The pragmatist's playbook for skills-based hiring

Helping TA leaders navigate a new era of recruitment

ARCTIC SHORES

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What the experts are saying

" This playbook is a refreshing take on skills-based hiring and a must read for TA leaders. It challenges current misconceptions, and thoughtfully addresses how to navigate skills shortages and improve diversity.

By shifting focus from sifting based on experience to skill-enablers, it provides a comprehensive, highly actionable framework that paves the way for more strategic and equitable hiring practices. "

Yasar Ahmad, Vice President - Talent, Mobility and Reward at Hello Fresh

" Early careers professionals are well placed to support skills-based recruitment given their experience in recruiting for potential. In fact, more than half of our employer members plan to move to skills-based recruitment in the next five years. We know this is an important shift which we want to help them navigate and this practical guide will help support them on their journey. "

Georgia Greer, Head of Insights, ISE

" PwC has been at the forefront of adopting the shift to becoming a 'skills-first' organisation — which we know from our clients and work with the World Economic Forum opens up talent pools and gives opportunities to those who traditional approaches hold back.

While many business leaders understand the concept and potential benefits, there has been a lack of practical guidance on how to amend our recruitment practices for the skills-first organisation — this guide fills that gap. "

Ian H Elliot, Chief People Officer, PwC UK

" Skills-based hiring has the potential to be transformational for organisations. But we are in danger of getting it wrong by not clearly defining the difference between skills, competencies and traits. People struggle to understand which skills correlate most often with job performance and how to really evaluate them. This playbook cuts through the noise and offers a hyper-practical framework for what skills-based hiring should actually look like. Every TA team should read it. "

Hung Lee, Recruiting Brainfood

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Part 1

Introduction

Introduction

Robert Newry, CEO and Co-founder at Arctic Shores

"*Everyone is talking about it but no one is fixing it!*" is a familiar response from frustrated TA Managers after attending another in a long line of webinars championing what is hailed as the next big thing in recruitment: skills-based hiring.

So, how have we ended up in a situation where everyone is excited about a major conceptual shift in recruitment without being clear about what it is and how to implement it?

This playbook sets out to fix this conundrum. It moves beyond theory and instead offers a practical framework — developed using guidance from TA practitioners who have first-hand experience of implementing skills-based hiring and managing the change that goes with it. Even without a big budget.

Skills-based hiring stands apart from past prominent initiatives such as competency-driven hiring, and aims to tackle significant societal issues — social mobility and a major skills shortage.

The reason so few are getting it right is because **skills-based hiring should be about servicing the needs of the skills-led organisation**... **NOT simply hiring for skills**. While this goes against the current industry narrative, it's a crucial distinction. Once you understand it, you'll finally unlock the benefits everyone has been so excitedly talking about.

Let's start with how this began. **The concept of skill-based hiring is not a new one**. It was introduced to revolutionise talent sourcing and expand the range of available skills in the talent pool back in the late 1990s. It came from a desire to move away from job history and educational background, instead focusing on selecting for 'skills' and capabilities — often selecting based on 'transferable skills' and alternative routes to qualifications. **In other words, judging someone by their potential to deliver the actual drivers of success in the job, not simply their exposure to tasks in a past job**.

The advent of digital transformation along with a skills crisis prompted organisations to relook at skills-based hiring, recognising that traditional experience-centric methods were inadequate — even before the rapid adoption of AI.

As the concept of the skills-led organisation grew in popularity, CEOs and COOs asked Talent Acquisition leaders to address these skill gaps using 'skills-based hiring'.

This is where things began unravelling.

With so many skills being in short supply, we have to ask — how can a recruitment process designed to seek out people with skills we know are scarce be successful?

Then in a bid to resolve this challenge and broaden talent pools, the definition of a 'skill' was stretched to include anything from a person's ability to code to their ability to collaborate. The result? Few can now differentiate between whether a skill is something you learn or something you have innately. This was before we even thought about other important factors like aptitude, motivation, and values. More confusion ensues.

It's no wonder so many TA teams have been struggling to reconcile skills-based hiring with the development of the skills-led organisation.

The good news? Once you realise that skills-based hiring is about redesigning your recruitment approach to *appeal to the broadest group of talent and evaluate their future potential*, rather than simply sourcing those with exact match skills, you'll finally be able to deliver on the vision the skills-led organisation aspires to deliver.

We hope you find the playbook useful.

Part 2

Skills-based hiring is not what you think it is

Everyone is talking about skills-based hiring but few are getting it right. What makes it so hard?

For the last few years, TA teams have faced three major challenges: skills shortages have been getting worse *by the day*. Meeting diversity targets remains a challenge. And the bar for candidate experience has *continued* to rise.

And that's before the AI-enabled candidate made all of these issues even worse. Since GenAI went mainstream...

The shelf life of a skill has become even shorter

Sifting accurately and effectively has become even more difficult than it already was

Some approaches to managing candidate GenAI usage have helped level the playing field, while others are holding underrepresented groups back

On top of that, talent teams are both shrinking and being asked to do more with less — making delivering a *scalable* process with a *great* candidate experience even harder than it already was.

It's a minefield. And most TA teams are now wrestling with how to navigate this brave new world of recruitment.

Sticking to traditional hiring methods and tools is simply not going to work. Yesterday's solutions will not solve today's (and tomorrow's) problems.

And there's one approach featured in every trends report and on every TA team's lips as the answer: **skills-based hiring**.

This is not a new approach — analysts started talking about the concept of a skills-based organisation back in the late 1990s. This type of company would leverage individual skills, competencies, and abilities for roles and projects, rather than prioritising traditional experienced-based credentials like degrees or titles. Skills-based hiring was a major part of making this type of organisation a reality.

Since then, many Early Careers teams ditched the degree requirement and chose to evaluate candidates based on their core strengths – but adoption of the approach across the entire talent acquisition function remained low.

That was until the last year, when the rapid advancement of tech like GenAI forced many TA teams to recognise the need to move away from **experience-centric hiring**. As that realisation dawned, the conversation about **skills-based hiring** gathered pace.

Recognising this, an ever-growing number of AI-powered skills-matching platforms also began touting skills-based hiring as a magic bullet to solve *all* of TA's biggest problems.

Today, it's hard to open up LinkedIn without seeing skills-based hiring mentioned in plugs for almost every report, analyst podcast, and vendor webinar.

And that's hardly surprising when the potential benefits are so appealing…

Experience-based hiring	Skills-based hiring
A major skills shortage	Roles filled with candidates who have been identified as having the right skills
Diverse representation remains a challenge	Access to bigger, more diverse talent pools
Weak candidate experience where candidates feel frustrated and excluded	High candidate engagement where candidates feel their strengths are valued
Unreliable, inefficient process thanks to AI-enabled candidate	Scalable, accurate screening process able to assess real skills
Overstretched TA teams with paper, admin heavy processes	Better resourced TA teams operating as a strategic function

And if you listen to all of the webinars and information about adopting skills-based hiring, it sounds so simple:

1 Identify which skills you need

2 Find the right people with those skills

3 Hire them and support their development

But this couldn't be more misleading.

The uncomfortable truth about skills-based hiring

The reality is that the way many vendors and TA teams have been thinking about skills-based hiring **is fundamentally flawed**.

Here's why. Skills-based hiring came out of a strategic shift to becoming a *skills-led organisation*. This was a response from leadership teams who recognised that for their organisations to adapt to rapid digitisation and automation, they needed to embrace a new approach to talent management.

The *concept* **of becoming a skills-led organisation is a simple one:** map out what skills we have and what skills we need – then structure our talent function to allows us to **develop** talent with the right skills, **move around** talent with the right skills, and, where necessary, **acquire** talent with the right skills.

But the *transformation* to becoming a skills-led organisation is a lot more complex: it requires an agreed **definition** of a skill and, with that, the development of a **skills taxonomy** which everyone agrees on (which in itself is no mean feat), and then there's the *simple* task of the **whole** HR organisation **redesigning and aligning their processes** to match this approach. As any TA team will know, not one of these things is easy.

This is where the **current approaches to skills-based hiring fall down**, presenting TA leaders with several challenges.

> **We have this enormous interest in skills-based hiring, skills-based internal mobility, skills-based development, skills-based pay. All of which are centred on HR and HR initiatives and HR technology and HR infrastructure. But in reality, if we're not focused on the business problem, we're not going to be successful.**
>
> **We're now reaching a point where we have dozens of examples of companies that have done this in a pragmatic way. And hundreds of examples of companies that haven't done it in a pragmatic way who are going to be frustrated.**

Josh Bersin

5 challenges with current approaches to skills-based hiring

1 There is no universal definition of what a skill is or even a universal naming convention for different types of skills — between companies, vendors, and candidates. Which makes the TA team's job to source talent who have skills which map directly to their taxonomy feel *almost* impossible — even with AI-based skill matching.

2 Agreeing on *which* skills are most important *and* how to determine a level of competency in them is a real challenge. Are hard skills more important? Or should you prioritise soft skills? Or even a combination of the two? How do you determine someone's capability if years of experience isn't an accurate predictor of their level of skill? How are skills different from competencies? How many do you need to assess - 50 or 50,000? In the words of **Josh Bersin:** *"This is even more complicated than you think. In any role, there are 100s and 100s and 100s or 1000s of skills and they're always changing."*

3 Many hard skills are in short supply. If we've moved away from hiring people based on their degree requirements, and we're facing a major skills shortage, trying only to hire people with exact match hard skill requirements clearly isn't going to work either. We got here because there aren't enough people with the right hard skills to go round in the first place. AI-fuelled skill matching that maps exactly to your taxonomy could make the problem worse, not better.

4 Hard skills date quickly – the skills we require today won't be the same tomorrow. According to **Boston Consulting Group**, the average shelf life of many hard skills is just 2.5 years. So what do you do when you need to update your skills taxonomy again? Do you redesign your whole process from scratch? What's more, can you be confident that the talent you're hiring today has the capability to consistently acquire new skills in the future? Do you have a good way of assessing that?

5 Finally, many skills-based hiring approaches rely on *asking* people which skills they have... not truly evaluating how well they can *actually* demonstrate them (especially when relying on AI-fuelled skill-matching platforms). In the era of the AI-enabled candidate, this presents a major challenge. Many TA teams report a rise in quality in the application and sifting stage with candidates' 'self-reporting' a skill match, before a drop in quality at later stages of the selection process or on the job as a candidates' true competence is revealed – making the whole complicated process fall apart.

It's no wonder that adopting skills-based hiring can feel overwhelming. It's like trying to hit a fast-moving target.

Large scale transformation isn't easy. But according to the experts, there is a better way to get started with skills-based hiring. A clearer, more pragmatic approach that reduces the complexity and gives TA teams a clear plan for overcoming their biggest challenges in 2024.

Introducing the pragmatist's playbook for skills-based hiring: helping TA leaders navigate a new era of recruitment

We've combined a decade's worth of our own experience in helping companies move away from experience-based hiring and towards potential-focused hiring, with advice from disruptive TA leaders at the forefront of our industry, to bring you **the most practical, pragmatic playbook on skills-based hiring published to date**.

This playbook is designed to give you research-backed, practical, validated advice curated from the likes of Siemens, Molson Coors, and the Department of Education. It's here to help you achieve three goals:

1 **Understand the critical steps required to adopt skills-based hiring** — we'll cover what most people miss out, how to be successful without having to map your process exactly to a complex skills taxonomy, and how to ensure you're able to capture an authentic picture of a candidate's true capabilities and skills

2 **Dive into how to *practically* move away from experience-centric hiring towards a more straight-forward version of skills-based hiring** — we'll explain the steps required to update your entire hiring process in a way that uncovers candidates' true potential: from redesigning job specs to upgrading your interview process

3 **Get actionable tips on how to avoid common pitfalls and roadblocks along the way** — we'll share tips on how to align everyone from your CPO to your CFO in what good looks like, how to engage your hiring managers, and how to move from a pilot to an organisational wide roll out

Disclaimer: this is not like other skills-based hiring playbooks you may have seen. Instead of giving high-level advice like "you need to engage hiring managers", we'll give you practical advice on how to implement new processes — and in some cases, offer templates — to help you get things done. So if you're ready to uncover information that really moves the needle, let's dive in.

The intersection between the AI-enabled candidate and skills-based hiring

The arrival of AI intensifies the need to move to skills-based hiring more urgently — changing the nature of what we assess and how to maintain a future-proofed and effective process. We've researched and written about this extensively in our report on **how students' use of Generative AI will make traditional selection processes redundant**, **the ultimate guide to managing candidate use of GenAI**, and through season one of the **TA Disruptors podcast**. But it's such a critical topic, that we will be signposting some advice on the how in this playbook too — **keep an eye out for the green boxes throughout this guide for more**.

What an *effective* skills-based hiring approach *actually* looks like

A new approach to skills-based hiring

Based on advice from leading TA experts who have helped to curate this playbook, and our perspective based on a decade of experience, the evidence suggests that we need a new approach to skills-based hiring – this new approach is underpinned by two core principles.

▶ **We must evaluate candidates' based on their core strengths and ability to acquire new skills**

Most attempts at implementing skills-based hiring come from the need to solve the skills crisis. The problem is that you cannot solve a skills crisis by looking for people with the 'right' skills. If they existed, then there wouldn't be a crisis. But most companies miss this fact.

Instead, some companies have already made the shift to selecting a candidate based on their transferable skills as a more pragmatic approach. But even here, we're still missing a step.

In order to guarantee that a candidate will be able to survive and thrive as tech continues to evolve at a rapid pace, we also need to understand a person's core strengths and capabilities — like their natural level of resilience or adaptability — and critically, their **ability to acquire new skills in the future**. We can think of these as **skill-enablers** — and the trick is to evaluate *these*, rather than the skill credentials.

Only if we understand whether a person has what it takes to continue to learn, adapt, and grow can we understand whether they'll be able to help our organisation navigate the ever-changing world of work.

▶ **We must give candidates' a platform to *demonstrate* their skills, not just tell us they have them**

The pitfalls of selecting a candidate based on their degree or qualifications alone are well established. But we also have to bear in mind the differences each person's make up has on the way they 'self-report' their strengths too. For example, **women are more likely to underestimate their capabilities vs men in a self-report scenario.**

So if we just take a candidates' word for it that they have the right skills required for the job, we risk a) hiring someone who doesn't *actually* have the level of capability they think they do and b) overlooking under-represented talent who perhaps don't know how capable they are (in a skills crisis, this is an especially big risk).

The era of the AI-enabled candidate adds an additional level of complexity. Many companies are reporting a rise in the quality of applications (based on candidate's being able to self-report having the required skills for the job) but a drop in quality at the later stages of the application process as candidate's true capabilities are revealed.

It's suddenly become harder than ever to stress test a candidate's true ability — and not just their ability to use ChatGPT. And banning GenAI use **is not a sustainble option**.

Even putting aside the implications of banning GenAI on employer brand, there is the more fundamental point that GenAI usage is more extensive among underrepresented groups — **23% of Black and Mixed ethnic background candidates are likely to use ChatGPT in the selection process vs just 16% of white candidates,** while usage is more extensive among neurodiverse candidates vs their neurotypical peers. Plus, **no AI detection method has been proven to be effective**. This means if you do ban use or try to detect, you risk both excluding diverse talent and falsely accusing 2 in 10 candidates of cheating.

This leaves TA teams with just one option.

To avoid mis-hires and maintain the efficacy of our process, TA disruptors need to ensure that every step of the hiring process — from sifting to interview evaluation — allows candidates to **showcase** their abilities, not just **talk** about them.

Arctic Shores' definition of skills-based hiring:

Skills-based hiring helps companies discover whether a candidate **has the ability to acquire new skills and/or has some of the relevant skills now.**

An **effective skills-based hiring** process must:

✓ **Evaluate a candidate based on their current skills** (rather than past experience) **AND/OR their ability to acquire future skills - their skill-enablers**.

✓ Give candidates an opportunity to **show they have the potential to succeed in a role**, rather than simply tell you about it

Select for roots not leaves: why evaluating the potential to acquire skills is *as important* as looking at current skills

Let's take a moment to dive into why thinking about skill-enablers could be the secret to your success in adopting a skills-based hiring approach – and establish why this could be the key to avoiding having to map exactly to a complex skills taxonomy.
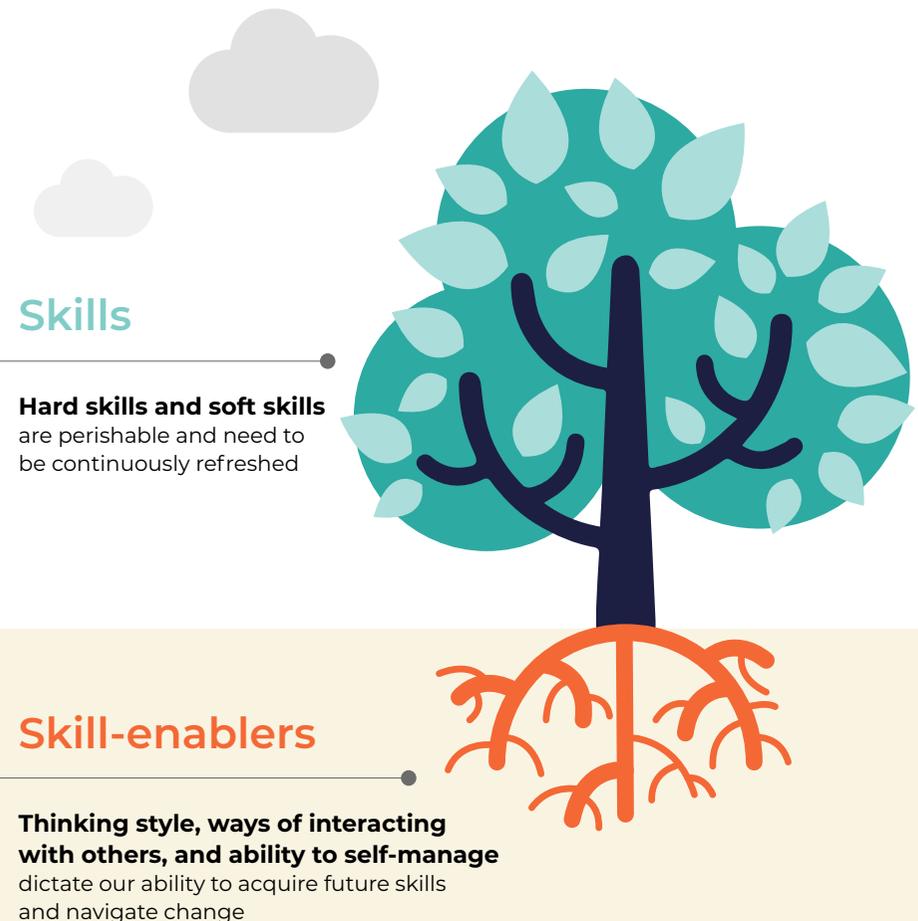
What tells us most about a person's ability to succeed in a role is how they think, learn, adapt, and interact at work. For example, how well they focus and acquire knowledge about a new concept and then quickly put what they've learned into practice. Observing how well a person does this gives us an insight into how well they'll be able to develop new skills.

Think of it a bit like a tree. Imagine the leaves are skills — they come in various colours, shapes, and sizes. Depending on the type of role, the specific leaves may be shaped slightly differently.

Role A's leaves may be more like an ash leaf. Role B's leaves are more like an oak. This reflects which skills are required for success in each role. They might even differ slightly from company to company.

However, if you know anything about trees, you'll know that it's the strength of the roots that enables the tree to get stronger each year, grow new branches, and replenish new leaves. The roots will dictate things like a person's level of adaptability, their determination, and — you guessed it — their ability to acquire new skills, develop their existing skills, and keep up to date with evolving best practices. We think of the roots as **skill-enablers**.

That's why we need to make sure that in a skills-based hiring *process*, we're looking at a candidate's roots as much as their leaves. Or their *skill-enablers* as much as their *current skills*.

Skills

Hard skills and soft skills are perishable and need to be continuously refreshed

Skill-enablers

Thinking style, ways of interacting with others, and ability to self-manage dictate our ability to acquire future skills and navigate change

Early Careers teams have used Personality and Aptitude assessments to evaluate elements of these 'skill-enablers' for years now, while teams focusing on more experienced hires have largely overlooked them. As we enter the next generation of recruitment, **the experts – from McKinsey to the World Economic Forum – suggest that needs to change.**

That should be an exciting prospect for talent acquisition teams. **Because here's the critical thing you need to know about skill-enablers: they're universal.**

The research shows that just a handful of skill-enablers dictate a person's future potential to adapt, evolve, and acquire new skills. While their relative importance might vary from role to role and company to company, that handful of critical skill-enablers remains the same.

The biggest value that assessing skill-enablers offers?

If you're assessing a person based on how well they'll be able to acquire new skills, *it doesn't matter* if they don't have an exact match on every single hard skill you need them to have. Because you can be confident they'll be able to acquire them in the future (and in many cases relatively quickly) and grow with you.

If skill-enablers form part of your hiring process today, you *also* don't have to use automated skill matching mapped to your complex and ever shifting skills taxonomy to know that you'll be able to fulfil your organisation's current *and* future skill requirements. If you want to take a pragmatist's view, that can be part of the long game, but not a problem you have to solve today.
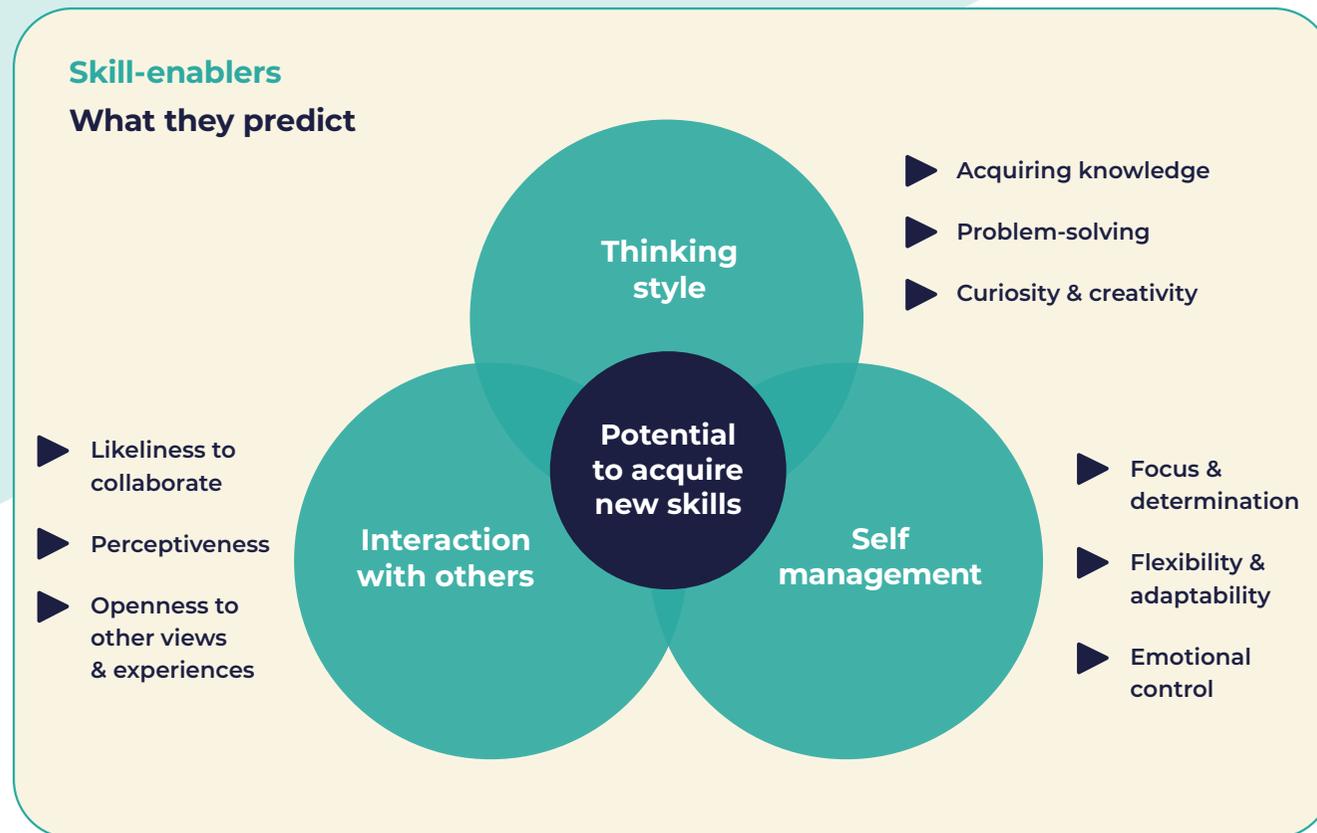
Josh Bersin said it best.

> **Let's get into the pragmatic part of this. We're sitting round in HR and we're looking at vendors and having discussions about how we're going to assess skills and how we're going to tag them. We're gonna have people tag them in all these platforms and we're gonna aggregate them and magical things are going to happen. Well that is a boil the ocean type of project. While it certainly makes sense in the long run (I mean very long run), given the dynamics in this space and the rapid change in the skills themselves, you're going to be much more successful in your infrastructure project if you focus on the problem.**

Josh Bersin

Skill-enablers and the behaviours they predict

The most critical problems for TA teams to solve are overcoming the skills-crisis and ensuring you know that any new talent will be able to adapt to rapidly changing skill requirements in the AI-enabled workplace. Analysis of the research indicates that evaluating skill-enablers to your process could be the answer.

Skill-enablers
What they predict

Thinking style
- ▶ Acquiring knowledge
- ▶ Problem-solving
- ▶ Curiosity & creativity

Potential to acquire new skills

Interaction with others
- ▶ Likeliness to collaborate
- ▶ Perceptiveness
- ▶ Openness to other views & experiences

Self management
- ▶ Focus & determination
- ▶ Flexibility & adaptability
- ▶ Emotional control

At the highest level, there are three factors which predict success in the workplace. We call them skill-enablers. These are:

Thinking style

This tells us about a person's innate ability to acquire knowledge, adapt, think strategically or critically, solve complex problems, be curious, and make decisions.

Self-management

This tells us about how determined or persistent a person might be, how well they might be able to focus or navigate challenges, what environment they might thrive in, and what level of emotional control they might display in challenging circumstances.

Interacting with others

This tells us about how well a person might collaborate, understand the emotions of others and grasp nuance, be perceptive to what's going on around them, and adapt their behaviours as a result.

All of these things will help us understand whether a person will be able to acquire new skills, whether they'll be phased by having to solve novel problems, and whether they'll have what it takes to operate in an environment where they're constantly adapting.

By understanding more about a person's core strengths in these areas, we can understand whether they have the potential to succeed in a role now and in the future.

Now that we understand what an effective skills-based hiring *approach* looks like, it's time to look at the *process*.

Quick fire glossary

Competencies
A collection of behaviours, skills, knowledge, motivations and values, and skill-enablers that when combined indicate how well an individual could perform in a role. Typically there are different levels of competency (eg beginner, intermediate, advanced).

Behaviour
An observable activity which is often the expression of skills, knowledge, or values. For example a person who values inclusivity might express that through the way they interact with their team.

Skills
The capability needed to complete a task, and therefore a job. Skills can be soft or hard and they are typically *learned*.

Knowledge
A body of facts that a person acquires related to a field of work or study — these can be practical, procedural, theoretical, or based on context.

Skill-enablers
A person's core strengths — their Personality and Cognitive Ability — which inform their thinking style, ways of interacting with others, and ability to self-manage. Skill-enablers inform a person's potential to adapt, evolve, and learn new skills.

Motivation and values
Attitudes, beliefs, and, perspectives that influence a person's ideas and approach to situations.

*This glossary was inspired by a version created by the **World Economic Forum**.

The stages of an effective skills-based hiring process

If skills-based hiring is all about discovering whether a candidate can acquire new skills and/or has some of the relevant skills now, your selection process has to be designed to discover that in an efficient, fair *and engaging* way.

What we've learned from working with over 350 organisations over the years is that for many TA teams transitioning to a skills-based hiring approach, the component parts of the selection process will stay the same (for example, you're still going to sift, you're still going to assess motivation etc), but how you deliver them will be different.

To help identify whether you're already doing some or all of an effective skills-based hiring approach, let's now be clear about what skills-based hiring **is** and what it **isn't**.

What skills-based hiring is	What skills-based hiring isn't
Reframing the way you write job adverts, sift, interview, and evaluate candidates to focus on current and future skills	Only updating one piece of the puzzle – for example, changing your job adverts but not the way you evaluate candidates
Focusing on the whole person – their skill-enablers (core strengths, personality, and cognitive ability), plus their learned soft skills and hard skills	Focusing only on hard skills with no eye on a candidate's soft skills or their future potential to develop new skills
Asking candidates to demonstrate core skills and capabilities through a series of tasks (psychometric assessment and/or interview-based)	Asking candidates which skills and capabilities they have, without stress-testing whether this is true in a live environment

To give you an example of what we mean, a successful skills-based hiring process will look like at a high level...

1 **Form a small innovation squad to pilot:** enlist the help of your most passionate DEI advocates or hiring managers most struggling to fill roles to test and help you prove the impact of a new approach using tried and tested tactics)

2 **Advertise based on strengths and skills:** refocus requirements and advertise for required skill-enablers (framed as core strengths), transferable skills, and *maybe* technical skills — instead of asking for qualifications or experience

3 **Sift on skill-enablers:** use a Task-based psychometric assessment to sift based on a person's ability to acquire new skills — instead of sifting on experience or self-reported strengths

4 **Evaluate motivation and values:** conduct a second sift based on how motivated a candidate is to grow with you and live your values using an asynchronous or live interview (perhaps largely the same as you've done before)

5 **Interview for skills:** stress test soft and transferable skills (optionally, hard skills) in interviews using a series of tasks or case studies — asking candidates to showcase their skills instead of talking about them

6 **Ensure your process is candidate-centric:** ensure a fair process by accommodating reasonable adjustments, offering guidance on fair usage of ChatGPT to capture authentic capabilities, and adjusting your onboarding process

7 **Review impact and roll-out more widely:** enlist your champions to help you shout from the rooftops about the impact of your pilot, position your hiring managers as the heroes, and roll out skills-based hiring one job family at a time

A detailed overview of how pragmatic TA teams treat the stages of the selection process in a skills-based hiring approach

Skill component to measure	What it actually assesses	Methods of assessment	When to assess
Skill-enablers — a person's core strengths and capabilities, ability to acquire future skills	A person's personality traits and cognitive ability	• Task-based psychometric assessment (uses primary evidence to 'show' a candidate's ability) • Question-based psychometric assessment (uses candidate's self-reported viewpoint on their behaviours and abilities)	First sift – to be used to inform hiring managers about areas to stress-test at interview and evaluation stage
Motivation and values – a person's attitude towards acquiring future skills	How motivated a candidate is to do the role and keep their skills up to date, and whether their values align to yours (for example, do they believe in continuous learning and have passion for what you do?)	• Asynchronous video interview (scalable for high volume roles) • 1:1 video interview (less scalable but may be more relevant for some roles)	Second sift – to be used to inform hiring managers about areas to stress-test at interview and evaluation stage
Soft skills – a person's current transferable skills	Things like communication skills, time management skills, and collaboration skills	• Assessment Centre for early careers or high volume roles • 1:1 video or in-person interview	Interview and evaluation stage
Optional: Job specific skills – a person's current technical/job-related skills	Job specific skills that are learned over time and are likely influenced by their experience eg ability to code or plan an event	• Detailed technical test • Task-based interview • 1:1 video or in-person interview	Final evaluation and selection stage

Optional: technical sifting

There are some technical roles — for example, if you're hiring software engineers — where you might choose to add an additional sifting stage in which you ask candidates to complete a short coding test in a specific language. Simply add this in before or after the second sift.

Stress-testing your process vs ChatGPT

If you're feeling the impact of the AI-enabled candidate intensely, you'll likely want to audit the vulnerability of your selection process. There are more tips on this throughout this playbook, but for more information, check out this article on whether to **Deter, Detect, or Redesign your process or this short guide on how to conduct a vulnerability audit**.

One final diversion: What to expect if you get it right

If you've made it this far, you likely already know what the benefits of skills-based hiring are and you'll be desperate to get into the weeds of this process. But *just in case you* want to screenshot this and send it to your boss, this is just a quick recap of the problems that a skills-based hiring approach can help you solve.

From	Impossible to overcome skills shortages	Unscalable, inefficient process	Difficult to improve diverse representation	Unengaging candidate experience	Hard to see authentic capabilities thanks to ChatGPT	TA team overstretched and burned out from trying to create a skills taxonomy and keep it up to date
To	High quality candidates who can learn the ropes quickly thanks to transferable skills and skill-enablers	More accurate, scalable, higher quality sifting and evaluation process with faster time-to-offer	Remove bias from the process and broaden your talent pool by focusing on strengths and skills not experience	Candidates feel that they're valued as a 'whole person' thanks to a richer evaluation process	Thoroughly stress test the critical capabilities ChatGPT doesn't have to guarantee candidates' longevity	Skills taxonomies become less important as skill-enablers are simpler to create, maintain and assess for.
Proof	Roles open for 30 days vs 200	Over 1,000 hours saved	50:50 gender shortlist	89% of candidates feel more excited to work for you	Sifting process cannot be completed by ChatGPT	A new approach piloted in a matter of months not years

▶ **Now you understand the fundamentals of skills-based hiring, let's dive into practically how to adopt it.**
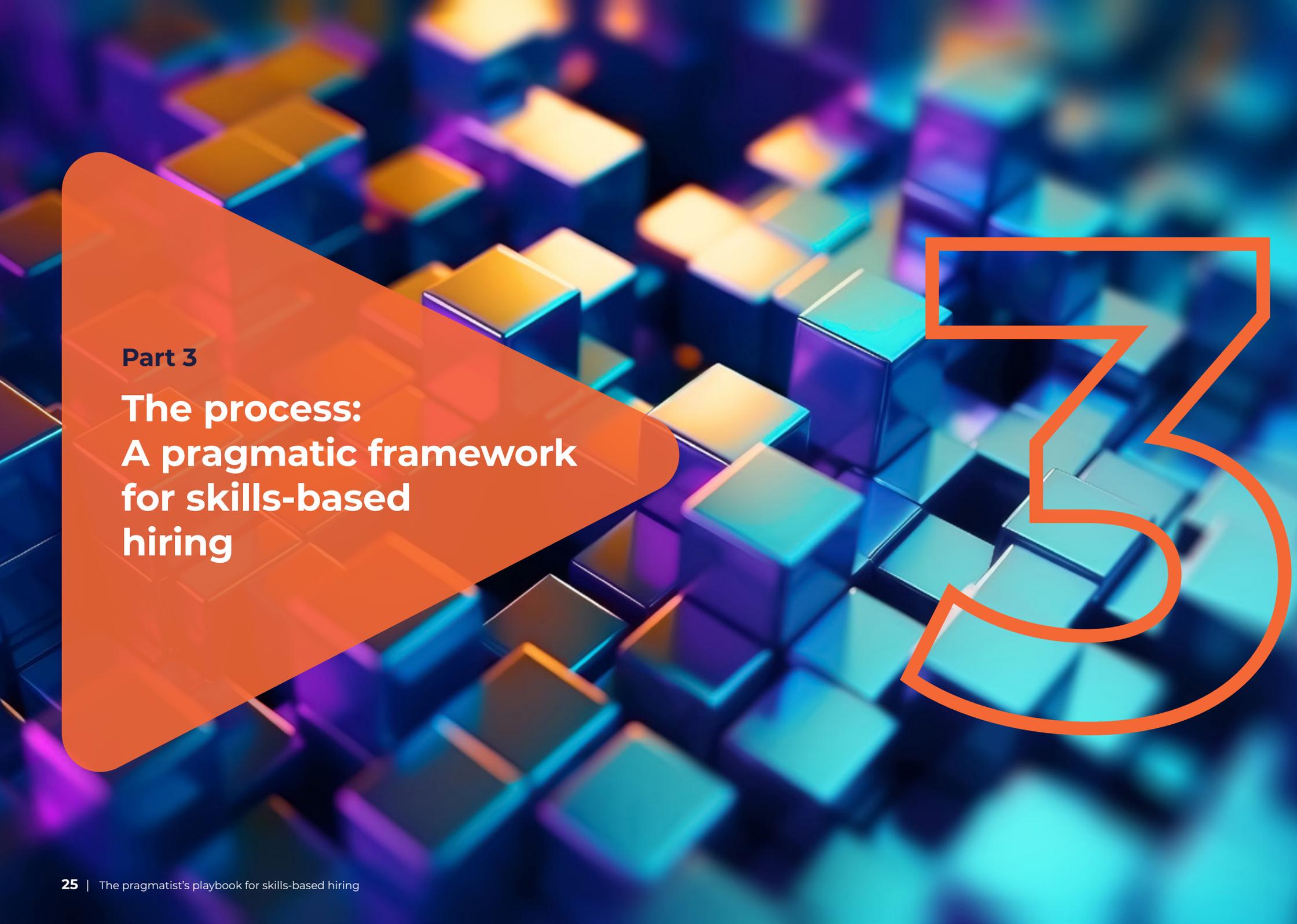
Part 3

The process:
A pragmatic framework
for skills-based
hiring

3

How to implement use this playbook

We've designed this Playbook for talent acquisition teams, recruiters and hiring managers in companies with more than 1,000 employees in mind — this is because companies with smaller numbers of employees than this typically have less complex technology in-house and may want to simplify the process. However, you may choose to adapt the process to suit your needs.

We've assumed that you already have a Talent Acquisition Manager and Applicant Tracking System in place. We've also assumed a simple hiring process, starting with 'attraction'. This is followed by one or two sifting stages, managed by a talent acquisition resource, and then an interview or assessment centre with a hiring manager, who make the final decision.

To illustrate how the Playbook can transform your recruitment KPIs, we've also shared the process and results that Siemens and Molson Coors saw when they followed this framework. This explains the challenges faced, the implementation, and the outstanding results they saw from this new hiring process.

While the process of skills-based hiring does require getting buy-in from others, this Playbook will show you how to go about implementing this easy-to-follow **seven-step process**.

Step 1
Shifting mindsets — how to get buy-in for a new approach

Step 2
Attracting the right talent — advertise based on strengths and transferable skills

Step 3
A new sifting methodology: how to quickly and easily assess for skill-enablers

Step 4
Evaluate assess motivation and values in your second sift

Step 5
Designing a skills-orientated interview process

Step 6
Ensure your process is candidate-centric

Step 7
Review and wider roll out

Step 1

Shifting mindsets — how to get buy-in for a new approach

So you've decided this approach to skills-based hiring is for you. What next?

At this stage, you're probably excited about getting into the process and seeing the positive impact on:

1 Filling roles where you're facing major skills shortages

2 Creating bigger talent pools

3 Avoiding the need to map your hiring process *exactly* to your skills taxonomy

But first, you're probably wondering how you're going to get the rest of your organisation on board.

Fear not. Over the years, we've worked with 100s of TA teams facing the same challenge. And we're about to give you a simple, practical framework for how to do the same.

Start with a pilot, not a pronouncement

First things first. You don't need to win the whole organisation over from day one. This is going to be a **change management process** as much as it is a chance to change your process.

And just like in any change management process, some groups are going to be easier to win over than others. There will be a group of people who are motivated by experimenting with something new — think of these people as your **Early Adopters**.

Then there will be a group of people — most likely the majority — who will be open to trying something new *as long as* they've got the data and evidence to prove that it works.

Whether you're a believer in the **Innovation Adoption Cycle** or **Kotter's Change Model**, none of this is new advice. Start small, experiment and prove the impact, then watch the majority follow.

> **One caveat**
>
> If you think your whole organisation will be really bought into the concept of scrapping the CV and embracing skills-based hiring from day one, you might decide not to pilot and go to a full scale roll out. But in our experience, most TA teams find it easier to learn what works for their organisation with a smaller, controlled rollout first.

Form your innovation squad

To run your pilot, you'll need to form a small innovation squad. There are two types of stakeholders you're going to need in your innovation squad for your pilot — an executive stakeholder and a small group of hiring managers. Here are a few tips on how to find the ones who are likely to want to embrace change with you.

Persona	Executive Stakeholder	Hiring Managers
Ideal job title	If you can start with the CEO, the CFO, and your Chief People Officer, that's an ideal place to start. Having the backing of these personas will mean that a) people will listen, b) people may want to get involved to get recognition from this group, and c) a wider post-pilot rollout may be easier. If you can't get access, finding other senior leaders who are passionate about DEI OR struggling to fill roles is another great place to start.	All hiring managers who are open to experimenting are great people to enlist. But enlisting hiring managers who work in a) departments that are typically sceptical, and b) have a certain level of seniority and authority, will also make the business case easier later on. Also think about narrowing in on hiring managers who are passionate about DEI and are perhaps members of your ERGs, or who are 'in pain' — perhaps they're struggling to fill roles, aren't finding quality candidates, or have high attrition rates.
How to win them over	Lean into the business case — lay out the challenges you're facing overcoming skills shortages, spiralling time and cost to hire, the impact GenAI is having on candidate quality, and map out the projected impact adopting a new approach could have instead. Zone in on senior stakeholders who are passionate DEI, champion your ERGs and want to make progress — talk to them about the impact this could have on diversifying your talent pools.	Lean into the business case for them *in their world* — for every day that a role goes unfilled, a hiring manager is probably feeling like they're drowning; and for every candidate that doesn't live up to expectations, they'll have to be doing extra work; they might not care about how this new process will make your life easier but they'll definitely care about how it will help them. Help them understand that being part of this project will help them to be seen as an innovator within the business who helped to usher in a major transformation, getting them strong recognition from senior leaders and their peers.
Watch outs — overcoming scepticism	Generally we recommend leaning into time and cost savings first, and the impact on diversity second — both are important, but the bottom line is what these stakeholders will likely care about most. Showcase that you have a clear plan, that this is an experiment, and that you'll be reviewing the results of carefully. You may come across those who have read the skills-based hiring hype who believe getting started will be very difficult and requires introducing or mapping to a complex skills-taxonomy — if this is a cause of scepticism, you might want to give them this playbook, leaning into the idea that skill-enablers will help you overcome the need for this short term.	Help them see how this approach will deliver a better outcome for *them* rather than you — the things you both care about might not be the same. Help them to understand how easy you will make the process and how well supported they will be — if any of your vendors offer access to experts (like Business Psychologists) to help them learn the ropes, this may also ease any concerns. Highlight and share the perspectives and experiences of other hiring managers (and not just TA leaders) using the resources featured in this playbook.

Free business case template

If you need help in framing why a new approach is critical, we've pulled together a handy pitch deck template for you **here**

Set your pilot up for success — 3 top tips

Make it easy to compare before and after

Before you start your pilot, you'll want to make sure that you've got everything you need in place to be able to get the data you want to show the impact of the pilot.

For this, we'd recommend two approaches:

1 If you've recently hired for the role you've chosen to pilot with, make sure you've got the data you need to compare key metrics using the old method and the new method

2 If you're hiring for more than one candidate in the same role, you could run your old method and new method side by side to compare the results

> **I've always been an advocate for hiring for potential. We regularly start with this idea that we're going to bring in someone who's done the role before and they can waltz in on day one and hit the ground running - and that's what every hiring manager asks for because they just don't have time for an alternative. A way to convince hiring managers is to ask them "who was your best ever hire?" They never talk about the person who ran on day one, they talk about the person they took a chance on, who had the raw skills they needed or the transferable skills that would complement the role, allowing them to shape and mould this person to be the best. Everyone has at least one example, and it can be a very powerful illustration to change their mindset.**

Andrea Marston, Global Talent Aquisition Leader, and former Senior Director, Global Talent Acquisition at Broadcom Software, by VMWare

At the end of the pilot, you'll want to be able to create a business case that proves the impact so you can implement a wider roll out. This will be much easier if you can show the 'before' and 'after', so make sure you're clear on the 'before' data up front.
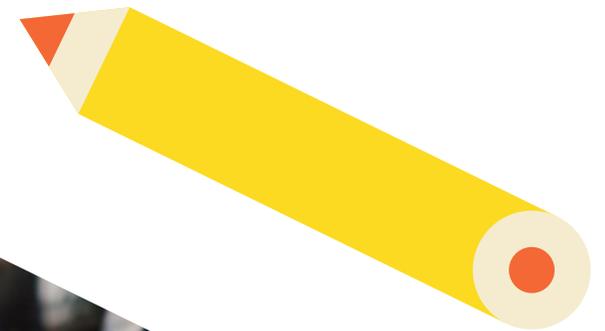
Challenge	Before, experience-centric method	After, skills-based, future-focused method
Application volume		
Time to hire		
Cost of hire		
Diversity of shortlist		
Candidate experience rating		
Vulnerability to GenAI		

Fill me out!

Run a workshop to align the group on the new methodology, goals, and outcomes

To kick off your project, you might want to run a workshop with key stakeholders to align everyone on the problems you want to solve and your criteria for success, what the new process could look like and your hypotheses about how a new approach will help you solve these challenges, and to allow you to bring any objections and concerns to the surface early on.

If buy in is already strong, this may be as simple as a 30 minute to 1 hour call. If you're getting a lot of questions, it might be worth spending a bit more time on this.

A typical agenda for a one hour call might look like this:

Time	Topic
5 mins	**Scene setting: Framing the problem** • Challenges we're currently facing with hiring (eg skills shortage, time to hire) • Challenges that are quickly gaining on us (eg AI-enabled candidate means drop in quality at later stages of process, shrinking shelf life of a skill, lack of talent projected to meet future strategic objectives)
10 mins	**Educating: New best practice** • Known flaws in the current approach (eg experience-centric hiring exacerbates skills shortages, introduces bias) • What makes skills-based hiring difficult (eg trying to exact match to skills, complexity of mapping to skills taxonomies) • What experts describe as a new path forward (eg what is a skill-enabler what's the value of selecting for them, what would four new stages look like) • The results to expect (eg overcome skills shortage, reduce time to hire)
10 mins	**Aligning: your proposal on roll out** • Where and when (eg pilot not pronouncement, data you'll be assessing) • What needs to be true for this pilot to be a success? (eg your suggestion on the evaluation criteria for the group to add to)
25 mins	**Discussion: overcoming objections and getting buy in** Ask the group these questions: • What else **needs to be true** for this pilot to be a success? • What would stop us experimenting with this approach and what might hold us back? • What are your hopes and dreams for this pilot? • What are your fears? • Do we agree and commit to this experiment?
5 mins	Summarise actions and next steps

Enlisting other HR teams as your allies

Many of the customers we've worked with have found that their secret weapons might be colleagues across the L&D or DEI teams.

For example, if you're looking for hiring managers who will be engaged in a pilot, your L&D team or DEI team can probably tell you which folks are most engaged in leadership development training or most active in your ERGs. It doesn't take a wild leap to assume that people who are very engaged in these types of activities might also be engaged in trying something new when it comes to hiring.

Likewise, these teams may be running other training or types of comms that align well to the objectives you're trying deliver too. For example, perhaps you could piggyback on a manager training programme to promote what you're trying to do with the pilot, or post-pilot run a session on the new best practice you've implemented and the results. Likewise, you could share a bulletin in the DEI newsletter about how the new approach is helping to improve the diversity of your shortlists or make sure that your internal case study is linked to from any other DEI training you have running.

One eye on the bigger picture

In **Step 7 of the playbook**, we'll dive into how think about rolling out this approach more broadly post-pilot. But to give you a teaser, this is what it might look like.

- Build a business case to create a sense of urgency

- Enlist the support of an Executive Stakeholder

- Form your 'innovation squad' with a small group of forward-thinking hiring managers

- Run a pilot or an A/B test to capture the impact

- Mobilise your advocates

- Roll out across the business

Attracting the right talent — advertise based on strengths and transferable skills

Crafting an effective job description

The traditional approach to talent attraction prioritises experience, asking questions like: which platforms have candidates used? What professional qualifications do they have? Do they have specific industry experience?

In a skills-based hiring process, we're looking at candidates with the right skill-enablers — core strengths and capabilities — to acquire new skills, the right transferable skills, and only in some cases, the right hard skills.

As we've established, prioritising candidate's ability to acquire new skills and their transferable skills is more important than ever in an era where skills shortages are rife and the shelf life of a skill is very short.

We need to look past what candidates have done. And prioritise instead what they could do. Instead of thinking about where they have been, let's look at where they could end up.

This approach is the key to uncovering great candidates you might overlook with a traditional hiring approach. And means that the way you write your job descriptions probably also needs to change. Here's what that might look like.

Experienced-based hiring Job Description	Skills-based hiring Job Description
Hard / technical skills	Soft / transferable skills
Qualifications	Core strengths and capabilities
Length of service in the industry	Desired behaviours
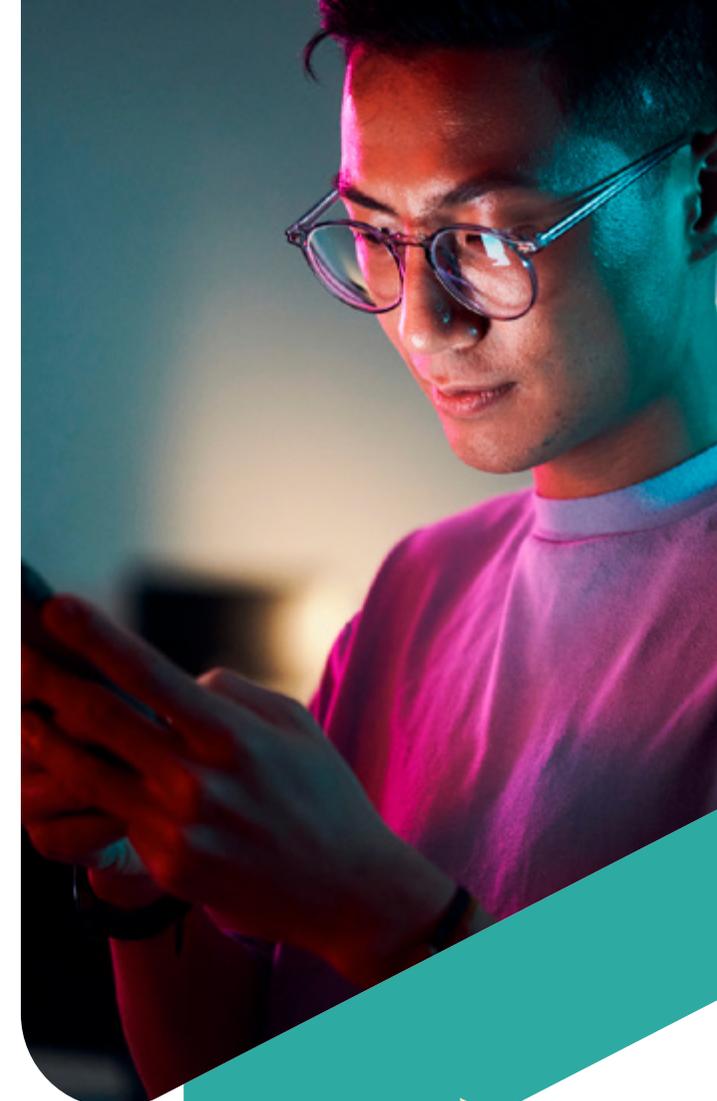
After the responsibilities of the role have been outlined, consider the behaviours and skills that will drive success in these areas. If you've articulated that well, there's no need to state a requirement for number of years experience.

For example, if you think critically about what makes a sales person successful, it's likely that their levels of determination and ability to influence decision makers are more important than their qualifications or even industry experience. You'll want to make sure that you highlight these as critical capabilities in the job description.

So instead of saying… 'A track record of influencing senior decision makers', you would shift the focus from experience to skill: 'Ability to influence senior decision makers'.

You would then assess the behaviours that indicate their innate level of determination and critical thinking power in the face of adversity in a) your sifting stage through a Task-based psychometric assessment, and b) by role playing or asking them to share an account plan mapping how they will influence all strategic decision makers in a sales process in the later stages of the interview process.

For another example, instead of asking for someone who can prepare and manage risk assessments (specific experience), you could say that the ideal candidate is good at organising themselves and others (soft skill) and is able to evaluate different priorities quickly (core capability).

You'll want to make sure that your job description clearly reframes experience into skills and behaviours, as it will become your single source of information for stakeholders to refer back to during the recruitment process.

Free job description template

To help you get started, check out **this editable job description template**

Designing your job adverts for success — 5 top tips

Your job description is ready to go. Your innovation squad is aligned. You're excited to start opening up your talent pool to attract the best possible candidates… How do you use this new approach to your advantage and let people know that they're welcome regardless of experience or background?

Here are a few key considerations for creating an effective job advert according to the experts who've already made the transition to skills-based hiring.

1

Be bold – articulate candidates don't need a CV or even a degree and that you prioritise core strengths and transferable skills over past experience

We've already covered that many skills-based hiring processes have moved away from requiring a CV and instead sift using a Task-based psychometric assessment to evaluate a candidate's core strengths and capabilities (their skill-enablers). This approach gives you a very unique advantage — and one that can work wonders for improving the perception of your employer brand and attracting diverse talent (especially important in a skills shortage).

Many candidates are tired of sifting through adverts emphasising the need for hard skills and experience over their transferable skills and core strengths, making them feel locked out of the job market even for roles they might be capable of doing.

The most engaging message you can use to attract candidates is one that speaks directly to their future aspirations – the fact you're looking for someone who can grow with your organisation, and that you value their unique set of transferable skills, capabilities, and motivation... not just their privilege or experience.

Now you've already gone to the effort of reframing your job description to focus on these elements rather than experience, make sure you signpost this clearly to candidates up front. For example...

> **We value candidates for their unique strengths and transferable skills, not just their experiences. We don't require a CV to apply. Instead, we'll ask you to complete a unique Task-based assessment to uncover your natural strengths, and then ask you to answer three simple questions to help us understand your motivations. That way, we'll get to see the real you.**

Highlighting that you take a refreshing approach will transform your reach and open up new talent pools.

> **Out of all 8 candidates that made it to interview - none would have made it through the traditional Siemens recruitment route where we were relying exclusively on experience and the CV... And the final shortlist showed a perfect 50/50 gender split. Clearly the assessment and job advertisement from Arctic Shores enabled us to maintain a diverse talent pool throughout.**
>
> **Jon Turner, MD of Siemens Electrification and Automation Business**

2 Be transparent — with salaries, benefits, and the onboarding experience

Research shows that there's up to a 35% drop-off after viewing an advert if there's no salary listed and that **68% of women consider salary the most important consideration** as to whether or not to apply for a job. If that wasn't enough, job listings with salaries get around twice the number of applications.

Salary transparency shows that your company is committed to social mobility and diversity, as it illustrates fairness and openness. If this is a priority for you, we'd strongly encourage you to publish the salary for your open roles.

Transparency should also go beyond the traditional offer of salary and benefits to include what training and guidance you'll provide. This is especially important if the role will be completely new to a candidate, and if they might be applying based on their transferable skills. Knowing that training and support will be available will help to address any anxieties like imposter syndrome and suggests a keen focus on the candidate's growth.

Think of your job ad as creating a bridge for candidates, linking the transferable skills they have today and the ways they could develop in your role and organisation in the future. Too often, this key factor for the candidate is overlooked.

Instead, use it as an opportunity to bring learning culture to the forefront by mentioning any initiatives like training they'll receive, initiatives you have around study days, or what their development budget will be.

3 Outline the hiring process

Skills-based hiring may be as new to your candidates as it is for you, so it's essential to explain the process to your candidates in detail.

Clearly stating that you're hiring differently is a good start, as is saying that you value future potential, not experience. But outlining exactly how many stages are involved in the process and what you'll assess at each step is also a good idea so that candidates can understand what you're looking for, when, and what the time commitment from them might be.

To support the candidate, we also advise creating additional landing pages for the process which explain your approach and the reasons underpinning it. See this **excellent example from Advanced for inspiration**.

Supporting candidates in this way will help boost engagement with your job advert as well as the number of completed applications you receive. It can also be a useful exercise for internal alignment, as you'll need to communicate with all of the stakeholders who'll provide this support.

These elements don't just help your job advert stand out – they'll also boost your employer brand.

> **If I was still doing the same that I was doing in the early 1980s, I wouldn't have a job. Everybody has to evolve. Everybody has to change. And part of the interest and excitement of your career is working somewhere you're able to do that.**
>
> **Rebecca George, Skills Advisor at the Department for Education and a Non-Executive Director at the Metropolitan Police**

4 Be supportive and *clear* — help the AI-enabled candidate understand what good use of GenAI looks like

Over the past year, **new data has been revealed** which shows that 7 in 10 candidates plan to use GenAI to support them in the application process and 87% of candidates don't view using AI as dishonest. And in many cases, why would they when employers encourage usage at work to enhance productivity and see the technology as akin to using a calculator?

What's more, the AI-enabled candidate is a good thing in a lot of cases. **GenAI is being used by many underrepresented groups to level the playing field**. To recap:

▶ 23% of Black and Mixed ethnic background candidates are likely to use ChatGPT in the selection process vs just 16% of white candidates

▶ Neurodiverse candidates are more likely to use ChatGPT than their neurotypical peers

▶ 51% of candidates with a household income below £20,000 are using ChatGPT vs 47% with a household income of £60,000 - £80,000

We have written extensively about the dire consequences of banning GenAI usage or trying to detect it (the short story is **that no AI detection method has been proven to be effective**, meaning you risk falsely accusing 2 in 10 candidates of cheating).

But if you want to see a candidate's authentic capabilities, you may need to coach them on their usage –– so you don't end up with 100s of video interviews or case study tasks that all look the same or fail to truly gauge a candidate's real skill level.

That's why our recommendation is to **embrace and guide** candidate use of AI. You can dive deeper into why we believe this is the only option using the links to the right.

Read our research on:

Why student and graduate use of Generative AI will make traditional selection methods redundant

How to identify whether your selection process is vulnerable and ineffective in the age of GenAI

The ultimate guide to managing candidates' use of GenAI

The guidance you offer may look something like this...

Encouraging usage to improve grammar, practice for interviews, or refine ideas

Discouraging candidates from relying on GenAI to come up with original ideas, complete psychometric assessments, or copy and paste directly

To help candidates navigate this new era, we'd recommend adding new wording onto your career site about 'Using GenAI in our application process: best practice and permitted use'. This wording can also be applied to the relevant sections of your ATS application and assessment messages, to remind candidates at each stage what is and isn't appropriate.

You can also create coaching content to give to candidates. This can also be used in any sessions that you run with candidates about assessments (e.g. on campus, virtual skills sessions, etc.).

To the right, we provide templates for each of these, which you can easily adapt to suit your needs.

And in case you're wondering what other teams have already created, here's some wording that we love from UCAS: **UCAS: A guide to using AI and ChatGPT with your personal statement**
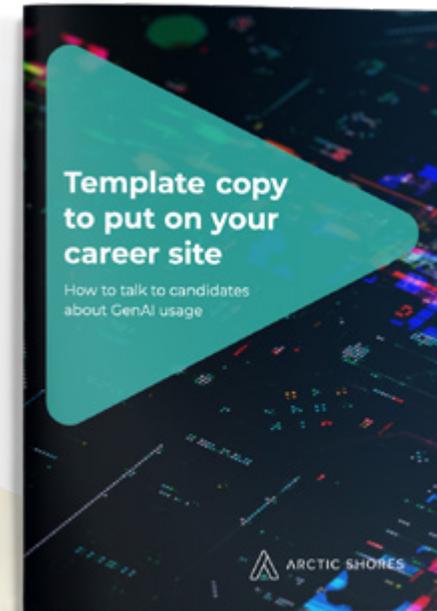
Template wording

Based on the advice in this guide, we suggest that TA teams use the following wording on their career sites and when coaching candidates.

Click here for a template coaching content for candidates

Click here for template copy to put on your career site

Template coaching content to give to candidates
How to talk to candidates about GenAI usage

ARCTIC SHORES

Template copy to put on your career site
How to talk to candidates about GenAI usage

ARCTIC SHORES

> **Organisations must keep pace with advancements in technology. Our role is to promote ethical and fair adoption of GenAI. In the case of candidates, this means explaining how GenAI can enhance performance, whilst ensuring an accurate measure of capability.**
>
> Sonia Pawson, Director of Government Skills (interim),
> Head of Fast Stream, Emerging Talent and Head of Occupational
> Psychology Profession, Government Skills and Curriculum Unit

Final considerations before publishing your job advert

Common considerations and questions TA teams sometimes forget to seek alignment on until much later include:

Are you going to ask application questions up front?

Are there any admin-based questions you need answers to in the initial application (like whether the candidate has the right to work in the UK)?

What does a great answer to each interview question look like?

Who will review the candidate applications and how? In many cases, this will be an agency in the first instance, and then your Talent Acquisition team.

If you're not requesting CVs (and we strongly recommend you don't!), then you need alternative data points to screen candidates on. We'll cover these new data points in Step 3, but at this stage, consider exactly what you need to have covered.

How many candidates will you need to screen in from the initial sift and what should your scoring criteria be?

Do you have a scalable enough way of managing motivation and values screening?

How many face-to-face interviews can you realistically accommodate and who will participate in them?

In summary — best practices:

Do's

- Do focus on core strengths, transferable skills, and behaviours that drive success in the role and organisation
- Do emphasise what you want the successful candidate to become and how you'll support that growth
- Do make this a collaborative process and be sure to bring your innovation squad with you on the journey
- Do take the time to get this stage right and lay the groundwork, as it's a core part of the process

Don'ts

- Don't default to requesting evidence of previous experience or stringent qualification requirements
- Don't depict the ideal candidate as meeting all the criteria immediately
- Don't assume that your Hiring Manager will know how to write a job description in the new way and make sure you offer to help
- Don't forget to promote the innovative nature of the approach you're taking to boost your employer brand and attract diverse candidates

What happens next?

Now you've opened up your talent pool, you've likely had a higher volume of applications.

Using this approach, Siemens saw their application volumes jump by

542% ⊕

But you can't screen all of them.

And you definitely don't want to sift them manually using a CV. So how do you sift them out fairly and scalably instead?

Step 3

A new sifting methodology: how to quickly and easily assess for skill-enablers

To recap: CV-sifting is not effective.

It **introduces 135 biases into your process**, which is likely to screen out many capable candidates on the basis of not going to the right schools, having the right name, or having done that exact job before.

Instead, we need to:

1   Sift in candidates based on their skill-enablers — this is step three

2   Do a second sift based on values and motivations — this is step four

So what does that look like in practice?

What to measure

We've already established the benefits of sifting based on skill-enablers — assessing candidates based on their core strengths and capabilities to uncover insight into how they think, learn, self-manage, and interact at work — as well as, for example, their ability to learn, unlearn and update skills in a continuous cycle.

Remember, by first sifting with skill-enablers and not skills, you can:

1   Simplify the criteria that candidates have to meet (saving you time)

2   Sift in higher quality candidates because you're assessing both their strengths now, and their ability to acquire new skills in the future
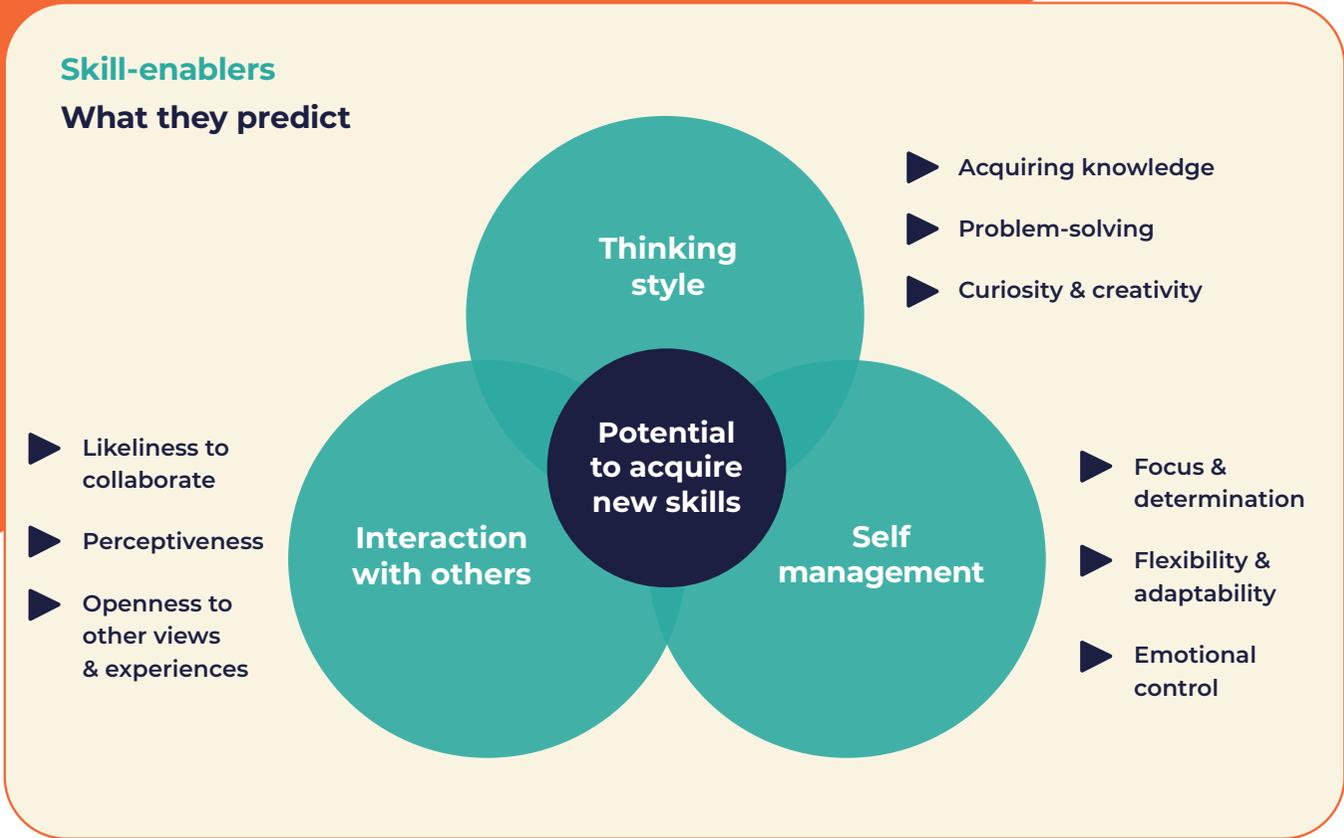
3   Sift in more diverse candidates who may have been previously overlooked — including those who may not even know what they're capable of

As a reminder there are three core skill-enablers to evaluate here — these are traditionally measured through Personality and Cognitive Ability (or Aptitude) assessments.

Overview of how to think about skill-enablers

Recap: At the highest level, there are three factors which which predict success in the workplace. We call them skill-enablers. These are:

Skill-enablers
What they predict

Thinking style

▶ Acquiring knowledge

▶ Problem-solving

▶ Curiosity & creativity

Potential to acquire new skills

▶ Likeliness to collaborate

▶ Perceptiveness

▶ Openness to other views & experiences

Interaction with others

Self management

▶ Focus & determination

▶ Flexibility & adaptability

▶ Emotional control

Thinking style

This tells us about a person's innate ability to acquire knowledge, adapt, think strategically or critically, solve complex problems, be curious, and make decisions.

Self-management

This tells more about how determined or persistent a person might be, how well they might be able to focus or navigate challenges, what environment they might thrive in, and what level of emotional control they might display in challenging circumstances.

Interacting with others

This tells us about how well a person might collaborate, understand the emotions of others and grasp nuance, be perceptive to what's going on around them, and adapt their behaviours as a result.

How do you assess skill-enablers?
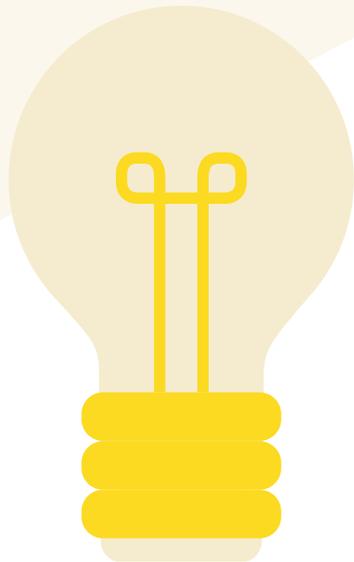
Psychometric testing:

Psychometric tests (i.e. timed tests of candidates' Aptitude and/or broader Cognitive Ability) have been around for decades, and most leading employers use them in some form as part of their recruitment process.

Psychometric assessments, meanwhile, are a well-established, and evidenced way to evaluate a person's Personality traits.

When combined with other data points across the whole process such as asynchronous video interviews to assess motivation and values and scenario-based interviews, psychometric results can be highly predictive of performance.

The key with psychometric tests and assessments is to use them to assess a person's potential to succeed in a role, *without* disadvantaging any groups. They should not be used in isolation to make a final hiring decision, but rather used to sift in candidates in the early stages of the process and to *inform* hiring decisions. Much like goal-line technology in sports, the ultimate decision must be made by a human.

There are two types of psychometric assessments: **Question-based** and **Task-based**; and two formats: untimed (assessments) and timed (tests).

Question-based assessment providers	Pros	Cons
The approach Candidates complete a questionnaire on how they think about themselves. Usually, candidates will be asked to state to what degree a statement aligns with how they see themselves, on a four or five-point scale. **Examples:** SHL, Thomas International, AON.	• Provides some insight into candidates' core strengths and capabilities • They're scientifically validated	• Relying on candidates to report on their own behaviour requires them to truly know themselves, and to avoid the temptation of responding in a socially desirable way • Often require training and accreditation, or the oversight of a trained Psychologist to interpret the results • Cannot accurately assess skill-enablers, as they rely on self-reported answers • Many can be completed by ChatGPT and used to outperform the average candidate

Task-based assessment providers	Pros	Cons
The approach Candidates complete a series of engaging, puzzle-like tasks. These are based on well established neuroscientific research, and uncover innate skill-enablers. **Examples:** Arctic Shores, Pymetrics.	• Interactive tasks allow candidates to **show** how they *truly* think, learn, and behave, rather than to under-estimate or over-estimate how they *think* they do by answering a question • Tasks better reveal skill-enablers such as cognitive agility, emotion perception, and reasoning agility which are harder to measure reliably through questions • Many assessment providers offer instant feedback that any hiring manager or candidate can understand (without needing to go through extensive accreditation) • ChatGPT cannot be used to outperform the average candidate on tasks (in many cases, candidates perform worse)	• It can be difficult for candidates to understand how the tasks relate to their performance at work, so it's important to provide candidates upfront with information about the entire process • While you don't need support from a Business Psychologist to use a Task-based assessment, some companies still feel reassured by having that expertise available. Not all Task-based vendors offer this support.

So the only way to accurately evaluate candidates' skill-enablers is with a Task-based Assessment.

Question-Based

5%

How true is this about you?

I am resilient under pressure and bounce back from setbacks

○ Strongly disagree
○ Disagree
○ Slightly disagree
○ Neutral
○ Slightly agree
○ Agree
○ Strongly agree

Task-Based

Stop the rotating area on the highlighted number by pressing the spacebar

LOADING

Stop

Next level

Three things to consider when looking for a Task-based Assessment

1

Beware of 'gamified questions'.

Some vendors have introduced gamified elements into their Question-based assessments — such as swiping left or right to choose the answer. But if the heart of the assessment relies on the candidate *telling* you what they're like, you will still introduce an element of vulnerability into your process, compared to candidates *showing* you what they're capable of.

2

Some vendors use 'black-box' algorithms.

This refers to the use of neural networks and deep learning techniques, which are almost impossible to interpret — if the decision-making algorithm can't be explained, we can't be confident it doesn't introduce bias to the process. In contrast, other vendors use explainable and interpretable statistical approaches. As guidelines are developed following the approval of EU AI Act, vendors will need to demonstrate levels of compliance — which may vary depending on how explainable their algorithms are.

3

Does the vendor offer business psychology support?

As mentioned above, some Task-based Assessment offer Occupational or Business psychology support as standard. Depending on internal resources, this may be a consideration for some TA teams.

One final watch out

Note the difference between a Task-based Assessment and a Task-based Interview.

A Task-based assessment is a type of psychometric assessment which uses interactive tasks to uncover a candidate's core strengths and capabilities (or skill-enablers). Unlike Question-based psychometric assessments, Task-based assessments evaluate candidates by getting them to *show* how they work through problems vs by asking them to *tell* a prospective employer how they think they would behave in a given scenario.

A Task-based Interview is also designed to help candidates *show* how they would approach a work-related task or situation vs by simply talking about how they might — for example, actually preparing a project plan for a fictional scenario vs talking about how they would prepare a project plan. Both allow you to assess a person's true ability in a more accurate way that is less vulnerable to completion by ChatGPT.

Once you've selected a vendor and sifted in candidates with the skill-enablers to succeed, it's onto the second sift. Here you'll use different tools to uncover a candidate's values and motivation in a scalable way.

Evaluate assess motivation and values in your second sift

How to assess motivation and values

After your first sift, where you've evaluated whether people have the core strengths and capabilities (skill-enablers) required for the role, you're likely going to want to look next at a candidate's motivation and values to give you another way to evaluate whether they're the right fit for your role and your organisation more generally.

The second sift is designed to help you understand how motivated they are to work for you and in the role, and whether their values are aligned to your company's.

For example, do they believe in continuous learning and have passion for what you do, do they champion inclusion, and so on.

This gives you a holistic view of the candidate: do they have the right core strengths and capabilities — AND do they have the right motivations and values to succeed?

And best of all, no skills taxonomies are required here either.

Most organisations today assess motivation and values in one of three ways — we've outlined these in order of scalability and feasibility in the era of the AI-enabled candidate.

Application form

On entry to the sifting process, you might ask a candidate a series of questions to understand more about their motivation and values. This method is now likely very unscalable and unreliable as a sifting tool thanks to AutoApplyAI tech.

Phone screen or 1:1 virtual interview

You might ask candidates a similar series of questions but do this on the phone or via a virtual interview. Whether this is scalable for you will depend on the volume of applicants you have after the first part of your sifting process.

Asynchronous video interview

If you find for example, that by using a Task-based psychometric assessment, you've opened up the talent pool and managed to attract a wide range of high-quality applicants, neither of the first two options will be scalable for you.

At this point, you might choose to ask candidates to answer a series of questions in an asynchronous video to help you understand more about their motivation and values but also about for example, their communication style and how they conduct themselves.

Asynchronous videos have had some criticism recently because of a range of TikTok videos showcasing candidates using AI to give live answers to the questions — but here's the reality. If someone is reading from a script in a video interview setting, you can usually tell (because they'll either appear robotic or they'll be giving the same answer as everyone else). This will make it easier to sift them out — provided you've given them good advice that you want to see the real them.

> **Achieving successful skills-based hiring isn't just about bringing in new technology; it means rethinking how we identify top talent. It starts by going back to basics—reviewing how we attract, screen, and evaluate. Technology works hand in hand with human judgement, enhancing the process to be more engaging and accessible for candidates.**
>
> **Andrew Wood, Co-Founder & CCO at Willo**

What to assess

You probably already have a standard set of questions that you use to assess a candidate's motivation and alignment with your company values.

These might include things like...

1 **Motivation:** Why do you want to join the organisation? What got you excited about this role? How do you feel you'll help us grow or succeed? What will you bring to the role?

2 **Values fit:** What does [company value name] mean to you? What about our mission inspires you? Can you give us an example of where you've lived [an example of a behaviour aligned to one of our values]?

By encouraging candidates to reveal their passions and motivations with open questions, you can better assess if they're the right fit for the role. This will make it easier to recommend who to progress to the next stage.

Spotlight on culture fit

Some TA teams are still hiring for culture fit. But in recent years, this methodology has been **subject to some criticism**. This is because focusing too much on how well candidates fit within the existing company culture can limit diversity, lead to group think, and block new ideas. Instead, many organisations now choose to reframe this part of the process as 'culture add' or 'values fit' — e.g. what will you bring to help build on our culture or how will you live our company values and exhibit the types of behaviours we expect?

Step 5

Designing a skills-orientated interview process

With thanks to our friends at HireGuide for their contributions to this guidance

Having *sifted* in as many candidates as possible with the right skill-enablers, motivations and values, it's now time to start *sifting* out candidates to arrive at a shortlist for selection.

For Early Careers or high-volume roles, this will likely be done via an assessment centre, focusing primarily on soft skills. While for more experienced hires or hard-to-fill roles, you'll likely move into 1:1 video or in-person interviews at this stage and might evaluate soft and hard skills.

It's worth noting that in the age of GenAI, many TA teams are bringing back the face-to-face interview at this stage — this is the only way to 100% ensure candidates are not using GenAI tools 'off camera' at this stage of the process. And, on balance, this also provides a better candidate experience — giving candidates an opportunity to meet prospective employers face-to-face too.

Wherever the process takes place, the interview is the hiring manager's first chance to truly see the candidate's current skills and capabilities — to look at whether someone can demonstrate the right transferable, soft, or hard skills for the role.

Here are some tips on the most tried and tested ways of doing this.

In some hard-to-fill roles, where the role may have been open for 100 days or more, there may be no candidates with the current skills (soft or hard) for the job. In this case, it is still possible to make a hire based on someone's skill-enablers (their core strengths and capabilities). You just need to ensure they have a structured onboarding plan or development plan in place for when they start. How comprehensive this needs to be will likely depend on the person and the role.

In an ideal world, however, the interview stage is an opportunity to stress test to what degree candidates have developed their skill-enablers into actual skills — transferable or otherwise.

It's also a chance to assess whether they've used GenAI properly — to augment their application, rather than complete it all for them.

At the beginning of this process, you'll have already created a list of the most critical skill-enablers, transferable or soft skills, and — optionally — hard skills required for the role.

When it comes to the interview stage, you need to be realistic. You likely already have a longer list of skills in the job description, but you can only reliably assess a handful of these in an interview process. That's okay — because if you've already evaluated a person's skill-enablers, you'll have built a picture of how likely a candidate is to be able to continue acquiring new skills.

So for the interview try to choose between five and ten skills that are most essential for success in the role and choose how you plan to assess each of those skills in your interviews. Remember: the goal here is to give the candidate ample opportunity to showcase each skill so you can evaluate their proficiency accordingly.

> **I'm very big on a skills-based mindset. Just because someone doesn't have the exact experience you want, doesn't mean that they don't have the transferable skills to do the job very well.**
>
> **Dominic Joyce, former Head of Talent Acquisition at Travelex**

Interviewing for soft skills

There are three main ways to assess soft skills like a person's ability to communicate, adapt, organise, and solve problems.

Behavioural questions

Use questions that prompt candidates to share real-life examples of how they've navigated complex interpersonal dynamics, managed conflicts, or adapted to change — inside or outside of work. For instance, questions like "Can you describe a situation where you had to adapt to significant changes either at work or outside it?" can reveal insights into a candidate's flexibility and resilience.

Scenario-based questions

Embed role-playing scenarios that simulate real-world challenges candidates might face on the job to see how they might perform. This approach helps assessors gauge candidates' critical thinking, problem-solving, and decision-making skills in a controlled yet dynamic setting.

Feedback and reflection questions

Encourage candidates to reflect on past experiences, focusing on what they learned and how they've applied those lessons to new situations. You can also try giving candidates feedback in the interview (especially if they complete a task), see how they respond, and ask whether they would do anything differently next time. This reflection can provide depth to their soft skills, highlighting their capacity for growth and self-improvement.

Spotlight on Task-based interviews

We recommend that as part of your hiring process, you incorporate a **Task-based interview.** This will help you evaluate whether a person has the right soft and transferable skills for a role, as well as helping you build a picture of their hard skills too.

A well-designed task will give you a way to objectively measure a candidate's suitability. This may be a presentation, a project plan, or another work sample, depending on the role.

For instance, for a project manager role, you might ask a person to try to plan a project to understand their level of organisation and critical thinking. This task will help you evaluate the candidate's transferable skills in context.

Be sure to let candidates know that you're not expecting these tasks to be perfect — you just want to see how they approach a task like this and guage what kind of development they might need.

In some scenarios you might choose to use this method to assess very technical hard skills too — for example, with a detailed coding challenge.

Optional: Interviewing for hard skills

We define hard skills as specific technical competencies required for a role. Assessing them involves measuring a candidate's current level of expertise and their ability to apply it effectively.

Depending on the role and level of skill shortage you're facing, we encourage you to think really hard about how important these hard skills are and how much you want to weight their importance within your overall scoring methodology. You might want to think about how quickly and easily hard skills could be learned, depending on how complex they are.

Below are two common interview techniques to assess for hard skills, in addition to the Task-based interview:

Technical assessments and case studies

Develop role-specific tests or project-based assignments, requiring candidates to demonstrate their technical knowledge and skill set. For example, roles in software development often involve coding challenges or hackathons as these give a practical insight into a candidate's technical abilities.

Portfolio reviews

For creative or project-based roles, reviewing a candidate's portfolio can provide a tangible sense of their work quality, creativity, and technical proficiency. It offers a direct window into their practical experience and outcomes achieved through their hard skills.

Similar to soft skills, assess hard skills effectively by clearly defining which skills are to be measured by your chosen interview type. Ensure all candidates go through the same process and are evaluated on the same skills to ensure integrity and accuracy in your hiring decisions.

Structuring your interview

For each skill, create two or three questions using the suggested formats. For the first part of the interview, plan to ask all candidates the same questions in the same order. If you deviate, it can be easy for unconscious bias to creep in — this is because you won't be able to score candidates on the same criteria or create a fair comparison. This is a critical part of maintaining an **inclusive and equitable hiring process**.

In the second part of the interview, you can then allocate time to address any areas of concern that arose during the first and second sifts. Remember — the goal here isn't to catch candidates out, but to let them talk about their weaknesses, how they address them, and perhaps ways they've learned to overcome them.

For example, if someone shows high capability for developing their cognitive agility and problem-solving, but scores slightly below average in communication and emotion perception in the initial sifting process, the interview gives hiring managers an opportunity to ask specific questions to uncover to what degree this disparity plays out and whether it will be an issue in the role.

This is also an opportunity to confirm that what they've shared about themselves so far actually stacks up — and hasn't been fabricated (either accidentally or on purpose) by GenAI tools.

In all cases, what's being scored or evaluated should align with both the job description.

> **Employers are starting to embrace skills-based hiring by eliminating degree requirements from their job postings. While this is an important first step, there's been a lack of practical advice on what to do next. Until now. This Arctic Shores playbook is a vital guide for companies looking to take the next step in their skills-based hiring journey.**

Alycia Damp, PhD, Head of Applied Behavioral Science, HireGuide

A note on GenAI guidance for interviews

If you've asked them to complete a job-related task and present back or asked them some questions about how they'd respond in certain scenarios, this will be your chance to really probe candidates to sense check their own thinking — and not just what ChatGPT has told them you'll want to hear.

We recommend offering guidance that it's okay to use GenAI tools to help them shape and evolve their thoughts, but that an over-reliance will result in vague, unoriginal ideas that are the same as everyone else's.

After their presentation, ensure you have a number of deep, probing questions to really help you understand their thinking. As a reminder, we have a number of templates available to use within **our ultimate guide to managing candidate use of GenAI**.

Tips for designing interview questions

Remember, in most cases, we're talking about here evaluating a person's future potential to succeed — not just their past experience. If you're hiring for potential, the way you frame your interview questions is going to be really important.

1 Don't constrain questions to being purely workplace related

For example, if the ability to be persistent, organised, and work towards a long-term goal is important, you might ask:

"Can you describe a situation when you had to achieve an ambitious long-term goal, either at work or outside it? What was the situation and how did you approach it?"

And plan pre-prepared follow-up questions too:

- What made this goal ambitious in the long term?
- Which challenges did you foresee, or face? How did you approach overcoming them?
- How did you monitor your progress towards your goal?

2 Make scenario-based interview questions future-focused

Rather than asking candidates only about a time or situation they've experienced in the past, when giving them scenario-based questions, think about also framing them in the future.

For example, if it's important that a person needs to be able to think strategically and critically about solving problems, you might ask:

"You're three months into your role as our new Project Manager. You've just identified that a project you're working on is very off-track and unlikely to be delivered to meet the deadline. What do you do now?"

And plan follow-up questions like:

- How would you diagnose what went wrong?
- How would you identify whether the project can be set back on track, or whether the timelines need to change?
- How would you align different stakeholders on the problem and solution?

3 Give candidates an opportunity to ask you questions

High-potential candidates are often curious about the company and role. Pay close attention to the questions they ask, as this can give you a good idea of their values, interests, priorities, and even critical thinking capability.

4 Give candidates an open-ended opportunity to speak

Ask them if there's anything they'd like to add, and remind them that nobody's seen their CV. Then let the candidate talk about their experience or education, as well as their potential for the role. You might even consider sending the interview questions in advance. This is not cheating – it can boost trust, and make candidates more likely to engage with your process.

Evaluating skills in interviews

With your list of skills and a solid plan for how you will assess them, you're ready to start interviewing and evaluating candidates. The goal of this process is to score candidates each time they reveal information about a particular skill. This is typically done at the question level for soft skills and at the task level for hard skills.

If you don't get your scoring criteria right, this is where the process could all fall apart. You'll need to make sure that your scoring approach is uniform and hiring managers are very clear on the process.

Consider these tips as you interview and evaluate candidates

▶ Choose a standard way to score each question or task. A common practice is using a five-point rating scale where a '1' indicates poor performance and '5' indicates exceptional performance. Since each question or task is assessing a skill, you end up with a score of each candidate's proficiency on the skills you set out to assess.

▶ When interviews are complete, aggregate all the scores for each skill to generate a final skill score. For example, if each candidate was asked two questions on communication, take the average of those two ratings to generate the candidate's final score for communication. Remember to aggregate across interviewers as well if there are multiple people involved.

▶ The final list of skill scores for each candidate is the candidate's scorecard. Uses these skills-based scorecards to determine which candidate performed the best overall. Hire this person. They are the best for your job.

In summary: Interview best practices

✓ Do give candidates a chance to **showcase** their core strengths and skills and plan your interview questions accordingly

✓ Do align your interview process tightly to the job description, and create a standard set of scoring criteria aligned to the skills and skill-enablers required for the role

✓ Do structure the interview questions carefully and ask all candidates a set of questions in the same order, with follow-up questions prepared

✓ Do prepare probing questions and be sure to stress-test you're seeing a candidate's authentic skills and evaluate whether they have used GenAI tools in an effective way

✓ Do encourage questions from the candidate and pay close attention to what they ask you

Step 6

Ensure your process is candidate-centric

Today it's more important than ever to ensure that your hiring process is equitable for all candidates. While our skills-based hiring approach goes a long way to levelling the playing field for candidates from unconventional and diverse backgrounds, we have seen some great examples of pioneering TA teams introducing additional measures to support inclusivity and hit those often elusive diversity goals.

There are lots of different ways to do this, but there are the three key ways to support the candidate throughout the process that should be at the forefront of your mind:

1 Providing accommodation for those with specific needs

2 Giving meaningful feedback – no matter the outcome

3 Consider whether you need to make adjustments to your onboarding process

1

Providing accommodation for those with specific needs

Consider how you can support diverse candidates with specific requirements. This could mean modifying the process for certain individuals or allowing some to bypass certain stages. The key is to prioritise the candidate's comfort and ensure they have the opportunity to request accommodations without feeling disadvantaged.

Start your journey by:

- Asking if there are any accommodations they need or would like ahead of time
- Providing the interview questions ahead of time – this allows candidates to do some preparation and will ensure you get the best out of them

2 Giving feedback – no matter the outcome

The number one complaint from candidates is that feedback is either generic or non-existent. Hardly a surprise when almost **80% of job seekers get ghosted by employers (Indeed, 2021)**.

Because candidates invest considerable time into hiring processes, feedback is a great way to improve their experience.

This does pose a challenge for talent acquisition managers as well as hiring managers, as the volume of applicants might mean there's no time to give the majority of candidates anything but automated feedback. That said, you can consider the form, language, and value of any feedback in advance, saving time.

Giving candidates constructive, thoughtful and useful feedback is one of the most important things you can do to encourage a positive candidate experience. Some ATS platforms let you send feedback to every candidate that's meaningful and accessible – this is where you can turn applicants into advocates for your company.

As with the previous stages, all feedback should be focused on how the candidate did or didn't meet the success criteria for the role. That said, it can also be useful to highlight any strengths you identified that sat outside the role's success criteria, for additional context.

Spotlight on automated feedback

Some Task-based Assessment vendors now generate a tailored candidate feedback report for each candidate, within seconds of them completing the assessment.
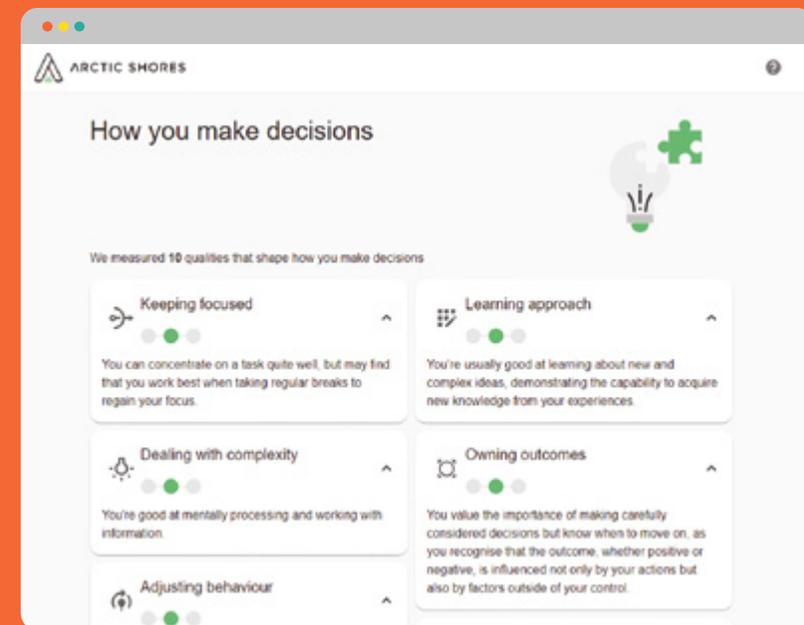
3 Consider whether you need to make adjustments to your onboarding process

If you're bringing in new talent from alternative pathways and sectors, you'll need to bear this in mind as you design your onboarding process. For example, talent from underpreresented groups as well as those with no industry experience could be more likely to experience imposter syndrome.

Hiring managers may need to be more sensitive to this and work hard to build trust, and TA teams may also want to consider additional training, wellbeing check-ins, or developing a buddy system to support new hires.

The 'brand' benefits of this approach

It's no secret that TA teams are placing increasing emphasis on employer value propositions and employer brands. Both as tools for attracting the best talent and ways of measuring the health of their candidates' engagement through the process.

Offering reasonable adjustments to candidates who need them, giving everyone timely, relevant and meaningful feedback, and designing an inclusive onboarding process are just a few ways of boosting your EVP and employer brand — while also enhancing the candidate experience.

Step 7

Review and wider roll out

So there you have it. You've introduced a new skills-based hiring process and rolled out a pilot. Now it's time to evaluate your data.

If you've set yourself up for success earlier in the process, you'll now be able to compare your previous results with the results of your initial skills-based hiring implementation. With any luck, your results will look like the results that Siemens saw:

Challenge	Old, experience-centric method	New, skills-based, future-focused method
Application volume	83 applications	533 applications
Time to hire	+200 days	41 days
Diversity of shortlist	Challenge achieving balanced shortlist	50:50 women:men
Quality of hire	No hires in shortlist suitable	Could hire all 8 candidates shortlisted
Psychometric assessment completion rates	No psychometric assessment	91%
Candidate experience rating	Non-existent	85% feel more positive about working for us
Vulnerability to GenAI	High	Low

Now it's time to sell your story internally to support you with transforming the effectiveness of your recruitment practices across the talent acquisition function.

Mobilising your advocates and selling your story internally — 3 top tips

1. Enlist your innovation squad to help you share the story

In our first step (shifting mindsets), we talked about the importance of winning over Early Adopters to run a pilot and arm you with the data to prove the approach works.

The data you've got will hopefully be so good it will sell itself. But what we want to avoid is this feeling like just another HR initiative that someone has to adopt off the side of their desk, rather than something that has been so transformative for the people involved that others should be *desperate* to follow.

Common marketing practices have been making their way into the world of HR for years now as talent pros recognise the need to work harder than ever to manage change and get buy in to a vision for a new approach.

And according to **Robert Cialdini, the best-selling author of 'Influence: the psychology of persuasion'**, there are six principles of persuasion — and many of these are very relevant to managing a change process. There are two principles TA team trying to win people over in adopting a new approach might find helpful.

The first is **Authority** — the idea that people are more likely to be persuaded by people they deem to be credible sources. It doesn't take a genius to work out that this is why having a senior leader in your Innovation Squad will help you be more effective in stressing the importance of this initiative. But remember that — particularly among a sceptical audience who may have seen new approaches fail in the past — a *more* credible source might actually be a hiring manager who has already followed the process.

The second relevant principle of persuasion is **Social Proof** — the idea that people look to the behaviour of others who are similar to them for direction.

What does this tell us? While as a TA leader, you may be perfectly capable of selling the vision for a wider rollout of skills-based hiring, you'll likely be more effective if you enlist the help of the executive sponsor your hiring manager(s).

2

Take your squad on a roadshow and enlist the support of other HR teams to do it

Just as you embedded your initial pitch for a pilot into existing manager training, you can now do the same to promote the results.

To make this easier for yourself, you might want to create a few repeatable assets that you can use:

▶ **A case study deck** — that makes it easy to rinse and repeat the same presentation, with sections presented by different stakeholders

▶ **A case study video** — capturing the perspectives of all of the different types of stakeholders involved, including the executive sponsor, the hiring manager, the selected candidates, and the members of the TA team involved

▶ **A written case study** — that perhaps lives on your Intranet or can be distributed via other means

▶ **A podcast recording** — if your internal comms team run one

You can then embed those assets within things like:

▶ Existing manager training sessions

▶ New manager onboarding

▶ Company newsletters

▶ Intranet pages

▶ Global Town Hall or All Hands meetings

▶ ESG reports

▶ Manager training or ESG content within your existing online learning programmes (eg in your LMS/LXP)

3

Planning your pitch — position the hiring manager as the hero

As well as sharing the data and the impact, you'll likely want to ensure that your case study presentation sets you up to win over as many sceptical hiring managers as possible. To do that, we recommend making sure your presentation does the following:

▶ **Positions the hiring manager as the hero** — painting an aspirational picture of the recognition and reward they received from being part of the pilot

▶ **Pre-empts and overcomes objections** — talking about the fears hiring managers might have about adopting a new approach and how you overcame them in the pilot

▶ **Outlines the process** — covering the ease of adopting it and the support hiring managers will get from the TA team (plus any additional support offered from vendors)

You might choose to use a framework called the Hero's Journey that marketing teams often use to help people understand what the vision of a better solution could look like. There are many versions out there, but we like the simple framework laid out by **Donald Millar in his book, Storybrand**.

It looks like this...

A character — your hiring manager

With a problem — poor candidate quality or roles facing a skills shortage

Meets a guide — you (and maybe even parts of this playbook)

Who gives them a plan — the support and resources to try a new approach

And calls them to action — their bold step in agreeing to try something new

Which results in success — the problems they overcame for their role and the recognition they have achieved from senior leaders

How to practically roll out this approach to other roles

In step one, we introduced the idea that you might want to pilot this approach in one area before rolling it out by job family. This would look like this.

Build a business case to create a sense of urgency

Enlist the support of an Executive Stakeholder

Form your 'innovation squad' with a small group of forward-thinking hiring managers

Run a pilot or an A/B test to capture the impact

Mobilise your advocates

Roll out across the business

So after you've mobilised your advocates, how might you decide to roll this out across the business?

Some organisations decide to roll this approach out wholesale to all roles. But given this will require internal training and the transformation of many internal processes, this might not be possible for a lot of TA teams.

That's why many TA teams — like the team at Siemens and Molson Coors — chose to roll out the new approach via job family instead. For example, beginning with administrative roles, then HR roles, and so on. This approach makes it easy to bring hiring managers on the journey, establish new L&D initiatives, and update any other aspects you need to redesign — one group at a time.

The added benefit of this approach is that scarcity creates demand — and people typically value things they can't have or immediately access more highly. So asking some teams to wait to get started could mean they're more likely to embrace the new approach when it comes their way.

Over to you

This is still a relatively new approach for many organisations, so if you have any other tips you think we should include here, please get in touch: **marketing@arcticshores.com**.

Final thoughts

We hope that during the course of this playbook, you've begun to understand that in simplifying your definition of skills-based hiring, you can also simplify your approach to adopting it.

The benefits are clear — not only can you overcome skills-shortages and improve the efficacy of your hiring process in the AI-era, but you can also play a major role in future proofing your organisation.

By selecting candidates based on their skill-enablers, you can be confident that you're selecting employees who will be able to adapt and grow with you — already improving the efficacy of your future internal mobility programmes in the process.

After all, the only guarantee is that the pace of change is only speeding up, not slowing down.

On this note, we'll leave you with two final questions to answer.

1   **What's still holding you back from adopting skills-based hiring?**

2   **And what might the cost of inaction be?**

> **I'm excited about my future, and where I could be in 5-years time at this company.**
>
> **Martin, Project Engineer at Siemens**

Part 4

How 2 disruptive TA Leaders have already done it

From early careers to more experienced hires: How Siemens used skills-based hiring to solve their skills crisis

Plus tips on how to turn doubters into advocates and drive a full-organisation roll out

542% increase in applications

50% female candidates at final stage

242 hours of manual screening saved

The challenge: 200 days without a hire

In April 2022, Jon Turner was frustrated. As the Managing Director of Siemens Electrification & Automation, he knew his team was struggling to fill business-critical Project Engineer roles. Some positions had been vacant for over 200 days.

To meet his bold targets, and support Siemens's digital transformation, he needed a solution to:

- **expand Siemens' talent pools**
- **increase the number of female applicants**
- **reduce time and cost to hire**

Elsewhere, a revolution

As Jon mulled on this challenge, change bubbled elsewhere. Gemma Aldridge, Head of Talent Acquisition, had long ago implemented **a new approach** to early careers hiring – skills-based, CV-less recruitment, supported by Arctic Shores.

Rather than assess candidates' experience, this approach instead evaluated their core strengths and capabilities like learning agility, resilience, and creativity. And now, following the success of this approach, Gemma had an idea to expand the use of this methodology beyond early careers.

When she heard about Jon's challenge, she proposed they try the same approach for these elusive hard-to-fill roles. Her pitch was that given there were so few people with the right 'skills or experience' on paper to fill the Project Engineer role, the hiring team instead shifted their focus and used a skills-based hiring approach to help them select candidates with the right transferable skills for the role, as well as the core strengths capabilities to acquire new skills quickly. It was the radical solution Jon had been searching for.

> **❝ If you keep doing the same things, you will get the same results. Everybody is going with the bucket to the same well. We wanted to go to a different well with a different bucket. ❞**
>
> **Jon Turner, MD of Siemens Electrification and Automation Business**

Finding the pilot champion

Gemma knew that shifting away from experience-based hiring and towards skills-based hiring would mean a total redesign of the hiring process for hard-to-fill roles. To soothe the inevitable resistance – and unearth vital data to convince the general manager population this approach would work – they needed a hiring manager to lead a pilot. A believer amongst the doubters.

Consulting with Jon, she soon found someone ready to do things differently: James Higgins.

Understanding the *true* requirements

Now they'd found their champion, the Siemens TA team embedded themselves into James's team to explore and understand his problems.

> **❝ Every hiring manager is different – it's not one-size-fits-all. We have to discover… what do they really want? What's really keeping them up at night? ❞**
>
> **Gemma Aldridge, Head of Talent Acquisition - UK & Ireland**

Luckily, the problem was clear: James's experienced candidates looked great on paper, but their strong CVs rarely predicted job success. He needed a better way to understand their core strengths like:

- organisation
- resilience
- processing speed
- stakeholder management

> **❝ Each advert was always the same. You shall have an electrical engineering degree. You shall have ten years' experience. We needed to reframe our thinking. ❞**
>
> **James Higgins, Head of Systems Delivery**

Using our skills-based hiring playbook (formerly known as the CV-less hiring playbook), Arctic Shores helped the hiring team redesign their selection process, prioritising skills over experience to uncover a wealth of new talent. Here's what changed.

Hiring, redesigned

In three steps, the TA team and James transformed their process. They soon uncovered a new world of diverse talent.

1 ▶ Reframe the requirements

The TA team and James worked with an Arctic Shores Business Psychologist to identify the skill-enablers (core strengths and capabilities) and transferable skills required for the role. This led to them drop the 'Project Engineer' title completely, opting instead to hire for a Project Manager to attract a broader mix of candidates. They also removed references to 'experience' from the job ad, focusing instead on skill-enablers and transferable skills. This radically opened up the talent pool and application numbers soared.

2 ▶ Sift for skill-enablers

They scrapped the CV, instead using Arctic Shores task-based assessment to assess those vital skill-enablers. When they sifted for these, they were quickly able to surface eight excellent candidates from 533 applications — and with a more accurate picture of their potential to succeed in the role.

3 ▶ Rethink the interview

The team implemented new task-based interviews, where candidates presented a project plan to showcase their true job capability (rather than simply talking about it). This was also an opportunity for the hiring team to probe, stress-test, and explore candidates' strengths, skills, and behaviours in more detail — an interview component that has become even more critical in the era of the AI-enabled candidate.

But what did this novel approach achieve?

The results

" The amount of responses we had was unreal. Everyone was shocked. "

James Higgins, Hiring Manager

" We took eight candidates to interview, and if we could have hired everyone, we would have. The quality of candidates was extremely high with Arctic Shores. "

Jon Turner, Executive Stakeholder

" After the hiring process, I was much more excited. I wanted to join Siemens even more. "

Hannah, Candidate

▶ A broad, diverse talent pool

The new process attracted **542% more** than Siemens' original campaign — taking them from 83 applications to 533. Of the final eight candidates, one worked for KFC, another for Aldi. None would've made it past the first stage in the previous process if they were still focused on experience-centric hiring.

▶ High quality candidates

James and Jon were so impressed with the final eight interviewees, they could have hired every one. In fact, they quickly began searching for ways to bring them into different areas of the business.

▶ A gender-balanced shortlist

Of the final eight interviewees, **50%** were female. This was an impressive feat, considering just 16% of engineers in the UK are female.

▶ Engaged candidates

85% of candidates said the experience reflected well on Siemens as an employer. Meanwhile, **91%** completed the Arctic Shores assessment.

▶ A short, cost-effective process

The team made **two hires in 41 days**, saving 242 hours of manual CV screening and telephone interviews. This meant the TA team could invest their time in business-critical work, without sacrificing on quality — helping them live their mantra to make talent acquisition a strategic function, not an admin function.

> ❝ **The Assessment was a great way to gain feedback on natural behaviours and an innovative approach to the application process.** ❞
>
> **Candidate**

What next?

Continuing the pilot's momentum, Gemma is now rolling out the skills-based hiring approach across the organisation one job family at a time — for example, beginning with administrative roles, then HR roles, and so on. This approach makes it easy to bring hiring managers on the journey, group by group.

To guide the transition and armed with the data to prove this new approach works, Gemma is working with her L&D team to deliver a series of 'manager bite-size talks'. Embedded into existing manager training and onboarding in some cases, these sessions are designed to help hiring managers understand what the new process looks like, how it aligns to other strategic company objectives, and to give her an opportunity to address any fears or objections head on. The sessions are rapidly turning yesterday's doubters into today's pioneers.

As for James, he's since been recognised as an innovator by the Siemens leadership team, in part contributing to a promotion.

> ❝ **The doubters have turned into the greatest advocates of the hires we've made.** ❞
>
> **James Higgins, Hiring Manager**

Six lessons from Siemens' journey

Here are six lessons for anyone looking to broaden their talent pools, overcome skills shortages, and ultimately hire the best talent out there.

1 Recruit a senior sponsor

In short, find your Jon. With a senior sponsor on board, you can harness their top-down influence. Look for those who are suffering from an acute hiring problem, or are particularly passionate about promoting DE&I.

2 Value your hiring managers

Gemma recommends taking the time to become a trusted partner to your hiring managers and seeing them as that — partners, not problems. How are they suffering, and how can you help? Find opportunities to understand their challenges, and see how you can be a part of the answer.

3 Recruit champions across your business

Find and connect with those who will put their head above the parapet in search of solutions. Gemma had her hiring manager champion in James and a senior sponsor in Jon – but she also sought support from her L&D team to drive wider transformation. This helped build cross-functional awareness, support, and embed this new approach to hiring into the fabric of the organisation's ways of working.

4 Run a pilot

Big changes can prompt fierce resistance – but a pilot is often more palatable. Focus on impacting one particular area or problem. Then, use the results to grow support for a wider roll-out.

5 Display the data

Some will leap at the chance to make change. Others need proof. Use the data from your pilot to illustrate your successes. Gemma used bite-size workshops and other internal comms, for example, to display the data again and again.

6 Roll out in stages

Rome wasn't built in a day. By staggering the roll-out by *job family*, rather than function, Gemma feels she can create the greatest impact in the shortest time — engaging large groups of hiring managers in a way that's effective and scalable.

Molson Coors adopts pioneering approach to accelerate DEI mission

100% increase in applications

75% female representation at interview stage

80%+ increase in candidate satisfaction

The goal: putting people first

As Head of Talent Acquisition at Molson Coors, Joe Sidley had overseen multiple initiatives to make hiring more inclusive. Bias workshops, gender decoding, blind CVs – they'd done it all and already moved the dial on inclusion.

Molson Coors's foundational value is 'putting people first'. But, to truly live up to that value, Joe wanted to do more. He wanted to trial something truly innovative and push the boundaries of what an inclusive and equitable hiring process could look like across the UK and Ireland.

> **Everything other organisations do with DEI, we'd done. This had a positive impact. But as we entered a new era of recruitment, we wanted to do something new and pioneering to break new ground with our inclusive hiring journey.**

Joe Sidley, Head of Talent Acquisition - EMEA & APAC

Learning your stripes

Joe knew that hiring managers were engaged and motivated by the company's journey to become more diverse, equitable, and inclusive. But he also knew their mindset – they thought that the best candidate was someone who had worked in the industry.

Joe had seen the data that proved that CV-based hiring often held candidates from under-represented groups back (even with some information removed). So he began to wonder whether a new approach – scrapping the CV, hiring for *potential*, and selecting based on core strengths and transferable skills *instead* of experience – might enable even more progress on Molson Coors' DEI journey. It turned out to be the approach he'd been after.

The subtle art of changing minds

Joe says that — like almost every organisation — CVs had become a "crutch and a comfort blanket" at Molson Coors, simply because they were what people were used to. So, before he could implement a skills-based hiring approach, he'd need to change perceptions. He decided to build his argument around *quality*.

He chose to replace the CV with sifting using Arctic Shores Task-based psychometric assessment, which would help him uncover more insight about a person's natural strengths (their skill-enablers) than a CV ever could.

> **Hiring managers are busy people, with lean teams and big targets. They want the best people coming through the door.**
>
> **Joe Sidley, Head of Talent Acquisition EMEA & APAC**

By reaching a more diverse talent pool and gaining a more detailed, accurate insight into things like a person's thinking style and potential to acquire skills, hiring managers would be able to uncover better talent.

Joe began rolling this simple message out in a series of sessions, led by Arctic Shores' Business Psychologists. He also began circulating supporting materials, like the Arctic Shores Playbook for CV-less hiring (now the **playbook for skills-based hiring**).

Once he'd convinced senior leaders, he was ready to begin.

> **Scrapping CVs helps remove unconscious bias from the process because our recruiters can't be swayed by an impressive sounding degree or a candidate that went to a good school… we have a huge demand for new talent, and we simply can't afford to miss out on great people because they were put off by an application process that makes them feel unqualified.**
>
> **Joe Sidley, Head of Talent Acquisition EMEA & APAC**

Joe's pilot principles

To turn sceptics into supporters, Joe approached his skills-based hiring pilot with five key principles in mind:

1

Know your why, and shout about it

By aligning the pilot with Molson Coors' pre-existing mission to 'put people first' and hire inclusively when promoting the initiative internally, embracing skills-based hiring felt like less of a psychological leap for many hiring managers (especially as this tactic was already commonplace in Early Careers). Joe harnessed existing belief in diversity, while also appealing to the need for quality.

2

Promote skills-based hiring to improve application rates from underrepresented groups

Like many organisations with a strong commitment to DEI, Joe and his TA team regularly engage with a number of external partners to promote their roles to under-represented groups and encourage candidates from those communities to apply. And the removal of 'experience' as a requirement for certain roles was transformational for those partners and their communities. It provided Molson Coors with a real opportunity.

By signposting to candidates that they would evaluate candidates based on their *unique strengths and abilities*, rather than on their CV or past experience, Molson Coors saw **a 100% increase in application volumes and 75% of shortlisted applicants at interview stage were female** (vs the 30% Molson Coors saw at this stage previously). This made the impact of both the whole approach and these partnerships feel much more tangible.

> " Be precise. Be focused. Invest the time in it. And get the data to roll this solution out on a wider scale — while recognising that while this approach works for many roles, it's not for every role. "

Joe Sidley, Head of Talent Acquisition EMEA & APAC

3

Find the right role, and the right leaders

Joe sought the right senior sponsors to help him quickly convert doubters into believers. He targeted those with big, burning challenges, as well as those who'd demonstrated a real commitment to promoting inclusivity at Molson Coors.

4

Involve your L&D function

When you hire for potential, you also need to ensure your hires will be supported to learn and grow once they arrive. To decrease time to impact, Joe involved his L&D team from the beginning.

5 Educate *everyone*

Education was vital to grow internal support – but Joe didn't confine that education to hiring managers. He felt that "TA teams and HR functions have also been conditioned" to rely on the CV – so he ensured the whole function also understood the key principles and benefits of skills-based hiring.

6 Start small

Joe started off deploying this new approach with just one role to ensure he could get the Molson Coors process right before rolling it out more widely. To *really* prove his commitment and faith in the process, he chose to trial the new skills-based hiring process **in his team first**.

Due to the success of the trial, Joe made two new hires and restructured his team to facilitate this. This had the added benefit of helping the business and the TA team deeply understand what best practice needed to look like and iron out any kinks themselves.

What's more, now Joe was armed with great hires and great data to prove the effectiveness of the process and help the doubters see that this bold change would make a positive difference. Just in time to initiate a wider rollout.

❝ It can be quite offputting when you see some roles that ask for a lot of experience or qualifications. It's frustrating too when you know you'd be great at a job but are not able to tick certain boxes on the application. Hiring for potential hiring makes a real difference and I hope it will give others like me the confidence to apply for a role at Molson Coors. ❞

Hannah Butler — a Molson Coors employee who made the transition from a Customer Technical Services role to a Talent Acquisition role

The results

> **We probably could've hired half the people we saw. The results themselves were incredible.**
>
> **Joe Sidley, Head of Talent Acquisition EMEA & APAC**

▶ ## A broad, diverse talent pool

Joe received **100% more applications** with the skills-based approach. At the interview stage, **75% of candidates were female**. This was 'unheard of' in the beverage industry, Joe says. It ultimately supported his goal of hiring more inclusively, and 'putting people first'.

▶ ## A high-quality hire

Performance data shows that Molson Coors made an excellent hire – even though the candidate had **no sales experience**. With great onboarding and brilliant support and training from the L&D and immediate team, they're exceeding targets, settling well with the team, and adhering to Molson Coors's values.

This success is quickly opening others' eyes to the benefits of hiring for potential. Hiring managers are now *volunteering* to be involved in future phases.

▶ ## An engaging, rewarding experience

Joe's candidates tend to be Molson Coors customers. So the process had to excite and engage them. Ultimately, **80% of candidates** reported that they were satisfied with the process.

What next?

The pilot's success has spurred Joe to extend the approach to new job roles. In 2023, Molson Coors announced to the press that candidates applying for certain roles within the HR division, on-trade sales and technical services teams will no longer be required to submit a CV.

Skills-based, CV-less hiring is also now active for a technical role at the company's largest brewery in Burton-on-Trent. Joe is now excited to extend the success of this initiative to this mammoth site, and open doors to new talent from under-represented groups.

> **CVs simply aren't necessary for all job roles. They encourage recruiters to focus on details, like the school or university someone went to, that doesn't really speak to the person's true potential. This increases the chances of unconscious bias creeping into the selection process and disadvantages those who didn't get the opportunity to attend a great school or access internships and work experience.**
>
> **We believe in finding people who are the right fit for our business and demonstrate the raw talent, drive and inclusive values that we look for. It's then up to us to provide them with the training and support they need to reach their full potential.**
>
> **Liz Spooner, Talent & Leadership Director for Western Europe Molson Coors**

In the age of Generative AI and a rapidly shifting requirement for skills, Arctic Shores gives you the power to uncover human potential and see more in people than you can from a CV or application form.

Our next-generation selection platform uses tasks (which provide 100X more data points than questions) to help identify the candidates with the greatest potential to be successful in your organisation. Our transparent and validated matching model widens talent pools and delivers diverse and high potential candidates in any economic climate.

Proven to counter natural bias during the recruitment process and build the diverse, successful workforce of tomorrow, our task-based assessment widens talent pools and unearths high-quality candidates in any economic climate.

We've given over 3 million candidates worldwide something different: a stress-free, unbiased candidate experience that truly rewards them for their time. Join the 350 talent disruptors leading the way in the CV-less hiring revolution, including Vitality, **Molson Coors**, **Burness Paull**, Amazon, TalkTalk and **Siemens**.

Find out more here.

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