



Getting the Best from Referees

Further to the article earlier in this edition suggesting questions that might be asked of potential directors, this article advocates and outlines an approach to gaining referee feedback on board candidates. While it is common practice to obtain referee reports for potential employees, this step in the recruitment process is rarely used for director recruitment.

It could easily be argued, why bother, referees are always on the side of the applicant and are unlikely to 'disclose the real oil'. There is merit in this assumption as, after all, the applicant will probably have handpicked his or her referees and made clear to them their hopes for a successful outcome. Given this reality then, is it worth pursuing referees' input into the process? We believe that it is. We'd go even further and suggest that it is vital.

Getting past the pre-prepared responses

We know that many referees will have asked the person they are supporting what they expect to be asked by the interviewer. They are also likely to have asked about the role to be filled. This is to be expected in order to be prepared for the likely questions. The referee may already be shaping in their mind the approach they will take when called. That's fine. There's bound to be good information to be gained from these pre-prepared responses. The interviewer, however, needs to be one step ahead, keen to hear what the referee wants to disclose but ready to look deeper.

A mistake that many interviewers make is to ask a series of closed questions. For example, "Is Grant a reliable person?" or "Is Jillian someone you would hire if you were in our shoes?" Closed questions frequently elicit Yes/No responses. They do not require the responder to offer their expanded thoughts about the matter in question and, unless followed up, shut down the line of questioning. Rather than being asked to respond to closed questions, we advocate that referees should be encouraged to respond to open questions that require an expanded, descriptive response. "How would you describe Judy's attitude to xyz?" "How does Gavin typically respond to stressful situations in the workplace?" are examples of open questions.

The following are examples of open questions that a board recruitment panel might ask a referee supporting a person seeking a position on a board.

- *"Can you tell me about X's experience of working in a team situation? What role does he tend to play within a group?"* The answer to this question might provide insights or clues as to how the prospective board member might fit into the board team or fill an identified gap or weakness in the team dynamic.
- *"What do you consider is likely to be X's major contribution to the board he is seeking to*

join?” This will tell whether or not the referee understands governance and directorship and may provide a critical context for interpreting further responses. It will also open up a number of further questions.

- “*How would you characterise Y’s communication style, for example, her capacity to listen to the viewpoint of others?*” A capacity to listen and suspend judgment until a variety of viewpoints have been expressed is a critical boardroom skill. This initial question could lead to a number of further questions about communication style that could help determine whether or not there might be a suitable ‘fit’ within the existing board culture.
- “*What is your opinion about Y’s leadership ability or potential? Can you give examples?*” A board is an organisation’s top leadership group. While not every director will necessarily be suitable to lead the board, nonetheless all should demonstrate leadership ability or at least the ability to make a positive contribution to a leadership team. Understanding the responsibilities of leadership and a demonstrated capacity to exercise these is a good indicator of directorship potential.
- “*How would you rate Y’s financial skills?*” This is an important question. All directors should be able to read financial accounts and be able to contribute meaningfully to financial policy dialogue. This open ended question might be followed with some more specific questions about the candidate’s ability to read financial accounts and their understanding of financial management.
- (Assuming that the interviewee is someone with experience of the candidate in their boardroom role) “*How clear is X in determining whether something is a governance rather than a management matter?*” A board has to work in a collaborative partnership with its CEO. The attitude a prospective new board member might bring to the board about this relationship can be a vital factor (positive or negative) in future board/management dynamics. Ideally you would want to avoid an appointee who wanted to ‘help’ the CEO do his or her job.

In each of these questions the referee is being asked to provide descriptive response to the question rather than just a Yes or a No. Additionally most seek examples or evidence to support the initial response.

We think that a small number of carefully chosen open questions followed up by supplementary questions will be more likely to provide insights into the potential of a prospective director than a long list of closed questions.