The Definitive Guide to Hiring Right

Jeffrey R. Mueller National University

Bernadette Baum National University

This paper is an abbreviated, practical, research-based guide for the practitioner and anticipated practitioner - the student - of human resource management. It features contemporary recruitment and selection best practices for the human resource manager, recruiter and/or hiring supervisor, to include legal and technological developments. Twelve steps are sequentially reviewed beginning with the job analysis and ending with the background and reference checks. Current research on behavioral interviewing (Green, 2007) is detailed as well as guidance for pre-employment testing and conducting reference checks. The authors have over forty years combined experience in human resource management and employment law.

INTRODUCTION

Labor, like all organizational resources, is highly dependent on supply and demand of human talent in different occupations/professions and industries. Many industries, such as the auto industry, are currently downsizing, and can afford to be highly selective in the few job opportunities, if any, that are available. Other industries, such as the major accounting firms, are currently actively wooing qualified interns and applicants for entry-level positions. A desirable organizational culture and competitive starting salary, too, play an important part in attracting and hiring potential employees for existing employment vacancies, regardless of economic conditions.

Moreover, and to borrow from the Boston Consulting Group's (Heldey, 1977) ever popular marketing terminology, yesterday's question mark can quickly become today's cash cow or vice versa depending on changing economic conditions and corresponding corporate strategies. Given the unpredictable flux this creates it is important for the human resource professional, and indeed all managers who have staff, to fulfill a dual role during the employment process (Fig. 1). The first role is ambassadorial. After all, even if it is discovered that an applicant is clearly unqualified for a certain position, their treatment during the selection process may be a determinant in using the products and services of said company. Respectful, organized, professional approaches, demeanor and decision-making is expected from like-minded candidates (Lublin, 1999).

FIGURE 1 DUAL ROLE OF THE HIRING MANAGER

Company Ambassador Investigator of Character, Credibility and Contribution

The second role is investigatory. Like crime scene investigators, managers must carefully find *evidence* of character, credibility and contribution from the candidate's previous employers and/or relevant educational institutions (for entry level positions). Moreover, evidence must be gathered and evaluated not just regarding technical competence but also motivation (also called job/person match) and cultural fitness/adaptability (also called person/organization match) (Fig. 2) (Levesque, 2005; Mac Innis and Kleiner, 2002; Kristof, 1996; Dawis in Cranny, Smith and Stone, 1992; Judge and Bretz, 1992; Chatman and Caldwell, 1991; Bowen, Ledford and Nathan, 1991; and Calwell and O'Reilly (1990). Regarding motivation, care must be taken to sufficiently probe the applicant's previous contribution, initiative, awards, promotions, interests, innovations, customer and coworker relations and employment stability.

FIGURE 2 AREAS TO PROBE APPLICANT SUITABILITY

- 1. Technical competence: to what degree can the applicant do the job?
- 2. Motivation: to what degree is the applicant satisfied and challenged by this type of work?
- 3. **Cultural fitness and adaptability**: to what degree can the applicant smoothly integrate or adjust to company values, rules, conditions and environment?

Regarding the latter, evidence regarding fitness and adaptability to the employer's organizational culture is critically important. Harris and Brannick (1999) stated organizations that staff that most effectively link their staffing strategies to their corporate culture; whereas Chuang and Sackett (2005) found person-organization fit is not more important than person-job fit but its significance is recognized. Moreover, past employment behavior in a certain environment is the best (albeit imperfect) indicator of future work success, or lack thereof, in a similar or dissimilar environment. This is the premise behind behavioral interviewing (Green, 2007) introduced here but reviewed in more detail in the interviewing section below.

Perhaps the best incentive for hiring right is to consider the cost of hiring wrong, estimated to be 1.5 - 5 times the annual cost of the employee. These costs may include lost productivity, separation pay, separation processing, accrued vacation, continued benefits, advertising, recruiting time, recruiting fee, interviewing time, assessment cost and time, reference check, criminal check, drug test, relocation expenses, temporary employee contract fees, orientation, training, "chain reaction" turnover, customer issues from turnover, possible customer loss from turnover and possible negligent hiring litigation costs (www.jdaspi.com).

HIRING RIGHT: TWELVE STEPS

The method for collecting and deciding upon this evidence for hiring right is outlined at Fig. 3. The authors acknowledge that different companies may follow the steps in a different order. This paper proceeds from the premise that a complete job analysis has been conducted for the position the company is seeking to fill. Thus, the 12 steps that follow presume this most important task has been completed prior to embarking on the recruitment, selection, and decision-making steps of the staffing process. That said, a brief overview of the job analysis process is outlined below for the purpose of summarizing this ultimate 1st step in hiring right.

A job vacancy is an opportunity to update the job description, the result of **job analysis (JA)**, **step 1**. JA is the process of studying jobs in order to gather, analyze, synthesize, and report information about job requirements (Heneman III, 2009). This process may include an analysis of the job requirements of the position which seeks to identify specific tasks, KSAOs, and job context for a particular job. The job analysis process may also include an analysis of the general competency requirements required across a range of jobs. Each analysis yields information necessary for effective staffing. Once the specific tasks of a position are identified, along with the knowledge, skills, abilities, and other characteristics necessary to carry out the tasks, a proper job description can be created. Job analysis and the information it provides thus serve as the basic input to the totality of staffing activities for the company.

A job vacancy is an opportunity to update the **job description**, **step 2**, and more accurately update the needs of the organization. After all, one cannot hit an unseen target. A job description, particularly one modeled after Fig. 4, draws the bulls-eye. Progressive organizations allow viable candidates (based on motivational and cultural fitness) to write their own job descriptions but the following may still be used as a guideline for doing so.

FIGURE 3 TWELVE STEPS FOR HIRING RIGHT

- 1. Conduct Job Analysis
- 2. Update Job Description
- 3. Sourcing potential employees
- 4. Resume / Application Review
- 5. Telephone Screen
- 6. Pre-employment performance testing
- 7. Interview #1 (with realistic job preview)
- 8. Structured Interview #2 (panel)
- 9. Office Tour
- 10. Matrix Comparison
- 11. Offer (contingent upon background and reference checks)
- 12. Background/Reference Checks

Many job descriptions are lengthy lists that detail a myriad of duties instead of a consolidated, prioritized shorter list of major accountabilities based on key skills or competencies. The latter has the advantage of being easily understood by hiring managers, HR managers and incumbents. Guidelines for writing a job description are at Fig. 4 while a sample is at Fig. 5. Note that each major responsibility is prefaced with a skill verb. Abrams (2010) noted the two biggest mistakes business owners make when hiring new employees: too much or not enough authority. Therefore, special attention is needed for Item 1 in Fig. 4.

FIGURE 4 GUIDELINES FOR WRITING JOB DESCRIPTIONS

- 1. Identify title and three to six major skill-based responsibilities that differentiate this position from all others in the company
- 2. Prioritize them in order of importance
- 3. Approximate the percent time spent for each responsibility and add performance standards
- 4. State reporting relationships (up and down)
- 5. Differentiate mandatory vs. desirable qualifications, skills, certifications, licenses, etc.

FIGURE 5 SAMPLE JOB DESCRIPTION

Title: Associate Professor in the School of Business and Management

Major Responsibilities, Standards and Percent Time Spent (in priority order):

- 1. Teach 8X/year; maintain 4.0 evaluations and rigorous GPAs (40%)
- 2. Publish in peer-reviewed journal 1X every 3 years (20%)
- 3. Serve on committees for university and school of business, preferably in a leadership capacity; ongoing (30%)
- 4. Adjunct management: staffing, training and evaluation; ongoing (5%)
- 5. Community outreach; ongoing (5%)

<u>Reports to</u>: chair of leadership, management and marketing department <u>Supervises</u>: up to ten part-time (adjunct) faculty <u>Mandatory qualifications</u>: regionally-accredited Ph.D. (or equivalent doctorate) in a businessrelated field; 5 years as an assistant professor <u>Desirable qualifications</u>: minimum 10 years of business management experience; minimum five years as an adjunct professor in a similar university setting

Step 3: sourcing employees. Where do we find candidates who possess the technical qualifications outlined in the job description, as well as mirror the desired motivation and cultural "fitness"? An obvious answer is internally. Promotion (or transfer) from within, through a company job-posting intranet, can cut recruitment and training costs; and increase employee satisfaction and career management (Mintz, 2005; Klaff, 2004; Smith, 2001; Wanberg, et al, 2000, Fernandez and Weinberg, 1997). The latter researchers indicated an advantage of referrals over external nonreferrals "on the order of 3:1". Moreover, employee referrals may further decrease costs as well as increase employee satisfaction, particularly if a referral bonus is part of the personnel policy manual. "Employees typically do not refer bad employees (Maxwell, 2004). Taylor (2001) reported more than two-thirds of employee referrals received accurate job information compared to only half who applied from other sources. Lastly, Castilla (2005) found, "referrals are initially more productive than nonreferrals, but longitudinal analyses emphasize post-hire social processes [more important] among socially connected employees".

Yet the downside of these internal methods for hiring new employees is the potential organizational myopia or "clone effect" as well as perceived favoritism from any nepotism. Many organizations seek "new blood" in an attempt to remedy these conditions; and therefore, external sources also become an important part of the hiring equation. External sources include walk-ins (and their electronic equivalents e.g., <u>www.monster.com</u>, <u>www.careerbuilder.com</u>), search firms, employment agencies, professional associations, labor unions, colleges and universities, and state and local employment development departments. These can all be conveniently represented at job fairs/career expos where employers and potential employees can coincide for a cursory meeting, perhaps a brief, introductory interview. Paid advertising, be it print or electronic, continues to be a popular sourcing venue despite its relatively high cost and low yield ratio of quality candidates.

Step 4, review of the resume and the employment application, have also become electronicized (the authors' proposed term for going paperless). Resumes and applications can be electronically scanned and screened for keywords and completion, and then maintained in a database for easy access and review. Many employers also prioritize these documents into three stacks or files: yes (consider); maybe; and no, not for this position. Moreover, most employers are aware of the relatively high percentage of resumes containing mistruths estimated between one-fourth to one-third by several sources (Bachman cited in SHRM, 2009; Strauss 2006; Waite, 2005; Kidwell, 2004; Vuong, 2001); and therefore include legal verbiage on the application form such as waivers and disclosures, and certification of truth and accuracy

(as well as equal opportunity employment statements). Some organizations also require, as a condition for employment, notification and authorization to require a pre-employment medical examination, drug test, motor vehicle check, credit check and/or security check.

In between steps three and five, a **telephone screen**, **step 5** is suggested. Alexander Graham Bell invented the telephone for the primary purpose of saving time; and this applies to the employment selection process as well (Half, 1985). The telephone screen has the additional advantage of testing an applicant's vocal and listening skills, major factors in many jobs (Mac Ginnis and Kleiner, 2002). We recommend that hiring authorities design and ask relevant *technical questions only* over the telephone (and save motivation and "cultural fitness" questions for the onsite interviews where they can more adequately probed). Failure to pass a telephone screen is appropriately termed TKO: technical knockout.

All pre-employment interview questions, whether telephone or "live", should be based on *past performance* versus hypothetical future situations (Green, 2007). In the latter, creative applicants may find it convenient to conjure up scenarios and verbiage which have no basis in fact or experience. Therefore, asking "how *did* you handle situation x" is a far better test than "how *would* you handle situation x".

If the applicant can satisfactorily answer the technical questions telephonically they can be invited to an onsite interview and asked to bring a list of references and other physical evidence of their suitability for the position e.g., copies of recent performance evaluations, awards, training, work samples, etc. Regarding references, care must be given to request names and current telephone numbers of *former* supervisors (vs. current supervisor); who can attest to the applicant's character, credibility and contribution at that former place of employment. More information on reference checking is contained at step ten below.

Pre-employment performance testing is **Step 6**. Testing can be categorized into aptitude tests (also called ability, achievement, psychomotor or job knowledge tests); performance tests (also called simulations, proficiency, work sample or high fidelity tests); and personality assessments (also called situational judgment, integrity, interest, values, honesty, reliability and preference inventories). Of these the authors recommend performance tests only. After all, successful performance of a task is most important and relevant, and normally based on explicit, applied knowledge of said task.

"Research indicates that performance or work sample tests have a high degree of validity in predicting job performance (Heneman and Judge, 2009). For example, assembly-line workers at Chrysler, Hyundai and Mitsubushi ask assembly line applicants to assemble auto parts while executive applicants undergo a "day in the life of a plant manager" simulation (White, 2006). A high fidelity test uses realistic equipment and scenarios to simulate actual tasks of a job such as petroleum truck driver applicants mimicking steps taken on a computer to load and unload fuel (Motowidlo, Dunnette and Carter, 1990). Station Casino applicants are given behind-the-counter high-fidelity test, then a series of successive simulations, then required to assemble a jigsaw puzzle in a group to assess teamwork skills (Cook, 1997). Moreover, performance testing has the additional advantages of applicant acceptance and low degree of adverse impact (Bobko, Roth and Buster; 2005; Hunter and Hunter, 1984; and Cascio and Philips, 1979).

Performance tests can be relatively easily and inexpensively designed for almost any position. For clerical positions, a typing test is an obvious example. For teachers and trainers, giving an interactive presentation is another obvious example. For any technical position, have the applicant demonstrate the use of technology in an observable, timed setting. Rubrics can be designed by employers to evaluate the critical skills being evaluated.

For executive positions requiring more abstract leadership and decision-making skills simulations such as suggested above can be developed. The executive applicant's former record of performance also becomes an increasingly important "test". As Green (2007) apply pointed out, past performance in a similar setting is the best (albeit imperfect) indicator of future performance.

The authors do not recommend aptitude tests because they are easily faked; and frequently result in misclassification, stigmatization and negative reactions from applicants (Karren and Zacharias, 2007; Hausknect, Day and Thomas, 2004). The authors also do not recommend pre-employment personality assessments, including sales or customer service orientation tests, despite their popularity, due to low

reliability, low validity, legal liability and relatively high expense. Since the early 1990s, personality measures have "inched upward" with the most promising indicator being conscientiousness as related to goal-setting, expectancy and self-efficacy. Someday aptitude tests will play a vital role in employee selection but not yet (Scroggins et al, 2009; Judge and Hies, 2002; Judge, et al, 1999). If they are used, they should be used post-employment, interpreted by a trained industrial or organizational psychologist, and usually used for team-building or diversity awareness.

Included in this review of personality tests and aptitude tests is the ever-popular subject of emotional intelligence - termed by Goleman (1995) but rarely credited to original research by Gardner (1983). Salovey and Grewel (2005) defined emotional intelligence (EI) as the ability to monitor, discriminate and use one's own and others' feelings to guide one's thinking and action. Law, Wong and Song (2004) found some relation between EI and job performance but there is overwhelming criticism by Cote and Miners (2006), Rosete and Ciarochi (2005), Landy (2005), Locke (2005), Conte (2005) and Zeidner, Matthews and Roberts (2004) regarding the measures used, their reliability and the overall ambiguity of the term. Perhaps Goleman should have conferred and collaborated with Gardner to refine the EI concept. In any case, the authors do not recommend EI testing for pre-employment decision-making until these concerns have been resolved.

Researchers on the **employment interview**, **Step 7** indicated that despite its popularity, interviewees can be highly manipulative; and this method should only be used in conjunction with a peer interview (Step Eight) and other methods outlined in this guide (Weiss and Feldman, 2006). The interview must also include a realistic job preview. It has been well established that unstructured interviews and untrained interviewers frequently result in wrong hires and subsequent turnover and associated costs. The skills that are best evaluated in a face-to-face interview are, of course, interpersonal skills (especially listening), important for many positions. However, the onsite interview, ideally conducted by the immediate supervisor who has been trained in behavior-based methods, is also an opportunity to probe the candidate's motivation for the position as well as their potential culture fit. Therefore, care must be taken to structure behavior-based questions (Taylor and Small, 2002; Campion, Palmer and Campion, 1998), a recommended minimum of twenty, which focus on these latter two areas of suitability. These structured interviews provide the standardization and equity that unstructured interviews do not.

For probing motivation, it is important to design questions that enable the candidate to articulate any evidence of their *desire* for this particular type of work (as compared to *any* job). Examples of preparatory education and training (indicative of their ability and willingness to learn), as well as detailed work experiences and tasks regarding their display of initiative, innovation and improvement, are all positive signals. Lack thereof may indicate a need to pass over for a more highly motivated candidate.

For probing "cultural fitness", it is important for the interviewer to list those common, desirable organization-cultural traits and behaviors prior to posing relevant interview questions. For example, how does this company *differ* from others in this industry? What makes it *unique*? Where we would we like to be in the future? The answers to these preparatory questions will help identify the requisite values and vision needed for viable candidates. Chan (2005) cited significant research by Campbell, McCloy, Oppler and Sagler (1993); Borman and Motowildo (1993); Pulakos, Arad, Donovan and Plamandon (2000); Organ (1997); and Sackett (2002), that expanded the notion of task performance to include these cultural dimensions: contextual performance, adaptive performance, organizational citizenship and avoidance of counterproductive behaviors that hurt the organization's value system.

Sometimes companies will purposely seek out candidates who are counter-culture in the event of the need for cultural change. Mavericks are in demand for such leadership-deficient organizations (Mueller, 2010). In any case, cultural diversity, equal employment opportunity and common sense dictate the need for a broad mix of candidates who may become valued employees regardless of ethnic, gender and other (often stereotypical) categories. For example, the authors looked in vain for research that supported a common myth that disabled employees often out-perform their able-bodied counterparts.

FIGURE 6 **EXAMPLES OF BEHAVIOR-BASED INTERVIEW QUESTIONS**

Questions to Probe Applicant Motivation

- 1. How did you prepare for this interview?
- 2. Tell me what you like and do not like about this type of work.
- 3. Tell me about the initiative you displayed at your previous employer.
- 4. Tell me about a time when you did not display initiative and should have.
- 5. What were your goals at your previous job? Which ones did you achieve and which ones did you not? What prevented you from achieving the ones you did not achieve?
- 6. Give me an example of an idea that you proposed that was accepted at your previous employer. How did this idea improve the work or the unit? What was the result?
- 7. Give me another example of an idea you did not propose and should have, or an idea that was rejected there? What did you learn from this?

Questions to Probe Applicant Adaptability to Employer Culture

- 1. Tell me what you liked and didn't like about the environment at your previous employer.
- If my previous employer were an animal it would be a _____ because _____
 Three adjectives to describe your previous employer are _____, ____ and
- 4. If I could change one thing about my previous employer it would be .

In the sample questions above please note the combination of evidence-seeking and *counter-evidence* seeking. A balance between these two areas is required for effective employment interviewing. Once an applicant is deemed qualified for the position a final test may be to share the negative aspects of the job, also deemed a realistic job preview (RJP) and simply let the applicant respond. "Applicants recruited using RJP who accepted the job have more job satisfaction" (Byars and Rue, 2008). Obviously, asking behavior-based questions is more time-consuming than not, and requires a good deal more patience on behalf of the interviewer (as well as discomfort for the interviewee). Nevertheless, as Peter Drucker (1909/2005), esteemed Father of Modern Management cogently pointed out: do not hire anyone who has not made mistakes because they haven't learning anything.

The interview should begin with a comfortable rapport-building question such as an inquiry about the drive and/or an offer for a coffee, soft drink or water. This helps to demonstrate the dichotomous ambassadorial role aforementioned in Figure 1. The interview should be summarized with a list of applicant strengths, a timeline for the decision and a preview of next steps e.g., panel of peers interview. Naturally, viable candidates should be afforded the opportunity to ask questions, another indication of their initiative and planning. If it is determined the candidate is unqualified for the position, most interviewers would prefer not to address this situation (with the candidate) but we recommend a candid but brief list of suggestions for the candidate to strengthen their candidacy in the future (with possible reapplication when that occurs). Should the interview questions be shared with the interviewee prior to the interview? Day and Carroll (2003) argued in favor of this but added more field research is needed.

A second behavior-based interview, this one conducted with a panel of peers, is Step 8. The potential teammates of the new hire have a vested interest and a right to provide input into the hiring decision. Moreover, they may see strengths and weaknesses that the boss missed. Again, teammates must be cautioned to ask questions that relate only to past work experience (not hypothetical) and avoid any nonjob-related questions to maintain legal compliance. Whether or not the second interview is a one-shot panel or a series of one-on-ones is debatable but care should be taken to collaborate on a battery of interview questions as well as a post-interview panel analysis of the candidate (see matrix comparison, Step 10). As Dose (2003) found, "group members are often poor disseminators of information related to a

decision...[they] are more likely to exchange information they all know while neglecting to discuss information they alone know". There was also evidence in this study of negativity bias in group selection decision-making thereby reaffirming the authors' point of asking counter-evidence questions anytime the interview seems to be one-sided (negative or positive).

An **office tour**, **Step 9**, is another way to evaluate the candidate's motivation and cultural fitness if one pays attention to the applicant's body language and interaction with others throughout the tour (substitute "work environment" for "office" if the physical location of where they will work is not in an office). Does the candidate seem interested? Excited? Amenable? If not, perhaps this is not the job for them.

Step 10, a matrix is an excellent and equitable means of comparing candidate to candidate and making the selection decision. These can be weighted, check-marked or customized to employer needs. For example, if a relevant bachelor's degree is mandatory but a master's degree is preferred, they could be weighted one and two, respectively. A sample is at Fig. 7.

	Perf	Degree	Interview	Interview	Ref.	Background	
	.Test		1	2 mean	Check	Check	
					mean		
Scale	0-5	0 - 2	0-5	0-5	0 – 3	Pass or Fail	Total
App. A							
App. B							
App. C							
App. D							
App. E							

FIGURE 7 SAMPLE SELECTION MATRIX

The second to the last step in the selection process is the **offer (contingent upon background and reference checks – Step 11).** Competitive candidates will likely have other employment opportunities they are vying for so a speedy yet thoroughly investigated decision is important to keep in mind throughout the selection process. In general, Steps 1 –12 should be targeted for completion within thirty days; and perhaps up to sixty days for difficult-to-fill positions. Offers can be made over-the-telephone and non-selectees can be notified promptly that way, too, or via a personalized letter.

Regarding compensation negotiation, Block (2003) recommended paying new hires (all employees for that matter) as much as possible rather than as little as possible (within budgetary limitations of course). If a new hire is unhappy about the salary and/or benefits they are likely to begin job hunting as soon as possible. Back to Step Three.

With regard to **Step 12**, while **background checks** are common and recommended, one of the most controversial decisions during the selection process is how to conduct effective **reference checks**. The authors acknowledged the difficulty of conducting this final step and had differing perspectives on whether references should be checked, how, and what are the possible legal liabilities for doing so. Findings from Abrams (2010), Taylor, et al (2005) and Burke (2004) were in support of checking references and stated it is a time-consuming and essential activity that most human resource departments prefer to retain control of due to potential litigation in the event a negative reference and resultant non-selection. "The reluctance of organizations to give out requested information is based on the fear of a lawsuit on grounds of invasion of privacy or defamation of character [yet] 96% of employers [still] check references" (Taylor, et al cited in Heneman and Judge, 2009).

Therefore, one author (Mueller) was in favor of suggesting to hiring supervisors that they conduct their own reference checks, a minimum of three *former* supervisors, if and only if they follow the suggestions below and detailed at Fig. 7. "When properly structured and job-relevant, references can have moderate levels of validity" (Taylor, et al, 2004). The information obtained from a reference is absolutely critical

and unavailable from any other source. Negligent hiring (based on inadequate reference checks) and negligent referrals (failure to provide negative information about a prior employee after an appropriate written request and written consent of employee) can be avoided if these guidelines are followed. Moreover, "employers who have shied away from providing references in the past…may actually be exposing themselves to other liabilities and limiting the exchange of valuable information within an industry" (Little and Sipes, 2000; Arsenault et al, 2002).

FIGURE 8

GUIDELINES FOR CHECKING REFERENCES

- 1. Briefly introduce yourself and let the reference know you are getting ready to make a hiring decision
- 2. Express and maintain confidentiality and brevity
- 3. Verify employment information first (job title, length of employment, salary) e.g.,
 - a. How long have they worked at XYZ company?
 - b. What was their position? Responsibilities? Salary?
- 4. Then, ask supervisor-to-supervisor comparative questions, ensuring they are strictly job-related e.g.,
 - a. How long have you supervised this person?
 - b. Where did s/he rank in comparison to peers (top, middle or bottom third)?
 - c. How did s/he get along with coworkers? Managers? Are you aware of any feedback regarding their work?
 - d. What were their strengths and weaknesses (or recommended improvement areas)?
- 5. Be cautious of references that are extremely positive or negative
- 6. Ask for additional references

In the event the references given by the candidate are not supervisors, or the supervisors are not available, it is recommended re-asking the candidate for additional names and current phone numbers of *former* supervisors *or co-workers* who can provide reference information. If no information is given it is possibly an indication to explore other viable candidates. Both authors agreed, however, that not all employees who were terminated for cause, or left under other unfavorable circumstances, should be disconsidered for employment elsewhere (after all, there are dozens of cases of wrongful terminations and less-than-desirable departures). However, Mueller suggested if a pattern of negative information surfaced as a result of several negative reference checks a less troublesome candidate should be pursued.

Author Baum added, in years past, prospective employers were able to inquire of former employers of an applicant about a number of areas, including an applicant's performance, demeanor, work ethic, and, in many cases, an applicant's personal information. Because of the private nature of some of the information disclosed in these inquiries, an interviewer's perception of the applicant was tainted by personal information not relevant to an applicant's knowledge, skills, abilities, and past performance, but rather information such as an applicant's national origin, age, medical condition, or sexual orientation took priority in the interviewer's selection process. Thus, an interviewer's stereotypical views of an applicant who falls into a legally protected classification, would negatively affect the applicant's chances of receiving a job offer. While there is no express law regarding a prospective employer speaking to an applicant's former supervisor for purposes of inquiring about the applicant's work performance, there are several unwritten rules followed by a large percentage of large, medium, and small employers that have become policy in many companies.

For example, many employers have policies in place requiring prospective employers of a former employee to submit a signed release by the former employee before they will communicate with them. Even then, the only information released by Human Resources is whether the former employee worked for the company and in what capacity, dates of employment, and perhaps their rate of pay. Moreover, these policies often forbid the former employee's supervisor from speaking to the prospective employer of the former employee – the information is released by the Human Resources Department only, and only after receiving a signed release by the former employee. This cautionary behavior is no doubt a result of advice from the company's legal counsel which serves to mitigate the company's exposure to liability resulting from potential claims of defamation and/or negligent hiring.

Recent implementation of company policies against providing references beyond the former employee's dates of employment and position served pose significantly difficult challenges for the hiring manager. These challenges are best overcome by spending the requisite time and effort on the first ten steps of the hiring process described herein.

With regard to **background checks**, many companies also require any combination of the following: medical exam, drug test, motor vehicle check, criminal background check, national security check, and/or credit check for certain relevant positions or for any position in the organization. These are normally contracted services through an external vendor or government agency.

LIMITATIONS OF THE STUDY, FUTURE STUDIES AND CONCLUSION

Ideally the ultimate test of these guidelines would be a study of input from practitioners who use the steps in a broad range of industries and hierarchical levels. The founder of the premier search firm, first and largest in the world, Robert Half International offers a fitting close to this guide: "There is something that is much more scarce...something rarer than ability. It is the ability to recognize ability". The authors hope this guide enables the reader to recognize and respond to the ability in themselves and their recruits with greater speed, accuracy and results. Kindly forward any comments or suggestions to <u>imueller@nu.edu</u> or <u>bbaum@nu.edu</u>. Happy hiring!

The authors provide no legal advice in this article, and, as such, nothing written herein is intended to be construed as legal advice. The authors strongly encourage individuals and employers to seek the advice of an attorney specializing in employment law for all inquiries concerning legal workplace issues including staffing.

REFERENCES

We would like to thank the following authors, and librarian Steven Fleischer, for their continuing contribution toward expanding our mindsets.

Abrams, R. (2010). Hire Your First Employee. Palo Alto: The Planning Shop.

Aresenault, S., Jessup, D., Hass, M. and Philbrick, J. (2002). The legal implications of workplace violence: negligent references, negligent hiring, and negligent supervision and retention. *Journal of Legal Studies in Business*, 9. 31-63.

Bachman, K. cited in Anonymous (Jan-Mar 2009). In this economy, watch out for degree inflation, diploma mills. *Staffing Management*. 5, (1), 11.

Block, P. (2003). The Answer To How is Yes. San Francisco: Berret-Koehler Publishers, Inc.

Bobko, P, Roth, P.L. and Buster, M.A.(2005). Work sample tests and expected reduction in adverse impact. *International Journal of Selection and Assessment*, 13, 72-98.

Borman, W.C. and Motowildo, S.J. (1993). Expanding the criterion domain to include elements of contextual performance. In N. Schmitt and W.C. Borman (Eds.), *Personnel selection in organizations*. San Francisco: Jossey Bass.

Bowen, D.E.; Ledford, G.E. and Nathan, B.R., (1991). Hiring for the organization and not for the job. *Academy of Management Executive* 5 (4).

Burke, M.E. (2005). 2004 Reference check and background testing. *Society for Human Resource Management*.

Byars, L.L. and Rue, L.W. (2008). Human Resource Management 9e. New York: McGraw-Hill.

Caldwell, D.F. and O'Reilly, C.A. (1990). Measuring person-job fit with a profile-comparison process. *Journal of Applied Psychology*, 75, 648- 657.

Campbell, J.P., McCloy, R.A., Oppler, S.H. and Sager, S.E. (1993). A theory of performance. In N. Schmitt and W.C. Borman (Eds.), *Personnel selection in organizations*. San Francisco: Jossey Bass.

Campion, M.A, Palmer, D.K. and Campion, J.E. (1998). Structuring employment interviews to improve reliability, validity and users' reactions. *Current Directions in Psychological Science*, 77.

Castilla, E.J. (Mar 2005). Social networks and employee performance in a call center. *The American Journal of Sociology*, 110, (5), 1243-1285.

Cascio, W. and Phillips, W. (1979). Performance testing: a rose among thorns? *Personnel Psychology*, 32, 751-766.

Chan, D. (2005). Current directions in personnel selection research. *Current Directions in Psychological Science*, 14, (4).

Chuang, A. and Sackett, P.R. (2005). The perceived importance of person-job fit and person-organization fit between and within interview stages. *Social Behavior and Personality*, 33 (3) 209-226.

Conte, J.M. (2005). A review and critique of emotional intelligence measures. *Journal of Organizational Behavior*, 26 (4), 443-440.

Cook, J. (Jan, 1997). Sure bet. Human Resource Executive. Pp. 32-34.

Cote, S. and Miners, C.T.H. (2006). Emotional intelligence, cognitive intelligence and job performance. *Administrative Science Quarterly*, 51, 1-28.

Dawis, R.V. in Cranny, C.J.; Smith, P.C.; and Stone, E.F. (1992). Person-environment fit and job satisfaction. *Job Satisfaction*. New York: Lexington.

Day, A.L. and Carroll, S.A. (2003) Situational and patterned behavior description interviews: a comparison of their validity, correlates and perceived fairness. *Human Performance* 16 (1) 25-47.

Dose, J.J. (2003). Information exchange in personnel selection decisions. *Applied Pschology: An International Review*, 52 (2), 237-252.

Fernandez, R.M. and Weinberg, N. (Dec 1997). Sifting and sorting: personal contacts and hiring in a retail bank. *American Sociological Review*, 62, 883-902.

Gardner, H. (1983). Frames of Mind: The Theory of Multiple Intelligences. New York: Basic Books.

Goleman, D. (1995). Emotional Intelligence. New York: Bantam.

Green, P. C. (2007). Get Talent! Memphis: Skilfast, Inc.

Half, R. (1985). On Hiring. New York: Signet.

Half, R. (1993). Finding, Hiring and Keeping the Best Employees. New York: Signet.

Hausknecht, J.P., Day, D.V. and Thomas, S.C. (2004). Applicant reactions to selection procedures: an updated model and meta-analysis. *Personnel Psychology*, 57, 639-683.

Harris, J. and Brannick, J. (1999). Finding and Keeping Great Employees. NY: Amacom.

Heldey, B. (Feb 1977) Strategy and the business portfolio. Long Range Planning. Pergammon Press, Ltd.

Heneman, H.G. III and Judge, T.A. (2009). Staffing Organizations. New York: McGraw-Hill.

Hunter, J.E. and Hunter, R.F. (1984). Validity and utility of alternate predictors of job performance. *Psychological Bulletin*, 96, 72-98.

Judge, T.A. and Bretz, R.D (1992). Effects of work values on job choice decisions. *Journal of Applied Psychology*, 77, 1 - 11.

Judge, T.A. and Hies, R. (2002). Relationship of personality to performance motivation: a metaanalytic view. *Journal of Applied Psychology*, 87 (4) 797-807.

Judge, T.A.; Higgins, C.A.;, Thorenses; C.J. and Barrick, M.R. (1999). The big five personality traits, general mental ability and career success across the life span. *Personnel Psychology*, 52, 621 – 652.

Karren, R.J. and Zacharias, L(2007). Integrity tests: critical issues. *Human Resource Management Review*, 17, 221-234.

Kidwell, R.E. (May 2004). Small lies, big trouble: the unfortunate consequences of resume padding. *Journal of Business Ethics*, 51, (2), 175.

Klaff, L.G. (Mar 2004). New internal hiring systems reduce cost and boost morale. Workforce.

Kristof, A.L. (1996). Person-organization fit: an integrative review of its conceptualizations, measurement and implications. *Personnel Psychology*, 49 1 -50.

Landy, F.J. (2005). Some historical and scientific issues related to research on emotional intelligence. *Journal of Organizational Behavior*, 26, 421.

Law, K.S., Wong, C. and Song, L.J. (2004). The construct and criterion validity of emotional intelligence and its potential utility for management studies. *Journal of Applied Psychology*, 89, 483-496.

Leveseque, L.L. (2005). Opportunistic hiring and employee fit. *Human Resource Management*, 44, 301-317.

Little, B.L. and Sipes, D. (Mar 2000). Betwixt and between: the dilemma of employee references. *Employee Responsibilities and Rights Journal*, 12, (1).

Locke, E.A. (2005). Why emotional intelligence is an invalid concept. *Journal of Organizational Behavior*, 26, 426.

Lublin, J.S. (Nov 9, 1999). An e-company CEO is also recruiter-n-chief. Wall Street Journal, p. B1.

Mac Ginnis, J.L. and Kleiner, B.H. (2002). How to hire employees effectively. *Management Research News*. 25, (5), 58-65.

Maxwell, M. (2004). Recruiting realities. Nursing Economics, 22 (2) 86-87.

Mintz, J. (March 1, 2005). Large firms increasingly rely on employees for job referrals. *The Wall Street Journal*.

Motowidlo, S.J., Dunnette, M.D. and Carter, G. (1990). An alternative selection procedure: a low-fidelity simulation. *Journal of Applied Psychology*, 75, 640-647.

Mueller, J. (2010). The maverick factor: A proposed process and theory of leadership development. *The Journal of Current Research in Global Business*, 13, (19).

Organ, D.W. (1997). Organizational citizenship behavior. Human Performance, 10, 85-98.

O'Reilly, C.A.; Chatman, J. and Caldwell, D.F. (1991). People and organizational culture: a profile comparison approach to assessing person-organization fit. *Academy of Management Journal*, 34, 487-516.

Pulakos, E.D., AradS., Donovan, M.a. and Plamondon, K.E. (2000). Adapatability in the workplace. *Journal of Applied Psychology*, 85, 612-624.

Rosete, D. and Ciaaochi, J. (2005). Emotional intelligence and its relationship to workplace performance outcomes of of leadership effectiveness. *Leadership and Organization Development Journal*, 26, 388-399.

Salovey, P. and Grewel, D. (2005). The science of emotional intelligence. *Current Directions in Psychological Science*, 14, 281.

Scroggins, W.A. Thomas, S.L. and Morris, J.A. (Spring, 2009). Psychological testing in personnel selection, part III: the resurgence of personality testing. *Public Personnel Management*, 38, (1), 67-78.

Smith, J. Sep 2, 2001). Is online recruiting getting easier? Workforce.

Strauss, R. (Sep 12, 2006). When the resume is not to be believed. New York Times, p G2.

Taylor, G.S. (2001). The relationship between sources of new employees and attitudes toward the job. *The Journal of Social Psychology*, 134 (1), 99- 110.

Taylor, P.J. and Small, B. (2002). Asking applicants what they *would* do versus what they *did* do: a metaanalytic comparison of situational and past behavior employment interview questions. *Journal of Occupational and Organizational Psychology*, 75, 277-294. Taylor, P.J., Pajo, K., Cheung, G.W., and Stringfield, P. (2004). Dimensionality and validity of a structured telephone reference check procedure. *Personnel Pschology*, 57, 745-772.

Vuong, A. (May 30, 2001). Job applicants don't tell the whole truth. Denver Post, p. C1.

Waite, B. (Sep 29, 2005). The lying game. Accountancy Age, p. 22.

Wanberg, C.R., Kanfer, R. and Banas, J.T. (2000). Predictors and outcomes of networking intensity among job seekers. *Journal of Applied Psychology*, 85.

White, E. (Jan 16, 2006). Walking a mile in another's shoes. Wall Street Journal, P. B3.

Weiss, B. and Feldman, R.S. (2006). Looking good and lying doing it: deception as an impression management strategy in job interviews. *Journal of Applied Social Psychology*, 36, (4), 1070-1086.

Zeidner, M., Matthews, G. and Roberts, R.D. (2004). Emotional intelligence in the workplace: a critical review. *Applied Psychology: An International Review*, 53, 371-399.