THE USE OF REFERENCE REPORTS IN THE SELECTION OF STAFF IN DIPLOMATIC INTERNATIONAL NON-GOVERNMENTAL ORGANIZATIONS IN KENYA *V*

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DECLARATION

This project is my original work and has never been presented for the award of a degree in any other university.

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Name   *. f.^.^fr.'.l^.fi:.*   *MS!*

This project has been submitted with my approval as the University supervisor.

Signed

Date

DEDICATION

This project report is dedicated to my family. To my husband Eric Kinoti and the children namely Muriithi Kinoti and Kanana Kinoti for extending their love, encouragement and support throughout this programme.

ACKNOWLEDGEMENT

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Abstract

Selection processes used for employee hiring involves several activities aimed at ensuring that the best candidate is picked for the job opening. Among these activities is reference checking, which is a deliberate attempt to get information from prior employers and other parties regarding the nature of the applicants' prior employment and relevant details. This study sought to find out the information sought and the sources of references used for selection of staff by Diplomatic International NGOs in Kenya.

The study was designed as a cross sectional census survey of Diplomatic International NGOs. The target population consisted of all International Diplomatic NGOS registered to operate in Kenya. The questionnaire contained both close and open ended questions and was distributed to respondents online. Out of the 60 targeted organisations, 47 completed and usable questionnaires were returned. Contents analysis was used to aggregate the responses and the data entered in a spreadsheet for analysis. The main findings of the study are that most organizations (83%) acquire reference reports before they offer employment. Reference reports may contain personal information and/or, information relating to skills, education and integrity of an individual applicant. In relation to the use of reference reports, forty one organisations (87.2%) indicated reference reports influenced their decisions to hire or not to hire an applicant. While reference reports alone do not influence the appointment decision, decision making is one the uses for reference reports mentioned by the respondents. Reference reports are considered as a valid tool for staff selection. However, there is no similar consensus on their reliability in evaluation candidates.

In conclusion four different types of information are obtained from reference reports: personal, skills, education and confirmation. The sources of reference reports are the applicant former employers and schools and colleges that the applicant attended in the case of confirmation of certificates.   Finally, while reference reports are a valid tool for staff selection they are not entirely reliable.

CHAPTER ONE

INTRODUCTION

1.1. Background

The selection process used for employee hiring involves several activities aimed at ensuring that the best candidate is picked for the job opening. Among these activities is reference checking. Employee reference check is where employers typically attempt to get information from prior employers and other parties regarding the nature of the applicants' prior employment and relevant details (Armstrong, 2004).

The selection process should be taken seriously because if it is not done well the organization can create a "revolving door" leading to continuous process of recruitment. Employee turn over is both destructive and costly, to reduce turnover, there is need for the organization to invest time in recruiting so to attract the most qualified candidates, a fact that ensures a proper match between the applicant and the job (Cohen, 1988). Having recruited a good and representative pool of applicants, the employer then tries to select the most suitable person(s). Many organizations still select by the traditional trial process, of application form, letter of reference and interview (Flippo, 1984). Taking time to hire the best person for the job saves considerable grief in the long run. Skilled, committed, and caring staffs are crucial for every productive organization. Productive organizations requires that competent staff be marched with the right jobs. When a vacancy occurs, often the reaction is to contemplate filling the position immediately (Khnanka, 2003).

According to Armstrong (2004) staff selection is the process used to choose individuals with the right qualification to fill job openings in the organization .The selection process

follows a relatively consistent pattern in most organizations, although the complexity and the number of steps vary based on the sophistication of the needs of the organization.

Employee reference check also known as background investigation, is frequently the last step in the selection process prior to making a job offer or conditional job offer to the applicant. Reference checks serve two purposes. First it provides accurate information on the individual that is needed to make the final decision regarding employment. Second it provides evidence that the employer conducted due diligence in its hiring practices which could be beneficial in the event the organization is sued for negligent hiring (Carrel, 1995).

Most employee reference checks include those persons provided by the applicant and former employers as well as other persons who would have knowledge of the person's work performance and ability. The most reliable information comes from former supervisors, who are in the best position to judge an employee's work habits and performance. The objective of an employee reference check is to obtain information on the individual's work performance and on personal characteristics that affect, positively or negatively the individual's suitability for the particular position sought (Geletkanycz, 2001).

Although checking reference is an important part of the selection process, it has become a difficult legal problem because of lawsuits filed for illegal invasion of privacy and defamation. Before the organisation can check any references it should obtain written consent of the applicant. Often the organisation needs to specify that the reference checks will only ask questions about work experience, character, personal habits and educational background (Ramsey, 2001). Questions should relate to specific job skills. There is nothing wrong with asking general questions about applicants attribute or

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conscientiousness. There is a need to ensure that a written record or documentation of every reference call made is kept safely (Beer et al 1976). Checking references requires collecting information without being discriminatory.

Background investigation is frequently the last step in the selection process prior to making a job offer or conditional job offer to the applicant. A side benefit of background investigation is that candidates are less likely to apply or falsify applications when they know background checks will be done. Some employers do not limit themselves to checking with nominated references by the applicant what they think of him/her but also with police. Some of the civil services check the applicant's background, associates, and even attitudes, very thoroughly. Other employers usually do not have the resources or authority to do this, although many gain unofficial access to criminal records by employing former police officers (Muchinsky, 1979).

Written or other direct search, a telephone discussion is much more informative than a letter of reference, because the employer can ask more specific questions. In the telephone interview often the employers is specific to determine how the applicant performed on prior assignments because this, more than anything else offers information about how he or she will perform in the future (Drucker, 1990). There are few research studies done in the area of reference checking.

A good reference report should be reliable; should give a consistent account of the person being assessed and it should be valid (Armstrong, 2004). Two - thirds of major British and American employers always check references; only handfuls do not (Robert & Makin, 1986). In the British public sector such as higher education, health services, and civil service, references are taken up before interviews. British references are usually letters saying whatever the referee knows about the candidates. Very few British

employers ask for ratings or for any structured or quantified opinion of the candidate. US employers are more likely to use structured reference forms (Beer, et al 1976)

1.1.1 Non- Governmental Organisations

A Non Governmental Organisation (NGO) is a non-profit group or association that acts outside of the institutionalized political structures and pursues matters of interest to its members by lobbying, persuasion, or direct action. The term is generally restricted to social, cultural legal and environmental advocacy groups having goals that are primarily non-commercial (World Bank Operational Report, 2002).

The World Bank defines NGO as "private organisation that pursues activities to relieve suffering, promote the interest of the poor, protect the environment, provide basic social services, or undertake community development (World Bank Operational Directive 14.70). The term NGO is very broad and encompasses many different types of Organisation, they include, research institutions, charities community based self help groups, churches, professional associations and lobby groups. A 1995 UN report on global governance estimated that there are nearly 29,000 international NGOs in the world.

The World Bank classifies NGOs into two: Operational NGOs whose primary purpose is the design and implementation of development -related projects and the Advocacy NGOs whose primary purpose is to defend and/or promote a specific cause and influence policies. (http://www.un.org/aboutun/charter/chaptlOhtm').

International NGOs (INGO) are mostly headquartered in developed countries and carry out operations in more than one developing country. Many INGOs have a consultative status with United Nations agencies relevant to their area of work.

1.2 Statement of the problem

Employee selection requires detailed information about the candidate's job performance abilities; a reference check is one of the sources of such information. The way, in which reference reports are obtained, the content of such reports, the uses of which such reports are made are all crucial in the selection decisions. Traditionally reference checks are used to supplement other selection tools and often used as the final step in the selection process. Many organizations still have doubts about the value of reference (Carrel, 1995). Organizations that have not appreciated the value of reference checks as a staff selection criterion are using other inefficient methods (Ramsey, 2001).

The nature of staff required by a firm depends on the core business of the firm. International NGOs are mainly involved in community development, relief, health and research activities among other activities like advocacy. Their hiring practices are dictated by international conventions, agreements, and diplomatic protocols. As a result the use of reference checks by International Diplomatic NGOs is likely to differ from those of other organizations. A survey by Harris et. al. (1990) delves deeper and asks why personnel managers choose to use different employee reference reports. The study identified accuracy, cost as the most factor while factors cost such as fairness fake documents, offensiveness to applicant were least important.

This study also suggests that personnel managers are aware that reference as a selection method has some shortcoming, but they continue using it because it serves other purposes beside assessment. Steiner et al. (1996) indicate that some employers prefer employee reference checks than others. No specific study has been undertaken on the use if reference checks in Kenya. This study therefore attempts to fill in the knowledge gap.

1.3 Objectives of the Study

To find out the information sought and the sources of references used for selection of staff by Diplomatic International NGOs in Kenya.

To establish the uses of references reports in selection of staff in the International Diplomatic NGOs.

1.4 Importance of the Study

The proposed study will benefit the following groups:

(i) Human Resource Practioners

The study will provide some additional knowledge for the HR practitioners and Management to be able to assess and evaluate Reference as one of the selection method to be adhered to.

(ii) Academic Community

This study will fill the research gap for it will establish the extent of Reference checks practices in these organizations and its value to other organizations which have adopted them. The study will add to the body of knowledge in Human Resource Management and may stimulate study in the area.

CHAPTER TWO

LITERATURE REVIEW

2.0. Introduction

Whereas other forms of selection methods such as interviews or application forms allow the applicant to speak for him/herself, on the principle that "the best way of finding out about someone is to ask them", references and ratings work on a different principle, that the best way of finding out about someone is to find out from someone known to him/her well like former employer, teacher/lecturer colleagues, or fellow trainees. References are the traditional approach to finding out what others think of the applicant; ratings represent an attempt to get more systematic and useful information from the same sources (Beer et al 1976).

References are normally written however people in hurry or who those who do not want to commit themselves may use the telephone instead. Virtually all American employers take up references on new employees. Muchinsky (1979) reports that three quarter of USA companies felt selection could be compromised if references were not checked. However, no company had investigated the effectiveness of references.

Forty-eight per cent of American employers use references only to check accuracy of information given by the applicants; the rest hope to learn something new about the candidates. Up to 20% of this last group use the reference to search for negative information. Many of the employers want information about personality, cooperativeness, honesty, and social adjustment. This makes sense that personality is typical behaviour such as how a person behaves routinely, when he/she is not making a special effort. Typical behaviour is less accessible to selectors because it is easy for applicants to make

special efforts for the duration of most selection tests, where as previous employers or teachers have seen the candidate for longer periods, or for years and can report accurately on how he/she usually behaves.

2.1.1 Information sought in Reference Reports

A reference report seeks information about a job candidate. Information may be structured i.e. questions, check lists ratings; unstructured, or a mixture of both (Goheen, 1958). In Britain the completely unstructured reference is still very widely used. American occupational psychologists recommended that it should be replaced by a list of specific questions, and some simple five-point rating that is: Powers of application-exceptionally industrious, industrious, performs assigned, lazy, Popularity- very popular good mixers, average exclusive and unpopular.

American industry established 25 years later that 51% American employers were using structured reference reports in which most useful questions were "would you re-employ?" "How long did the person work for you?" "Why did he or she leave? (Morsel et al., 1958) there is no much published research on the reference, which is giving the evidence with which most occupational psychologists condemn. Few studies have been done on some of the unstructured referencing, and half a dozen studies of ratings format references (Muckinsky, 1979).

Some of the sources of the reference reports include Employee chosen names, previous employers, the police, direct search investigation, religious institutions. It may in fact be better to use the vacancy as an opportunity to assess the organization staffing pattern and consider whether existing staff might be deployed differently. Remising the strengths and weaknesses of current staff in relation to the results wanted to be achieved is an ongoing process, but it should occur especially at the time of a vacancy. Through such an

assessment the organization can determine what specific competency would be needed to complement other staff skills (Cohen 1988).

2.1.2 Sources of Reference Reports

Reference reports contain information that can be used to identify, locate, or verify the identity of job applicant. Historically, information about a job applicant could be obtained from social service number or in the case of Kenya using PIN or ID number. Other information could also be obtained from private investigators, creditors, insurers, former employers, the police, or the church. Through the technological developments, such information is increasingly available in electronic form.

The public records are rich source of reference reports. Government entities at all levels require individual to provide various type of information and are usually required to make such reports available.

2.1.3. Uses of Reference Reports

Recommendations and reference checks are often used to verify education, employment, and achievements records already provided by the applicant in some other form, such as during an interview or on a resume or application form. This is primarily done for professional and high-level jobs. However, verification procedures generally do not help separate potentially good workers from poor workers. This is because they almost always result in positive reports. However, use of these measures may serve two important purposes, they provide an incentive to applicants to be more honest with the information, and they safeguard against potential negligent hiring lawsuits. These measures can also be used to verify information previously provided by applicants (Gold, 1994).

2.1.4. Reliability of Reference Reports

American research suggests that references are unreliable. References rate very poorly about applicants for US civil service jobs, with 80% of correlations lower than 0.40 given by acquaintances while references by supervisors and co-workers (who both see the applicant at work) agreed only very moderately (Mosel and Goheen, 1959). Baxter et al. (1981) searched medical school files and found 20 cases where the two referees had written two similar references to two applicants. If references are useful, what referee A say about applicant X ought to resemble what references B says about X. What referee A said about applicant X did not resemble what referee A said about applicant Y. Any referee had his/her own idiosyncratic way of describing an applicant. The free form of reference appears to tell the employer more about its author than about its subject.

However, British data find references much more reliable. The (UK) civil service selection Board (CSSB) collects five to six references, covering schools, college, armed services, and former employers and take(s) them seriously (Wilson, 1948). CSSB staff has achieved very high inter-rater reliability in assessments of candidates based on references. CSSB used five or six references not two or three, which may increase reliability or perhaps to assist CSSB panels to understand the reference's private language or perhaps they can pick out and discount "rogue" references.

2.1.5 Validity of References Reports

Morsel et al. (1958) reported that Employment Recommendation Questionnaire (ERQ) a structured reference request written by the US Civil Service was widely used by private industry in America. It covers: Occupational ability: skill, carefulness, industry and efficiency, Character and reputation; is the applicant specially qualified in any particular branch of the trade in which he seeks employment? Would you employ him in a position

of the kind he is seeking? Has the applicant ever been discharged from any employment to your knowledge? If yes, why?

Browning (1968) compared reference rating of teachers with criterion rating of teaching performance by head teachers, and formed correlations were generally very low (median 0.13) summarizing all available USA data, Reilly and Chao (1982) concluded that reference checks give poor predictions of supervisor rating (r=0.18) and turnover (r=0.08) shortly after wards. Hunters and Hunters (1984) review calculated mean validity of reference checks for four criteria; Supervisor rating 0.26 (10 coefficients); Training grades 0.2391 coefficients); Promotion 0.16 (3 coefficients); Tenure 0.27(2 coefficients).

Hunters et al. (1998) quote higher average validities for the reference than Reilly and Chao, because they curette unreliability. The reference check achieves fourth place in Hunter and Hunter's "find league table"- behind cognitive ability tests, job tryouts, and bio data. Neither review includes British data on reference validity for CSSB and Admiralty selection Board. Various attempts have been made to improve the reference, with mixed results (Mark, 1998). Carrol and Nash (1972) used a forced choice reference rating form. Items in each pair of items equated for social desirability, but only one statement predicted job success: Has many worthwhile ideas; completes all assignments; always work faster; require little supervision. Scores predicted performance rating four months after hire quite well in university clerical workers.

Reilly and Chao (1982) cite unpublished studies by Rhea, on structured reference forms for US Navy Cadets. Rhea devised a novel technique; in which references are empirically keyed to performance ratings and cross-validated. Rhea did not take what referees said at face value, but correlated each item with performance ratings intending to use only those

items that actually predicted performance. Unfortunately, these items did not prove numerous enough for the method to be successful.

Peres and Garcia (1962) factor-analysed data from 625 reference letters for engineering applicants, and formed five factors that distinguished good from poor candidates. Good engineer applicants got favourable rating on mental vigour, and dependability; poor applicants were damned with faint praise as urbane or "co-operative," any years later, Aamodt, et al (1993) applied the Peres and Garcia technique to selection of trainee's teachers, and formed that counting "mental agility" key words predicts mental ability while committing "urbanity" key word predicts teaching performance ratings.

Apart from Caroll and Nash forced choice method references have not proved very promising. At their very best - Naval officers' cadets -they do as well as intelligence tests. But references to have one great advantage - they are very cheap, because someone else does all the work, and does not expect to be paid. A very early (1923) survey described by Moore (1942), found that most references writers: (a) They always gave the employee the benefit of doubt, (b) They only said good things about him/her, and (c) They did not point out his/her failures.

In many circles it is considered bad for one to write a bad reference. If referees are reluctant to say any thing unkind, referees will clearly prove a poor source of information that can never demonstrate good productive validity, because the range will vary and severely restricted. Research confirms this pessimistic conclusion. Mosel et al (1958) found Employment Recommendation Questionnaire (ERQ) rating highly skewed, with "outstanding" or "good" opinions greatly out numbering "satisfactory" or "poor" opinions. Candidates were hardly ever rated "poor" nearly all (97.5%) referees said "yes" to 'would you employ him? While 99.1% said 'No' to how the applicant has ever been

discharged? Jones and Harrison (1982) analyses rating given to all applicants for Dartmouth Naval college; average mark is well above the midpoint of the scale, and marks below the midpoint are rarely given. Carol and Nash (1972), however disagree. They wrote a forced choice reference questionnaire which contained only positive statements, and found a high proportion of subjects complainant that they were deprived of the opportunity to say anything negative about the applicants, - perhaps a case of only wanting something when you can not have it. More recently, Kleiman and White (1994) reported that most reference writers are not candid in their assessments, and tend to give unduly favourable descriptions of people.

2.1.6. Challenges faced in using Reference Reports

Many employers are afraid that something negative said about former employees could lead to a defamation or invasion of privacy lawsuits (Beer at al., 1958). Other selection policies do a disservice to both employer and employee. They force employer to make hiring decisions without complete information about all candidates possibly leading to costly mistakes. It also hurts qualified candidates who may not get jobs because employers never get a full picture of their skills and personalities. Employers however did to be prepared and the first step is to obtain a release form signed by the job applicant in which he/she consents to have references contracre9 as well as credit and criminal background checks performed) and waivers his or her right to legal action against employers based on what references say (Cohen, 1998).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

This was a cross-sectional census survey. The census survey was considered appropriate according the to the updated records at the ministry of Foreign Affairs where there are only 52 International NGO registered and therefore cross - sectional survey census was therefore feasible since the population was not large and most of them have there head office in Nairobi. The design takes a cross sectional sample from the overall population at one point in time. The data is collected and most commonly through interviews or questionnaires. The relationships are then identified from the data and causal relationships, which is then analysed.

3.2 Population

The population consisted of all International Diplomatic NGOS registered by the Ministry of Foreign Affairs, which number fifty two (52) (Diplomatic Directory, Ministry of Foreign Affairs, 2005).

3.3 Data Collection

The main instrument of data collection was a semi - structured questionnaire. The questionnaires were emailed to the respondents who were the heads of Human Resources functions in the surveyed organisations. The questionnaire is divided into three sections; Section A captures the surveyed organisations background information while Section B and C address the first and second study objectives.

3.4 Data Analysis

The questionnaires were edited for completeness and consistency. Responses were coded to facilitate basic statistical analysis using the software package SPSS.

The output from the package was presented in frequency distribution tables and percentages. Descriptive statistics were used to enable comparison to be made as to whether coverage or diverged in particular area.

CHAPTER FOUR

DATA ANALYSIS AND FINDINGS

4.1 Introduction

The data analysis was guided by the objectives of the study which were to find out the information sought in references and the sources of references used for selection of staff by diplomatic international non-governmental organisations in Kenya. The survey recoded a moderately high respondent rate with 47 usable questionnaires returned. The response rate was 78.33%.

The data from the completed questionnaires are summarised and presented in frequency distribution tables.

4.1.1 Classification of the International Non- Governmental Organisations

These are the nongovernmental organisation that basically are in involved on long-term sustainable project in any county of operation; Health: These are non governmental whose basic mission in on health projects; Relief: These are for short term relief support services in case of catastrophe; Conservation: these are mainly for environmental conservation and their activities are basically for sustaining and improving the environment.

4.1.2 International Non -Governmental Organisations Activities

Table 4.1.1 below gives a summary of the activities that the surveyed organisations are engaged in.

Table 4.1.1 Fields of Operation

Activity	Percent
Development	34.0
Health	31.9
Relief	17.0
Conservation	17.0
Total	100.0

The above results show that 34% of the diplomatic non-governmental organizations are involved in development, 32% in health, 17% in relief and 17% involved in conservation.

4.1.2 Regions of Operation by diplomatic international nongovernmental organisations

Table 4.1.2 Regions of Operation

Regions of Operation	Percent
Africa	46.8
Asia	19.1
All Regions/Worldwide	34.0
Total	100.0

The above results show that 46.8% of diplomatic non-governmental organizations have operations in Africa, 19% in Asia and 34 % worldwide

Table 4.1.3 below summarizes the number of employees at each of the surveyed organizations.

Table 4.1.3 Number of Employees

Class Intervals	Percent
10-20	17.0
30-50	53.2
60-80	29.8
Total	100.0

The results in table 4.1.3 show that 53.2% have between 30 - 50 employees. 29.8% have 60 - 80 employees, 17% have up to 1 0 - 2 5 employees. This reflects that these diplomatic international non governmental Organizations do not have very large number of employees because their core function is to give technical advice to the implementing partners who actually on the ground.

4.2 Hiring Process

Hiring process refers to the activities undertaken by an organisation or its human resources department when it seeks to fill up a position that has become vacant or that has been newly created within the organization. The hiring process involves the identification of sources of recruitment and the initiation of selection process activities.

4.2.1 Sources of Recruitment

Organisations can recruit new employees or fill in vacant positions using various means and sources. Table 4.2.1 below gives the sources of recruitment for the surveyed organisations.

Table 4.2.1 Sources of Employees

Source	% of Responses
Promotion from within	53.2
Job Rotation	17.0
Employee Referrals	17.0
Private Employment Agencies	17.0
Recruitment Consultants	46.8
Executive search consultants	12.8
Advertisement in the Media	83.0
Internal Adverts to Peer Organizations	17.0
Total	263.8

The results show that most frequently used source of recruitment is advertisements in the media (83%). 17% of the organizations use job rotation as a source of recruitment, 17 % use employee referrals 17% use private employment agencies and internal adverts to peer organizations 17%. Twelve percent (12.8%) of the surveyed organizations also indicate that they use executive search consultants. The small number of organizations that use search consultants can be attributed to the fact that using search consultants is expensive and the need to use them arises less frequently in most organizations.

4.2.2 **Positions Reserved for Local Staff**

Table 4.2.2 below gives the number of organisations reserving positions for local staff. Positions that do not require special knowledge or very high level of education and experience are usually reserved for the local staff in many diplomatic international non-governmental organisations.

Table 4.2.2 Positions Reserved for Local Staff

Response	Percent
Yes	80.9
No	19.1
Total	100.0

The above results show that 80.9% of the surveyed organisations reserve some positions for local staffs while 19.1% do not make such reservations. This finding is to be expected given that most positions can be easily filled with locally trained individuals/professionals.

4.2.3 Type of Positions Reserved for Local Staff

The types of positions reserved for local staff are summarised in Table 4.2.3 below.

Table 4.2.3 Type of Positions Reserved for Local Staff

Type of Position	% Of Responses
Administration and Support Staff	100.0
Junior Professionals	15.8
All Positions where Skills are Locally Available	21.1

The above results show that thirty-eight organisations reserve administration and support jobs for locals. 15% of the surveyed organisations also reserve jobs for junior professionals. These results are to be expected given that administration and support staff do not require highly specialised skills and therefore such staff may be readily obtained locally. The same applies for junior professionals.

4.2.4 Type of Positions Reserved for International Hire

All surveyed organisations indicated that they hired internationally for some positions. Table 4.2.4 below gives a summary of the positions for which international recruitment is performed.

Table 4.2.4 Type of Positions Reserved for International Hire

Position	Percent
Specialist/Scientific Positions	46.8
Senior Management Positions	36.2
Positions Requiring Over 15yrs International Experience	17.0
Total	100.0

The above results show that in approximately **47%** of cases, positions reserved for international hire are of specialist/scientific nature. 17% of the surveyed organizations also reserve positions that require over fifteen years of experience.

4.2.5 Selection Process

Table 4.2.5 below summarizes the activities undertaken in the process of recruiting a new employee.

Table 4.2.5 Activities Undertaken in Selection Process

Activity	% of Responses
Short listing	100.0
Interviews	100.0
Selection tests	83.0
Medical exams	29.8
Reference	100.0
Total responses	412.8

The results show that all organizations engage in short listing activities, interviews and referencing. Eighty three percent of the surveyed organizations also require applications to undertake selection tests as part of the recruitment process. Twenty eight percent further require that candidates to take medical exams. These results are to be expected given that interviews, short listing and references are universally recognized activities in the recruitment process.

4.3 Reference Reports

Reference reports seek information about a job candidate. Reference reports usually contain information that can be used to identify, locate, or verify the identity of job applicant. Eighty three percent (83%) of the surveyed organizations indicate that they acquired reference reports before they offered employment. This finding is consistent with Muchinsky (1989) who reported that three quarters of American employers take up references on new employees. All surveyed organizations also indicated that they allowed between two weeks to one month for reference reports to be filed.

4.3.1 Types of Reference Report

There are different types of references that can be used by an organization. Table 4.3.1 below summarizes the types of reference reports that are required by different organizations.

Table 4.3.1 Types of Reference Report

Type of Reference Report	% of Responses
Telephone	83.0
Email	66.0
Unstructured Written Reports	31.9
Structured Written Reports	80.9
Investigation by Contracted Agents	12.8
Total responses	274.5

In most instances, references are always written with telephone reference checking only performed when the organization is in hurry or when the organization doesn't want to commit itself (Beer et. al., 1976). The above results however indicate that 83% of the surveyed organizations have used the telephone to verify applicants' qualifications. This is a new finding in the case of international organizations operating in Kenya. The finding relating to the use of email by at least 66% of the respondents is to be expected given that the use of information technology has become prominent in recent years.

4.3.2 Information Contained in Reference Reports

Reference reports may contain any of the following categories of information: personal, confirmation, skills, education and integrity. These information is used the recruiting organization or agency to distinguish between different candidates applying for the same job. Table 4.3.2 below gives a summary of the information the surveyed organization seek from reference reports.

Table 4.3.2 Information Contained in Reference Reports

Type of Information		percentage
Performance Information	History of Performance	54.7
	Aptitude	22.7
	Growth Potential	22.7
Confirmation Information	Confirmation of Employment	80.5
	Duration of Employment	80.5
Skills Information	Skills	80.5
	On the job training	61.0
	Other types of training	41.5
	Nature of Assignments	61.0
Education Information	Colleges/Universities Attended	26.5
	Degrees/Certificates Obtained	26.5
	Highest Level of Attained	47.1
Integrity Information	History of Handling Resources	36.2
	Honesty, Credibility and Trustworthiness	17.0
	Length of Interaction with Applicant	53.2

Sixty one percent (61%) of the surveyed organizations indicated that they required three reference reports. Nineteen percent (19.5%) required one reference report and another eight requiring only one reference report from a former employer of the applicant. Forty one responses were obtained for each of two related questions on sources of reference

reports and references nominator. In each case the previous employer was used as the source of reports and the nominator of the referee was the applicant.

All these results have previously been reported in other studies performed in the US and Europe. For instance, Ramsey (2001) reports that organizations specify references and will usually ask questions about work experience, character, personal habits and educational background. These are similar to the findings reported here. The results are also similar to those reported by Morsel et al. (1958) as concerns the Employment Recommendation Questionnaire (ERQ) used by the US Civil Service. For instance, the ERQ includes the following information: Occupational ability: skill, carefulness, industry and efficiency, Character and reputation. This is similar to what is reported in this study such as aptitude, growth potential, confirmation of employment, skills, colleges and universities attended, history of handling resources as well as honesty, credibility and trustworthiness.

4.3.3 Sources of Reference Reports

Most organizations (58.5%) indicate that they are not involved in identifying the sources of reference reports. Those that are involved indicate that they involvement is limited to contacting former schools and colleges for the confirmation of certificates. The results are summarized in table 4.3.3 below.

Table 4.3.3 Sources of Reference Reports

Type of Involvement	Percent
Not Involved	58.5
Contact former school/college	41.5
Total	100.0

The above results show that more than half the surveyed organisations (58.5%) do not get involved in the identification of the sources of reference reports. The above results suggest that there are differences between practices reported elsewhere and those applied by the surveyed companies. For instance, Muchinsky (1979) reports that three quarter of USA companies felt selection could be compromised if references were not checked.

4.3.4 Handling Lack of Reference Reports

Table 4.3.4 below gives a summary of the methods used to handle cases where reference reports cannot be obtained from the referees given by the applicant.

Table 4.3.4 Handling Lack of Reference Reports

Handling Lack of Report	Percent
Second/Third follow-up with Referee	22.0
Get Applicant to Provide Another Referee	78.0
Total	100.0

The results show that most organizations responding to this question usually get the applicant to provide another referee (78%) or make a second or third follow-up with the provided referees.

4.3.5 Uses of Reference Reports

Eighty seven percent (87.2%) organisations indicated reference reports influenced their decisions to hire or not to hire an applicant. While reference reports alone do influence the decision, decision making is one the uses for reference reports mentioned by the respondents. Table 4.3.5 below gives a summary of the uses of reports.

26

Table 4.3.5 Uses of Reference Reports

Use	Percent
Make Hiring Decisions	41.5
Determine Performance and Personal Characteristics	58.5
Total	100.0

The results reported here are slightly different from those reported by Muchinsky (1979). In his study, respondents noted that reference reports were used to determine accuracy of the information given by applicants, the personality of the applicant, cooperativeness, honesty and the applicant's social adjustment ability. This does not seem to be the case with the surveyed organizations.

4.3.6 Contradicting Information in Reference Reports

Table 4.3.6 below gives a summary of the methods used for handling contradicting information in reference reports.

Table 4.3.6 Managing Contradictory Reference Reports

Action	Percent
Reject candidate in cases of significant contradiction	22.0
Consult with Candidate to Verify Information	39.0
Seek Fresh Information from Other Referees	39.0
Total	100.0

The results show that most organisations either consult with applicant to verify information (39%) or seek fresh information from other referees (39%). Nine organisations (22%) indicated that they would reject candidates in cases of significant contradictions.

4.3.7 Validity and Reliability of Reference Reports

All respondents indicated that they considered reference reports as a valid tool for staff collection. However, there is no similar consensus on their reliability in evaluation candidates. Table 4.3.7 below summarises opinions regarding the reliability of reference reports as a staff selection tool.

Table 4.3.7 Reliability of Reference Reports

Statement	Percent
Referees mostly over-estimate applicant's abilities	27.3
Not very reliable	48.5
Reliable	24.2
Total	100.0

Forty eight percent of the surveyed organisations (48.5%) consider reference reports as 'not very reliable' while another 27.3% believe referees mostly overestimate applicants' abilities. Only 24.2% consider reference reports as reliable tools for staff selection.

The finding that references are unreliable is generally consistent with views and results that have been previously expressed in management literature and management research. For instance, Mosel and Goheen, (1959), noted that most job applicants usually nominated their acquaintances as referees and that even where reference reports were provided by supervisors and co-workers (who both see the applicant at work) there was usually only very moderate agreement between evaluations made by the two. Carel (1995) has also noted that most organisations still have doubts about the value of references. These findings seem to confirm her sentiments.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter discuss and summarises the findings of the study as they relate to the objective if the study. It also includes the suggestions for further research.

4.1 Summary

The objectives of this study were to find out the information sought and the sources of references used for selection of staff by Diplomatic International NGOs in Kenya. The study also sought to establish the uses of references reports in selection of staff in the International Diplomatic NGOs.

The main findings of the study are that most organizations (83%) acquired reference reports before they offer employment. All surveyed organizations also give two weeks to one month for reference reports to be filed. Reference reports may contain personal information and/or, information relating to skills, education and integrity of an individual applicant. Most organizations (61%) indicated that they required three reference reports which in all instances included a report obtained from a former employer of the applicant. In all instances, the nominator of the referee was the applicant. In instances where reference reports cannot be obtained most organizations indicated that they ensure the applicant to provides another referee (78% of cases) or make follow-ups with the referees.

In relation to the use of reference reports, 87.2% of the surveyed organisations indicated reference reports influenced their decisions to hire or not to hire an applicant. While reference reports alone do influence the appointment decision, decision-making is one the uses for reference reports mentioned by the respondents. In cases where there are

discrepancies between applicants' resume and reference reports, most organisations either consult with applicant to verify information (39%) or seek fresh information from other referees (39%). Finally, all respondents indicated that they considered reference reports as a valid tool for staff selection. However, there is no similar consensus on their reliability in evaluation candidates. Most respondents (75.8%) consider reference reports as either 'not very reliable' or as biased estimates of applicants' abilities.

4.2 Conclusions

The first objective of this study was to find out the information sought in reference reports. Given the above results, it is concluded that four different types of information are obtained from reference reports: personal, skills, education and confirmation. This information includes history of performance, aptitude, growth potential, employment confirmation and duration, skills, on job training, colleges and universities attended, highest level of education attained, history of handling resources as well as honesty, integrity, and trustworthiness. This information may however differ from one organization to the other.

The second objective of the study was to find sources of reference reports. Given the results, it is concluded that the applicant's former employers and schools and colleges that the applicant attended in the case of confirmation of certificates are the major sources of reference reports. In the case of schools and colleges, the information sought is usually the highest training attained.

4.3 Recommendations

Given that most respondents indicated that they do not consider reference reports as completely reliable for the purposes of making the selection decision, efforts should be

made to look at other aspects of the candidate before making the final decision. Organizations can also develop standard references report structures that they can give to any previous employers of a prospective employee. This will ensure that all reference reports that are received are standard and facilitate the comparison of candidates. Researchers should develop other methods of obtaining information about a candidate's previous employment record and abilities other than the use of references that are subject to abuse.

4.4 Suggestions for Further Research

Further research should address the relationship between recruitment process and employee turnover within an organization. Research should also address the ability of different types of reference reports to distinguish the ability of candidates. Hence further study can be undertaken to establish conclusively whether really reference reports should be part of the selection process in the organization.

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Appendix I: List of the International Diplomatic NCOS

INTERNA TIONAL ORGANIZA TIONS

(As at 1st July 2005)

UNEP
United Nations Environment
Programme
P.O Box 30552
NAIROBI

HABITAT

United Nations Centre for
Settlement Human
P.O. Box 30030
NAIROBI

HABITAT (K)

Permanent Mission of the Republic of Kenya to UNCHS
P.O. Box 67830
NAIROBI

UIVEP (K)

Permanent Mission of the Republic
Of Kenya to UNEP
P.O. Box *41395*
NAIROBI

AU

AU Regional Office
P.O. Box 30786

NAIROBI

ICAO

International Civil aviation
Organisation

P.O. Box 46294
NAIROBI

ASESP

African Social & Environment Studies
Programme
P.O. Box 44777
NAIROBI

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8.   *DLCO-EA*

Desert Locust Control

Organisation for East Africa

P.O. Box 50516

NAIROBI

9.   *ARSO*

African Regional Organisation

for Standardisation

P 0. Box 57363

NAIROBI

10.   *ARC*

African Reinsurance Corporation

Regional Officer of Africa

P.O. Box 62328

NAIROBI

11.   *SHEL   TER-AFRIQUE*

P0. Box 41479

NAIROBI

12.   *IFC*

International Finance Corporation

P.O. Box 30577

NAIROBI

13. **IDRC**

   International Development

   Research Centre

   P.O. Box 62084

   NAIROBI

14. **ILO**

   International Labour

   Organ isation

   P.O. Box 60598

   NAIROBI

15. **ESAMI**

   Eastern & Southern Africa

   Management Institute

   P.O. Box 56628

   NAIROBI

16. **UNIDO**

   United Nations Industrial

   Development Organization

   P.O. Box 34135

   NAIROBI

17. **UNESCO**

   United Nations Educational

   Scientific & Cultural Organization

   P.O. Box 30592

   NAIROBI

10M

International Organization
for Migration
P.O. Box 55040
NAIROBI

WHO

World Health Organization
P.O. Box45335
NAIROBI

FAO

Food & Agricultural
Organization
P.O. Box 30470
NAIROBI

UNHCR

United Nations High
Commission for Refugees
P.O. Box 43801
NAIROBI

IBRD

World Bank (Kenya)
Regional Office for Eastern &
Southern Africa
P.O. Box 30577
NAIROBI

ICRAF

International Centre of
Research in Agro-forestry
P.O. Box 30677-00100
NAIROBI

24. *AIHTTR*

African Institute for Higher
Technical Training Research
PO Box 53763
NAIROBI

25. *UNICEF*
United Nations Children's
Fund - Regional Office for Africa
P.O. Box 44145
NAIROBI

26. *WFP*

World Food Programme P.O. Box 30128,
NAIROBI

27. *UNICEF*

Kenya Country Office
P.O. Box 44145
NAIROBI

28. *PTA-RE*
PTA Reinsurance Company
P.O. Box 42769
NAIROBI

29 *ICRC*

International Committee
of the Red Cross
P.O. Box 73226-00200
NAIROBI

30. *ICIPE*

International Centre for
Insect Physiology & Ecology
P.O. Box 30772
NAIROBI

31. **ILRI**

International Livestock &

Research Institute

P.O. Box 30709,

<u>NAIROBI</u>

32. **WWF**

World-Wide Fund for Nature

P.O. Box 62440

<u>NAIROBI</u>

33. **IMF**

International Monetary Fund

P.O. Box 46301

<u>NAIROBI</u>

34. **URTNA**

Union of Radio, Television

Network of Africa

P.O. Box 50518

<u>NAIROBI</u>

35. **RCSSMRS**

Regional Centre for Services and

Surveying, Mapping & Remote Sensing

P.O. Box 18118

<u>NAIROBI</u>

36. **UNDP**

United Nations Dev. Programme

P.O. Box 30218

NAIROBI

37. *UNIC*

United Nations Information Centre

P 0 Box 30552

NAIROBI

38. *PTA BANK*

Eastern & Southern African

Trade Bank

NAIROBI

39. *IFRC*

International Federation of the
Red Cross & the Red Crescent
NAIROBI

40. *ICA*

International Co-operative Alliance
P.O. Box 67595
NAIROBI

41. *INTERPOL*

Eastern Africa Sub-Regional Bureau
P.O. Box 30036
NAIROBI

42. *ATU*

African Telecommunications Union
P.O. Box 35282
NAIROBI

43. *AFRALTI*

African Advanced Level
Telecommunications Institute
P.O. Box 58902

44. ***JPPFAR***

International Planned Parenthood
Federation
P.O. Box 30234- 00100
NAIROBI

45. ***AFRAA***

African Airlines Association
P.O. Box 20116
NAIROBI

46. **IUCN**

International Union for Conservation of Nature &

Natural Resources

P.O. Box 68200, 00200

NAIROBI

47. **CIDA**

Canadian International Development Agency

Lower /Kabete Road

NAIROBI

48. **PPFA**

Planned Parenthood Federation of America Inc.

Africa Regional Office, Chaka Place, 1st Floor,

Off Argwins Kodhek Road

P.O. Box 53538-00200

NAIROBI

49. **OXFAM**

P.O. BOX 40680-00100

NAIROBI

50. **FHI**
   Family Health International
   P.O. BOX 38835-00623
   <u>NAIROBI</u>

51. **PATH**
   Programme for Appropriate Technology in Health
   P.O. BOX 76634-00508
   <u>NAIROBI</u>

52. **CHMP**
   Centrale Humanitaire Medico-Pharmaceutique
   P.O. BOX 10397-00400
   NAIROBI

Appendix II: Letter of Introduction

Felicity K. Kinoti

P.O. 952-00502

Nairobi

(Respondent Address)

Date

Dear Sir/Madam

RE: **RESEARCH ON A SURVEY OF USE OF REFERENCES REPORTS IN STAFF SELECTION IN DIPLOMATIC INTERNATIONAL NGOS**

I am a student at the University of Nairobi doing masters degree in business Administration **(MBA). I** am undertaking the above research project, as a part of the academic requirements. I would be grateful if you could spare some time and fill the attached questionnaire answering the questions as honestly as possible.

This information you shall provide shall be treated confidentially and will be used solely for this research. However, the findings of this study can be availed to you upon completion of the research.

Upon completion of the questionnaire, kindly email it back to me or in case of any queries do not hesitate to call me on 0722- 530 322 or 0734 600606

Yours sincerely,

Felicity Kinoti

MBA student

A: Background information

1. Name of the NGO (optional):

2 Years of Operation in Kenya:

3. Headquarter of the Organisation:

4. Areas of activity (operation):(Tick the Appropriate one)

Development   •

 Health: •

 Relief: •

 Research   •

 Other (specify):

5. Regions of Operation Provide list

6. Number of employee

   10-20   •

   30- 50   •

   60-80   •

   Over 90   •

B: HIRING PROCESS

(Please indicate by placing a tick in the appropriate spaces)

1. What are the sources from which employees are recruited?

Promotion from within   •

 Transfers   •

Job rotation   •

 Employee referrals   •

Colleges and universities   •

Private employment agencies   •

Recruitment consultants'   •

Executive search consultant's   •

Advertisement in the Media   •

Others (specify)

2 Are there positions that are reserved for local staff?

Yes •   please specify

No •   please specify

3. Are there positions for which you hire internationally?

Yes •   please specify

No •   please specify-

4. Indicate the order (1-6) in which the following activities are undertaken during the employee selection process

Application forms   •

Short listing   •

Interviews   •

Selection tests   •

Medical exams   •

Reference   •

C: REFERNCE REPORTS

(Put the tick in the appropriate space and give details where necessary)

1. At what stage in the selection process do you seek reference reports from the applicants

After award of the offer of employment

Before the award of offer of employment

2. In what form do you seek reference reports

Telephone   •

E-mail   •

Written reports unstructured   •

Structured written reports   •

Direct investigation by the organization

Direct investigation by contracted agents'   •

From the police   •

Other (specify)

3. What duration do you give the referees to file their responses

Two week to one month   •

One to three months   •

Two to three months   •

Others (please specify)

4. Give details of the information sought in the reference checks

Performance

Confirmation of whether the person really worked there

Skills

Education

Integrity-

How long as the applicant is known by the referee

a) Other (please Specify)

5. How many reference reports do you seek for each applicant

One   •

Two   •

Three   •

Other (give reasons)___

6. From whom do you seek reference reports on applicants

Previous employer   •

Immediate supervisor   •

                                                    •
Former colleagues'
                                                    •
Educational institutions

Church   •

Police   •

Other (please specify)--

7. Does your organization verify or confirm the source of the reference reports

    Yes   •

    No   •

8. Who nominates the referees

The Applicant   •

TheNGO   •

Other (please specify)

9. Explain the involvement of the Organisation in identification of the referees-

10. How does the Organisation handle situations in which the reference reports is not
received.

11. Does the reference report influence the decision to hire or not to hire?

If yes explain

If no explain

11. Indicate the uses to which the information from the reference reports are made

12) How do you handle situations in which the reference report contain contradictory
information

13). Comment on the reliability of reference reports as a too of employee selection

14). Comment on the validity of reference reports as a tool of employee selection

15). Please provide any other additional information that you consider relevant for this study

Thank you for the time and support.