

Hire★Vue

# THE GUIDE TO SKILLS-BASED HIRING



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## *Assessing candidates beyond their CVs*



CVs have become even less relevant in today's modern world of work where jobs change faster than ever and new jobs are created at a pace we've never seen. We need to be evaluating potential—not looking in the rearview mirror.

**- MIKE HUDY**

*Chief Science Officer, HireVue*



The World Economic Forum estimates that [44% of workers' skills](#) will need to change within the next five years. But when the hiring pendulum has swung hard in recent years from mass resignations to remote work to career regret to recession fears, that kind of news does little to bring comfort to today's hiring teams.

How do teams hire today for tomorrow's needs?

Skills-based hiring is the idea that success is better predicted when measuring candidate skills and abilities—instead of only past achievements.

It's the reason HireVue exists. We believe that candidates are humans first—that they're more than words on a piece of paper reading name, address, experience, roles, responsibilities, etc.

At HireVue, we provide Human Potential Intelligence—helping organisations and candidates connect talent to opportunities. We use science and data to unlock potential—via processes designed for humans to use from their first job through their entire career.

Skills-based hiring is the foundation to asking your candidates, “What can you do?” not just, “What have you done?”

## CVS ARE ONE-DIMENSIONAL. CANDIDATES ARE NOT.

According to [LinkedIn](#), “Skills-based hiring is a recruitment approach that focuses on evaluating candidates based on their skills, rather than on their education or past work experience.”

And the current landscape shows promise for the future of skills-based hiring. According to the [HireVue 2024 Global Trends Report](#):

**34%** of TA leaders say they're comfortable using skills assessments and already use them across the hiring process, up from 29% the year prior

**65%** use skills assessments to determine potential

**21%** replaced CV with skills-based assessments

However, there's room for improvement... because if over a third of HR leaders are comfortable with skills assessments and well over half are using assessments to gauge potential, then why aren't more teams replacing ad hoc CV review?

According to [Forbes](#), “A CV is just a piece of paper, and sometimes just an email attachment.” When you think of summing up an entire career, or rather a person's story, should we not think more than what's simply on a piece of paper (or a forgotten attachment?).

Not to mention with simple CV review comes massive opportunities for bias. Bias based on name, school, address, gender, or the classic *who knows who*. Coupled with the fact that [over half of CVs are created with ChatGPT](#), the landscape is primed for an alternative rooted in science and fairness.

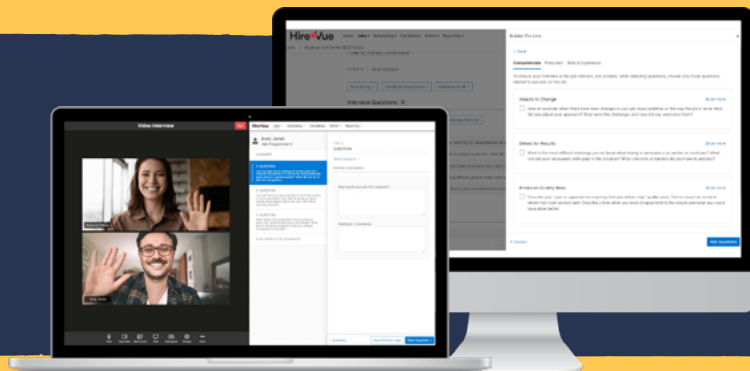
Hudy adds, “There's decades of research showing that the CV has almost zero relationship with ultimate performance on the job.”

Okay so... maybe you're toying with the idea of ditching CV reviews? Or you're ready to take the step. What now?

Let's break down the tools you need to lean into skills-based hiring and start hiring teams who can succeed today and tomorrow.

# STOCK UP ON SKILLED SOLUTIONS

Skills-based hiring is the foundation of HireVue solutions. We offer a wide range of tools, all driven by automation, so teams can build skilled workforces that can adapt to tomorrow's challenges.

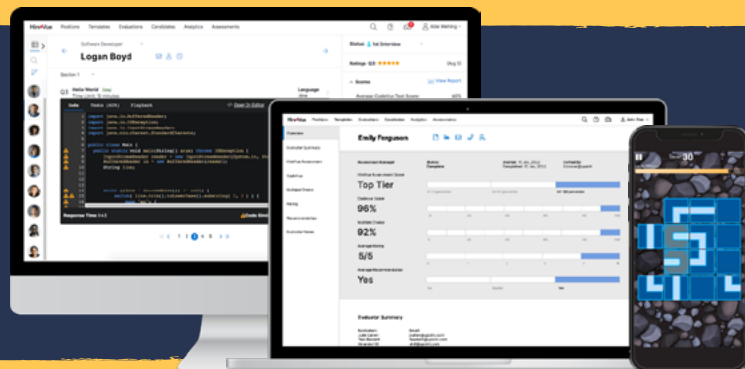


## STRUCTURED INTERVIEWING

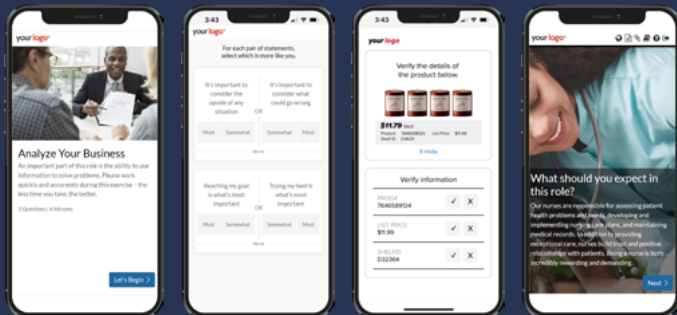
HireVue Structured Interviewing brings speed and quality together. Easily build science-backed, job-specific interviews designed to help you uncover the potential in all candidates. Scale with ease through powerful automated workflows built on an enterprise ready platform.

## ASSESSMENTS

With an **assessment** for every role at every level, our robust library of skill-based questions identify candidates beyond just CV qualifications—better defining what they can actually do. Effective hiring is rooted in data analysis, and HireVue also offers insights to candidates after their interviews.





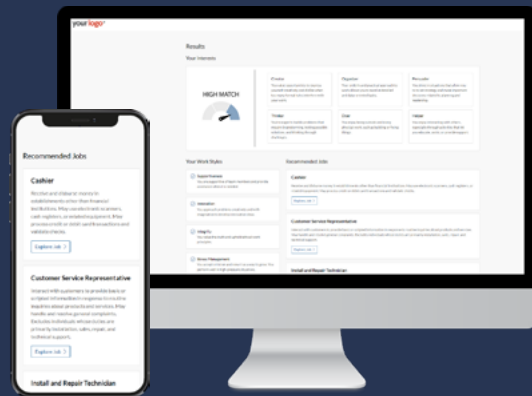


## VIRTUAL JOB TRYOUT<sup>®</sup>

Go beyond conventional cognitive and behavioral assessment. The Virtual Job Tryout<sup>®</sup> provides innovative candidate exercises that simulate the job and offer evidence of how the candidate will perform against competencies proven to be crucial to on-the-job success.

## FIND MY FIT

Present candidates with all roles that they fit—not just the ones they search for. Find My Fit helps easily identify what roles best match their skills and potential. Candidates complete a brief assessment of their interests, personality, and background. The results are then compared to your organisation's open opportunities, recommending the roles that are the best fit for the candidate. Recommending roles based on the candidate's skills and interests drives candidates to those roles that might be a better fit—and can help expand the diversity of your talent pool.



# AUDITING YOUR JOB DESCRIPTIONS: DO DEGREES MATTER?

[McKinsey & Company partner Bryan Hancock](#) makes an exceptional suggestion, “Look at a college degree: if it’s not needed for a job, not having one shouldn’t be a barrier to somebody getting the job.”

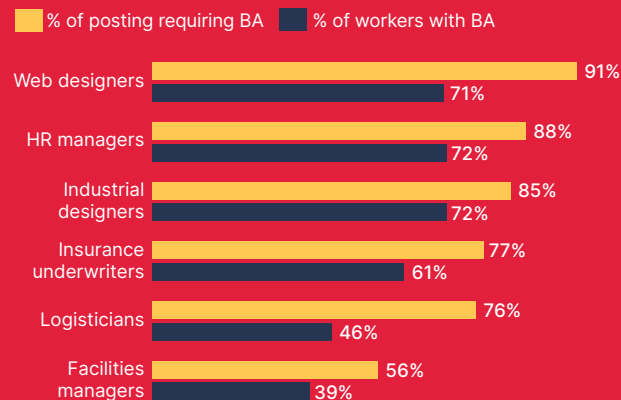
The unfair, unwarranted “[paper ceiling](#)” keeps millions of candidates from jobs they’re qualified to perform, and a Harvard Business School [study](#) titled, “Dismissed by Degrees” further highlights the negative impact of diploma bias.

“[They] found more than 60 percent of employers rejected otherwise qualified candidates in terms of skills or experience simply because they did not have a college diploma.... One of the researchers’ most revealing findings was that millions of job postings listed college degree requirements for positions that were currently held by workers without them.”

Who’s to say a candidate with a diploma has more skills than a candidate without one? At its core, that’s an assumption rooted in bias.

According to the [U.S. Bureau of Labor Statistics](#), we can expect **60% of new jobs won’t require degrees by the year 2030**. And when [69% of workplaces](#) are citing a skills gap, isn’t it obvious that maybe we should be looking beyond the traditional methods of hiring? The ones that include CV reviews, past accolades, and degrees held?

## POSTINGS REQUIRING A DEGREE V. WORKERS WITH A DEGREE, BY OCCUPATION



Source: Burning Glass Institute analysis of Lightcast job postings data

But when it comes to addressing skills gaps, we're not all doom and gloom (we promise!).

"Rearview HR" is the idea that these factors are the ones that predict success—all bullet points on a CV that are marked complete from years past. Human Potential Intelligence equips your teams with tools rooted in science and data-analysis and, therefore, provides candidates with an experience rooted in fairness.

## EXPAND YOUR TALENT POOL AND BOOST RETENTION

In the midst of a movement towards skills-based hiring is the answer to a problem that's still plaguing TA teams. [Three-quarters of companies](#) find filling open roles challenging—including nearly every industry like healthcare, finance, IT, and consumer goods.

According to a [Harvard Business report](#), "Comprising occupations that range from Construction Managers and Sales Supervisors to Web Developers and IT Help Desk Specialists, these roles could open at least 250,000 more jobs to non-degreed workers were employers to drop their degree requirements fully."

While the problem is twofold—how do you fill open roles effectively and also retain talent to cut down on talent shortages—the solution to both is found with a different approach at the very beginning of the hiring process. And according to that same report, the impact of skills-based hiring is powerful for employees and candidates.

For candidates without degrees hired into roles that no longer have degree requirements, they're not only receiving a [25% salary increase](#), but their employers see a [10% higher](#) two-year retention rate vs college-educated coworkers.

## TRANSFERABLE SKILLS

According to the 2024 HireVue Global Trends Report:

- **37%** say they are more focused on candidates' future potential than past experiences.

Transferable skills are becoming more valued than specific past work experiences. According to the [U.S. Department of Labor](#), the following soft skills play a key role in employment: professionalism, oral and written communication, teamwork, and critical thinking.

When it comes to skills-based hiring, it's important to put tools in place that allow you to assess the hard and soft skills needed for success. Industry means nothing—because the same skills are needed in multiple industries.



### BARISTA

Takes orders → Customer service

8 hour shifts → Reliable

Upsells dessert → Salesperson



### HEALTHCARE PROFESSIONAL

Nurse → High-pressure efficiency

Bed-side manner → Good with people

Industry change → Dedication



### STAY-AT-HOME MOM

Balancing schedules → Efficient

Takes charge → Leader

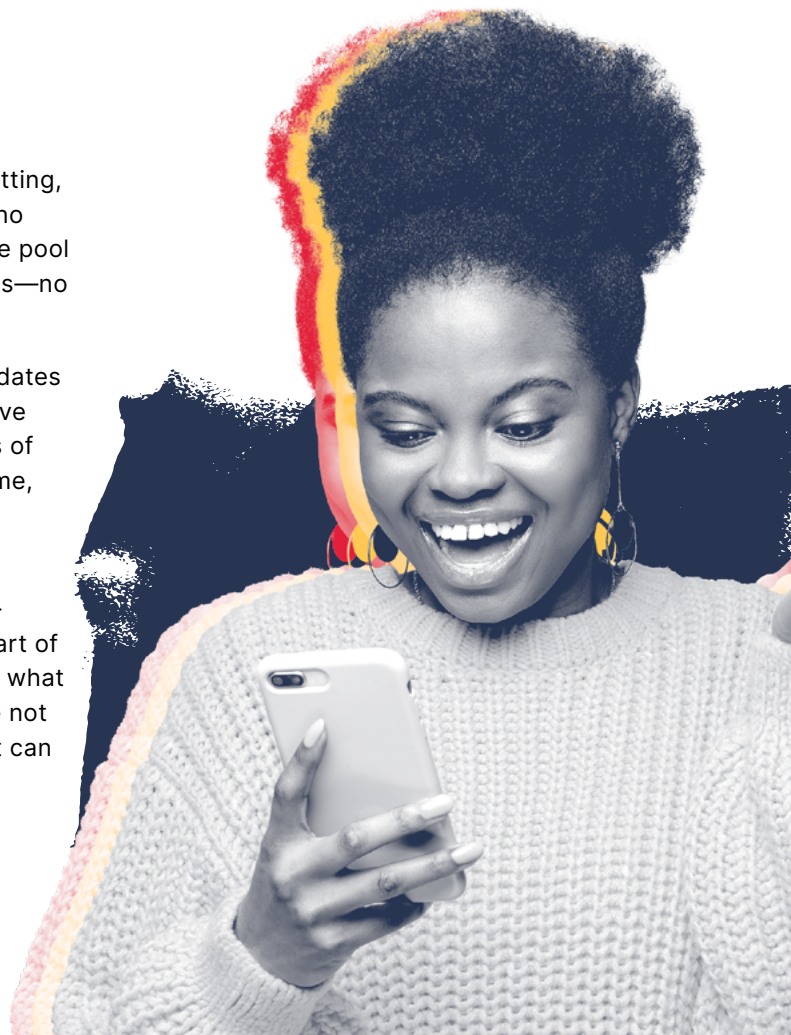
Activity Organizer → Project manager

## EARLY TALENT

While GPAs and degrees play a pivotal part in an academic setting, a workplace is a different setting altogether. And TA teams who apply the same set of principles to hiring will alienate an entire pool of qualified candidates who have the skills needed for success—no matter their degree, alma mater, or GPA.

AI-driven tech designed to measure potential and what candidates are capable of is a crucial piece to assessing early talent. We've already talked about why CVs aren't really the best predictors of success, and when your graduate CVs all start to look the same, the need to find an alternative solution is even more critically important.

Early talent candidates are at the beginning of their careers—they're the embodiment of potential. Empower them at the start of their careers by ensuring they're given a fair shot based upon what they *can* do at your organisation—not what they have or have not done. Explore the soft skills they could very well possess that can prove influential to building a successful career.



## FAIRER HIRING

At the end of the day, your hiring should echo the belief that all candidates should be treated equally—and that means ensuring each of them is evaluated under similar circumstances and assessed with data rooted in fairness.

HireVue solutions, like Structured Interviewing and Assessments, are third-party tested against bias to ensure we can mitigate bias in your hiring. (By the way, if you were curious, this is how imperfect humans can provide pretty perfect tech!).

Remember, bias isn't always blatant. It can be familiarity bias—two people who are from the same town, cheer for the same team, or love the same music. Having tech in place to combat unconscious bias is a critical piece to establishing fairer hiring practices.



### 5% INCREASE

When Charter Spectrum incorporated Find My Fit, the global telecommunications company saw an increase in female applicants for their field technical roles, from 6% to 11%.

One of the biggest benefits that the business saw was around reducing unconscious bias. HireVue has helped reduce bias by 90% from the hiring process, which has contributed to achieving a 50 / 50 hiring split for gender across all levels of the business so far in 2021. Previously, this was 70 / 30 and male dominated. The Executive Committee is now also very diverse with a 50 / 50 gender split. This really helps other people in the business aspire to be what they can see.

**RICHARD MATTHEWS**

*Head of Talent and Resourcing, [The Co-operative Bank](#)*



## BUILDING A STRATEGY BASED ON SKILLS

Skills-based hiring is the answer to today's hiring challenges: talent shortages, skills gaps, increased attrition rates. But it's more than just an idea—it's a tangible strategy with solutions rooted in science and data analysis.

HireVue has an assessment for every role at every level, so you can ensure your new hires are employees with the skills needed for today *and* tomorrow.

Your candidates are people. They have stories accumulated from life's different experiences. Employ the tech that empowers them to share who they are as people first—not just employees.

Your candidates aren't one-dimensional, so make sure your hiring practices aren't either.

**Ready to build a strategy based on skills and potential? Request a demo today.**

**DEMO**





**Hire★Vue**