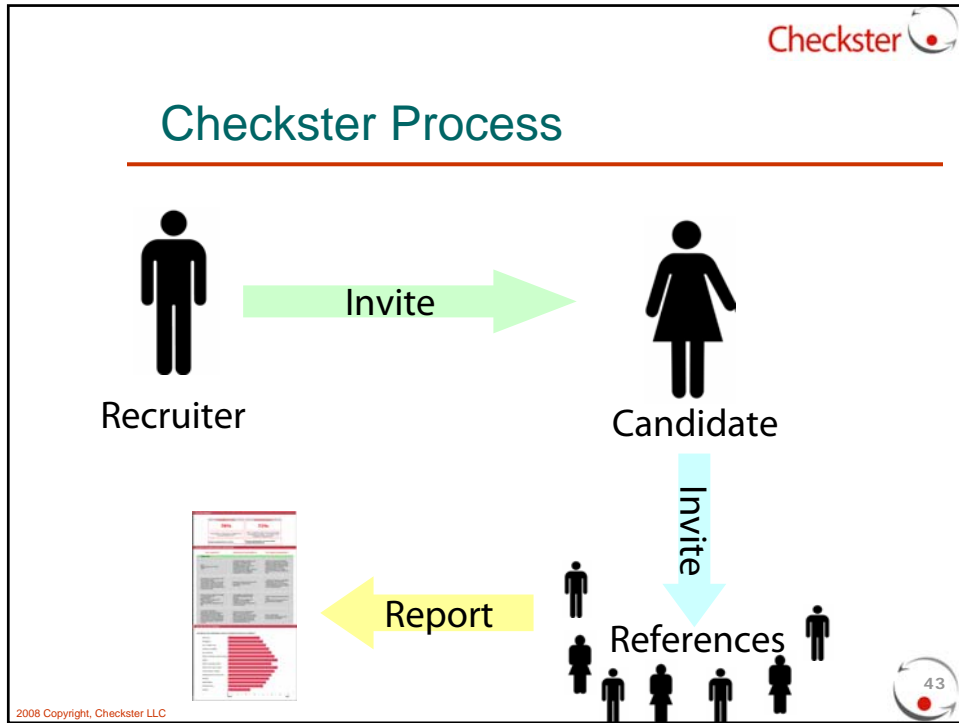
	Truthful	Low work required	Consistency of report	
Letter	★	★★★★	★	6
Face to face	★★★★	★	★★	7
Phone	★★★	★★	★★	7
Email	★★	★★	★★	6
Search	★	★	★	3
Online Tool	★★★	★★★★	★★★★	11

More Technology

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The screenshot shows the 'REFERENCE CHECKUP' form. It has a red header with the text 'REFERENCE CHECKUP'. Below the header, it says 'Details of the person you want to check references on:'. There are input fields for 'First name', 'Last name', 'Email', 'New job title', and 'New Requisition Number'. Below these is a dropdown menu labeled 'Or add to an existing requisition' with the option 'Select existing requisition'. The next section is 'Select the type of Checkup you want to perform:'. It has two checkboxes: 'Employment Verification' (checked) with 'Units required (Free)' and 'Reference Checkup' (checked) with 'Units required (50 units)'. At the bottom, it says 'Your account has a total of 375 units' with a link 'Buy More Units' and a red 'NEXT' button. The Checkster logo is in the top right corner, and a circular icon with the number 44 is in the bottom right corner.

Automated

Traditional

REFERENCE CHECKUP*
Details of the person you want to check references on
First name: _____
Last name: _____

UPLINE SUMMARY

Probability of re-hire	Overall performance
78%	72%
<small>The probability of rehiring Arthur Candidate by the respondent is about 78%.</small>	<small>Arthur Candidate averages 72% among respondents. Who answered the question, "How would you rate Candidate overall performance?"</small>

STRENGTHS, ACCOMPLISHMENTS, IMPROVEMENT

TOP 3 STRENGTHS* **TOP 3 AREAS OF IMPROVEMENT***

Other view

* No feedback design or build our work integration are required 100% compliance in the very region. * Arthur Candidate's business of

SPECIFIC RELATIVE RANKING

How did the survey participants respond to you along key performance attributes?

Hard work	5
Intelligence	4
Work-related skills	4
Industry knowledge	4
Work behavior	4
Ability to execute (create results)	4
Energy	4
Ability to energize others	4
Ability to be a team player	4
Timely Decision making	4
Handling pressure and stress	4
Planning	4
Dependability	4
Professionalism	4
Integrity	4

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i want to be a fireman

i want to be the guy who puts funny messages on store signs

Manual Time consuming


45

Summary



2 Core Decisions

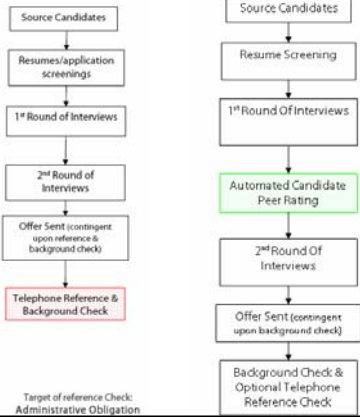
How?




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When?


TRADITIONAL PROCESS




Target of reference Check:
Administrative Obligation



Thank you



www.Checkster.com
Contact: info@checkster.com



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