

survey results reported above indicated that 96% of employers always check references. The same survey indicated that 93% of employers refuse to provide reference information for fear of being sued. As one executive stated, "There's a dire need for better reference information but fear of litigation keeps employers from providing much more than name, rank, and serial number."⁴⁰ As a result of employer reluctance to provide reference information, reference checkers claim to need inadequate information roughly half of the time. To a large degree, this concern about providing even rudimentary reference information is excessive—less than 3% of employers have had legal problems with reference checks (see "Legal Issues" at the end of this chapter). If every organization refused to provide useful reference information, a potentially important source of applicant information could lose its value.

Most reference checking is still done over the telephone, but there is evidence that this situation is changing. Increasingly, employers are mining networked websites such as Facebook, MySpace, and LinkedIn not only to find out more about an applicant but also to locate references to contact. T-Mobile, for example, regularly mines "public" information on applicants' profile pages. These networking websites have "changed everything" about how T-Mobile conducts reference checks, according to one hiring manager.⁴¹ No matter the source or method used to gather the information, it is critical that the questions be job related and that the same information is asked about all applicants. When properly structured and job relevant, references can have moderate levels of validity.⁴²

Background Checks

How would you feel if you found out that the organization you are hoping to join was investigating your traffic record and moral character? How would you feel if an organization did *not* investigate the backgrounds of guards to be selected for the gun storage depot of the US military base near your home? More and more organizations are thoroughly checking applicants' backgrounds even when security is not a particular issue.

Although background checking may seem to be a very invasive procedure, such checks have increased dramatically in the past 10 years. A recent survey indicated that nearly three in four organizations now perform background checks, a percentage that has steadily increased over time.⁴³ There are several reasons for this. First, after the September 11, 2001, terrorist attacks, more organizations became concerned about security issues. Second, some ethical lapses, and many instances of workplace violence, might be avoided by background checks. For example, consider the case of Wal-Mart. In two separate incidents in South Carolina, Wal-Mart employees were accused of sexually assaulting young girls. Both of the accused employees had past criminal convictions for sexually related offenses. In response, Wal-Mart instituted criminal background checks on all of its employees.⁴⁴ A third reason behind the growing use of background checks is legal protection against responsibility for malfeasance, and defense against claims of negligent hiring (which we review under "Reference Checks" in "Legal Issues" at the end of the chapter).