

Screening Prospective Staff is Sound Risk Management

Resource Type: Articles

Topic: HR Risk and Employment Practices

Know whom you are hiring up front to save yourself wasted resources down the line. Lawsuits, grievances, loss of productivity, and low staff morale are all some of the possible side effects of a bad hire. And a significant number of crises affecting nonprofit organizations involve employees who should never have been hired in the first place. From an employee with a history of violence who threatens or harms a co-worker or client to an accomplished embezzler who methodically drains the financial assets of the organization, hiring the wrong person for the job could be a serious inconvenience or it could trigger a crisis that threatens the ability of the nonprofit to achieve its mission.

A basic risk management procedure is to verify the facts presented by candidates via their resumes, applications and in the interview prior to making the offer. Did the person really graduate high school? Was the degree listed and required for your job opening the one earned and was it from the institution listed? Did the person actually work for each of the listed employers and for the times stated? Do the job titles check out? Does the person have the credentials/licenses listed that are needed for your position and are they current?

In the rush to fill the job with this wonderful prospect, or just fill the job so you can continue fulfilling the organization's mission, fact checking is easy to overlook or rationalize away. Shortcuts to the hiring process include: Comes from my hometown, was recommended by a friend, seems like a nice person, I'm a good judge of character, my gut has never been wrong

Why risk going outside the process, when fact checking can be as simple and inexpensive as several phone calls? The process itself is an important risk management strategy. If you're questioned formally about why a person was or wasn't hired, you can show that your procedure for screening prior to making the job offer is consistent for each applicant.

Should screening alert you that education and experience have been misrepresented or is totally false, you can decide how you wish to proceed or if you wish to proceed with this candidate.

To balance the resume and application fact verification, always check references before making the final job offer. Ask the candidate for a minimum of three people who aren't related to the candidate who can speak to the candidate's past job performance. You'll also want the candidate to provide written permission to check references and to waive his or her rights to bring action against anyone providing or seeking information related to employment.

Just what illegal acts and policy abuses do you hope to avoid? The U.S. Chamber of Commerce calculates that one-third of all business failures result from employee dishonesty such as theft of cash and merchandise or supplies or abuse of workers' compensation and sick time. Another area of loss is personal versus job-related Internet research and e-mail, which uses both the organization's equipment and time. You probably want to review your personnel policies to make certain your expectations for employee performance in these areas are covered.

Fact Checking System

A simple system for safely and thoroughly checking facts and references provided by a job applicant is summarized from [*Taking the High Road: A Guide to Effective and Legal Employment Practices for Nonprofits*](#), by Jennifer Chandler Hauge, Esq., and Melanie Lockwood Herman, Esq.

Step 1 — All candidates complete an application form that includes a waiver giving the employer permission to verify information supplied during the hiring process and promising not to bring a lawsuit against the employer or the person supplying the reference due to information supplied in the process. The application can also include a statement to be signed by the applicant indicating that providing false information during the hiring process is grounds for immediate dismissal should the applicant be hired.

Step 2 — Assign one staff member the job of verifying factual information provided by applicants on their resumes, application forms and during the interviews, as well as checking references. The person should be trained to probe for specifics, such as “He improved our accounts receivable process, which evened up our cash flow,” and not accept general statements, such as “She was an effective employee.”

Step 3 — The staff member uses a pre-printed form or checklist for each applicant to keep track of the information verified, for example level of education, degrees, licenses, and dates of employment with previous employers. Check a five- to seven-year work period.

Step 4 — Keep an “application pending” file for each candidate along with the checklist until all verifications have been received.

You can customize the following sample Screening Checklist to reflect your particular company, entity or organization or to reflect requirements for a particular position.

SAMPLE

Screening Checklist

Cover Letter

If the applicant sent a cover letter, check that it's professional in appearance and tone, grammatically correct and free of spelling errors.

Résumé/Application

Check the résumé and application for consistency between the documents, gaps in employment history, bearing of previous work experience and volunteer history on the qualifications for the open position.

Credentials

Check educational credentials, especially that dates and sources of education degrees conferred, licenses and certifications are accurate.

Motor Vehicle Record

If the applicant will be driving as part of his/her duties, order a copy of the applicant's motor vehicle record.

Criminal History

If the applicant would be working with vulnerable clients as part of his/her job duties, order a criminal history records check.

Abuse Records

If maintained, check your state's abuse registry records.

Release from Active Duty

Ask applicants who have been active in military duty to supply a copy of their "DD-214" certificate of release from active duty.

Credit History

If the applicant would be working with accounts receivable or fund-raising proceeds as part of his/her job duties, order a credit history check.

References

Contact the references listed and request a candid response to whether the previous employer would have any reservations recommending the applicant for the position of (XYZ). Remind previous employers of the duty to warn and that it would be negligent if the previous employer failed to warn your organization in the event of a known propensity to harm.

Separation

Determine the reason (s) why the applicant left his/her previous job.

Satisfactory Performance

Determine if the former employer was satisfied by the applicant's performance.

Ascertain, if possible:

Was the applicant productive?

Did the applicant work well with others?

Did the applicant have any difficulty with punctuality? Professionalism?

Did the applicant give proper notice?

Would the previous employer rehire the applicant?

Were there any disciplinary or performance problems?

More Information

This fact sheet was developed by the Nonprofit Risk Management Center. Read more about effective staff screening in our books, [Staff Screening Notebook](#) or [Taking the High Road: A Guide to Effective and Legal Employment Practices for Nonprofits](#).