Talent Titans

Voices of Talent Leaders

Taking Effective References

PROFESSIONAL SELECTION INC.
Global leaders in staffing for Recruitment and HR

Introduction

Do you find that references don't really tell you anything about a person's performance? Candidates usually won't list a referee who might give them a bad reference. Referees tend to prefer to give a vague or general reference rather than a negative one. Hiring Managers usually don't expect references until the offer stage anyway. So, what's the point?

This guide is aimed at recruiters in staffing agencies, but anyone who's taking a reference on behalf of a third-party Hiring Manager should find it instructive. If you're new to staffing or you've been thrown into the deep end and you don't know what you're looking for in a reference, this is a good place to start. Above all, this is intended to be useful advice that you can incorporate into your recruitment practice, whether you're a self-employed one-person-shop or a consultant at a large multinational.

Suky Sodhi
President, Professional Selection Inc.

Why do we do references anyway?

We take references to help our clients make the decision to hire and to help our placements succeed in the long-run. People in every industry promote their services as being some variation of "driven by long-term partnerships" but it's particularly true for recruitment. If your placements don't translate into long-term success for your clients, you won't be successful in the long run either.

> *Consider the difference between **reference checks** and **verifications of employment***

Of course, we check references to make sure that the candidate has been truthful about their previous employment. We're always checking to make sure that the candidate really did work where they said they worked, did the job that they said they did, and left for the reasons they said they left. That's the kind of reference you can send out as a form to be filled in via an automated online service.

A **good** reference gives us insight into a candidate as an employee, as a colleague, and as a professional.

> *Good references aren't a static, procedural step that you can do by sending a template or pass off to a junior team member*

I'm a firm believer that every reference should tell me something new, useful, and actionable about my candidate. Whether it's a sure-thing "offer-pending-references" for a rock-star candidate, or my client is on the fence, I want to come back to my client and give them a valuable insight into their potential new hire. How do I know what my client wants to know about the candidate? I ask.

Before you do anything else, find out what your client wants from the reference.

Tip 1: Talk to your client

Pre-reference questions for clients

- *"Is there anything you'd like me to focus on?"*
- *"Is there anything about this candidate that you're not sure about?*
- *"Do you have any concerns that you're hoping the references will address?*

If you can address your client's conscious concerns, and anticipate their subconscious concerns, you'll be able to come back and help them make an informed decision. References are often one of the final stages in the decision to extend an offer, and one of your last chances to fight in your candidate's corner to make the case that they will be successful as a part of your client's team. If you're going to close the placement, you've got to understand the objections and tailor your references to addressing them, for better or for worse.

The reference process sits at the intersection of your client's pain points on a potential hire, your candidate's suitability for the job, and your ability to get a line manager to speak to both.

Who should give a reference?

Peer references are rarely worth the paper they're written on. Hiring Managers don't trust them. There is an unspoken assumption that the candidate has asked a friend to be their reference because their manager will give them a negative reference. Two glowing peer references will always be overshadowed by that nagging doubt: "What went so wrong at the job that the candidate can't get a line manager reference?" When your client's making the decision to hire, that's the kind of doubt that can kill a placement.

> *If your candidate is worried about a negative reference, let them explain why and assure them that you'll consider it in context of all the facts.*

A peer reference seems like an implied negative reference plus window dressing. The difference is that you have room to maneuver through a negative line manager reference. You can get at the fundamental issues that your candidate had, or identify a malicious reference given on a personal rather than professional basis. You can learn why your candidate was unsuccessful in the role and give your client actionable advice to help them succeed in a new position.

With a peer reference, you're largely limited to confirming dates of employment and job titles: a peer reference is a template reference, and that's not what we're about.

We want to take line manager references because we want referees to speak to a candidate's performance and metrics, to their interpersonal skills and ability to collaborate. We want to give our client useful information about managing the candidate, their capacity to take on new responsibilities or develop professionally in a given area. Peer references can't tell us that because a candidate's peers rarely see the whole picture. They'll most likely be working off information supplied to them by the candidate themselves.

We strive to deal in direct line manager references.

Tip 2: Choose referees your client wants to hear from.

You'll have to use your professional judgement to strike a balance between a relevant reference and a recent reference. The most important thing is that the reference will be acceptable to your client. You want to take a reference that the client is comfortable basing the decision to hire on. You certainly don't want to take a reference that your client doesn't accept: it drags out the hiring process, adds time that can kill the deal, and leaves a bad taste in everyone's mouth.

Get your candidate's references together before the client asks for them. You want to be ready to get your client's go-ahead on the referees immediately.

Who should give a reference? Someone that the client wants to hear from. That will generally be a direct line manager and rarely a colleague. A good referee has managed the candidate directly in a position that's most like the role the candidate is applying for. If you're not sure, it never hurts to check the referee with your client before you make the call.

How do you set up a reference?

Giving references can make some referees uncomfortable due to the myriad myths and legends about what's legal and what's not. There is a general sentiment that giving a negative reference can expose the employer to legal liability. It's important to pre-empt any that kind of feeling in the referee by making sure that they're comfortable and prepared from the get-go.

Most referees aren't expecting to give the kind of reference that we want to get from them. It's best to set up a time for them to talk to you and have them block off at least 15 to 30 minutes for the call. If they're feeling rushed, they're likely to give you incomplete answers to try and get through the call. They might be expecting the usual verification style of reference --- confirming dates of employment and duties --- rather than a detailed reference tailored to the specific job the candidate is going for. Giving the referee a courtesy call to arrange the reference is good practice to make sure that you get a proper reference, and it starts your relationship off on the right foot.

I like to make the parameters of the reference very clear from the outset. Simple courtesies like checking that referee feels comfortable giving a reference and going over confidentiality will go a long way towards making sure you get an honest and forthcoming referee.

You set a tone for your conversation from your first contact with the referee and you want to make sure that you're on the same page.

You're not asking the referee to go through a questionnaire with you: you're asking them to have a conversation. Referees are often Hiring Managers within their own organizations and, if you treat them right, they'll have an insight into the kinds of things your client is likely to want to hear about. You want them to buy-in to giving you a useful reference.

Tip 3: Get the referee's buy-in

If you're working within a recruitment agency, you probably have a set of questions that your management team has developed for compliance with employment and privacy legislation in your jurisdiction. Consider adding some of these key questions:

Pre-reference questions for referees

- *"Has the candidate asked you to give a reference?"*
- *"Do you feel comfortable and qualified acting as a referee for the candidate?"*
- *"Can I share your name and contact information with my client in case they'd like to follow-up with you directly?"*
- *"Is there anything else I should know before we start the reference?"*

The overarching theme of these questions is to give the referee the option to decline to give a reference rather than fudge it, and to make them comfortable being frank with you. Since candidates tend to choose referees that they have a personal relationship with, it helps to give referees the opportunity to have their comments withheld from the candidate.

> *Consider the skills involved here. It's part making sales calls, part headhunting, and part networking. It's all about building the relationship.*

It's a good practice to assure the referee that you aren't asking for any confidential information, especially if the candidate is going to a direct competitor.

> *"Just to be clear: I'm not going to ask you for any confidential or proprietary information. I just want to get a sense of the candidate's performance."*

You want to make sure that your referee is comfortable being honest with you. It helps if they know something about the new position and if you earn their confidence and respect. They could be a future client, after all: you want to demonstrate your professionalism and expertise from the outset.

What should you ask the referee?

The overarching theme of this guide is that there is no set list of questions to ask every referee to get an insightful reference every time. This section provides a general framework to get you started, and shows some examples of a better way to ask common questions. The most important takeaway is that "yes-no" questions will get "yes-no" answers, which leaves less room for the referee to tell us something new. Recall that the point of taking a reference is to help your client make the decision to hire and to help them get the best from their new employee.

Tip 4: Ask questions that translate into actionable advice for your client

Core topics every reference should cover

- Daily duties and responsibilities
- Objectives and performance management
- Internal and client-facing people skills
- Advice for the next manager to get the best out of the candidate.

What were the candidate's daily duties and responsibilities?

It can be tempting to brush over this question by asking the referee to briefly corroborate a known job description. For example, you're a sales recruiter and the referee is a sales manager, so you both know what a Sales Development Representative does, right? You might ask something like: "Was x an SDR at your firm between y and z dates? Ok, so that's following up on leads and the usual SDR stuff. Did they have any other duties and responsibilities?''

Consider the difference when you ask, "Was x an SDR at your firm between y and z dates? Can you briefly describe what an SDR in your team does? Did x have any special duties and responsibilities on top of that?" The referee is more likely to emphasize the parts of the job that are most relevant to this candidate, and they know the candidate best.

Don't do role confirmations: let the referee answer questions in terms of what they feel is important.

Leave the assumptions at the door. With an open-ended approach, you're giving a framework for the referee to tell you what the candidate did relative to the norm, and what made them stand out from the crowd. You're giving the referee room to expand on what you know about the candidate and to highlight the strengths or weaknesses that are most relevant to this candidate.

What were the candidate's objectives?

Questions about the candidate's quantitative performance can go a long way to convincing the client to hire and giving them a head start on managing the candidate. When you ask a broad question about metrics, you 'll probably get a broad answer like "x had daily and weekly conversion targets" and a simple assessment like "They usually hit their numbers." These are reasonably helpful answers, if you can get the referee to elaborate.

It's ok if your referee is not comfortable giving you exact numbers. The important thing is that you can establish a range or baseline for the candidate's performance and get the referee's evaluation of their relative merits.

You'll want to determine how the candidate's performance was measured, how the candidate performed relative to their peers and to management expectations, and how the candidate's performance against metrics is best managed. For example, if the referee says that the candidate did not meet their objectives in a certain period, follow-up and find out why. You could ask, "Were they coached on their performance and how to improve it? How did they respond to the coaching? Did they tend to be very metrics-oriented, or do they tend to respond better to another style of management?"

A reference that has less-than-perfect comments about a candidate's performance doesn't have to be a deal-breaker. The most important thing is that you can extract the underlying drivers for their performance and translate them into actionable advice for your client.

> *If the referee gives "negative" feedback, ask them to explain it and how they think the candidate's performance could have been corrected.*

What advice would you give their next manager to get the best out of the candidate?

I usually find this to be the most useful part of a reference. We want references to give us useful, actionable advice, and this is where you get it straight from the horse's mouth. The rubber meets the road and building a rapport pays off.

Referees might be surprised by this question. They may not have an answer right away, but if the call has gone well so far, they'll think of something helpful to add. Remember, they're usually Hiring Managers themselves, so they know what their peers – your clients – would be interested to know.

Treat this question like asking the referee to do you a favour. They don't have to answer it, and they certainly don't have to answer it in detail. You've got to change tack: make sure you don't push your luck with more and more follow-up questions. Leave it to the end and consider the answer you get as a bonus.

After all, chances are that the only thing the referee *has* to do is issue some variety of a record of employment confirming dates and job title.

Key elements of the reference process

1. Talk to your client
2. Choose referees your client wants to hear from
3. Get the referee's buy-in
4. Ask questions that translate into actionable advice for you client

Putting it all into practice

We don't often talk about these kinds of nuts-and-bolts things in the recruitment industry. Taking a reference varies so much from agency-to-agency and industry-to-industry that there is no universal solution.

On the next page you'll find a one-page summary of this document. It's organized so that you can work through it as a checklist if you're taking a reference without any kind of template, or use it as a training aid to show newcomers to recruiting what references are about.

It's not designed to replace the forms and processes that your management has put in place ---- none of this is. It's a supplement. If this guide has got you thinking about taking effective references, I encourage you to review what you're doing now. Feel free to take the summary and modify it to suit your needs, or work some of it into your existing template, or use it as a skeleton for a new template.

At the least, I hope you find it to be useful food for thought. If we're not thinking or talking about these nuts-and-bolts, we're not improving them.

Suky Sodhi
President, Professional Selection Inc.

About Us

Suky has been a professional recruiter since 1993. She founded PSI in London, England and moved operations to Toronto, Canada in 2005.

PSI is a recruitment agency dedicated to placing staffing professionals in other staffing agencies ("rec2rec").

Find us online at www.professionalselection.com.

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☐ **Before you call the referee**	
☐ What does the client want to get out of the reference?	
"Is there anything about this candidate that you're not sure about?"	"Is there anything you'd like me to focus on?"
"Do you have any concerns that you're hoping the references will address?	"Do you have any concerns about how you're going to manage the candidate?
☐ Have you pre-qualified the referees with your client?	
☐ **Pre-flight questions for the referee**	
☐ Has the candidate asked the referee to give a reference?	☐ Does the referee feel comfortable and qualified?
☐ Referee's consent to disclose their details to the client?	☐ Does the referee want to give a confidential reference?
☐ **Core due diligence**	
☐ Validate reporting relationship, including dates.	☐ Validate dates of employment and reason for leaving.
☐ Validate job titles, dates each held, and compensation.	☐ Validate compliance with policies and procedures.
☐ Any issues or concerns about honesty or integrity?	☐ Any issues or concerns about the candidate in the workplace?
☐ **Daily duties and responsibilities**	
☐ Validate that the candidate did what they said they did	☐ Did the candidate take on any additional responsibility?
☐ Ask for an example of ability to take on new responsibilities.	☐ Does the referee think have the core skills for this job?
☐ **Objectives and performance management**	
☐ How was the candidate's performance measured?	☐ Did the candidate perform at the level they said they did?
☐ Ask for an example of how they respond to management.	☐ Was the referee satisfied with the candidate's performance?
☐ **Internal and external-facing people skills**	
☐ How did the candidate relate to their colleagues?	☐ How did the candidate relate to clients and vendors?
☐ Ask for an example of their people skills.	☐ Was the referee comfortable with their professionalism?
☐ **Referee's insight**	
☐ "Do you have any advice for the candidate's next manager to get the best out of them?"	