

# Making the Case for Skills-First Hiring and Advancement to Hiring Professionals



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This research was made possible with support from the Arkansas Department of Education.

### INTRODUCTION

Bridging the Employer Gap Between Agreement and Action on Skills FROM THE SHRM FOUNDATION

WE WON'T BE READY FOR THE FUTURE IF WE KEEP HIRING THE WAY WE HAVE IN THE PAST.



Every day, businesses miss out on extraordinary people with the talents, aptitudes, and competencies required for open positions, simply because these individuals do not have a college degree or do not know how to successfully navigate the spoken and unspoken rules of hiring, retention, and advancement. To hire and grow the workforce of tomorrow, employers need to have the knowledge, technology, and support necessary to more effectively evaluate the ability of a person to thrive in a job.

People without degrees are unemployed at higher rates, earn less money, and accrue less in lifetime income. <u>A 2022 report</u> indicates that the unemployment rate for people with only a high school diploma was more than twice as high as for those with a bachelor's degree or higher. This is in part because <u>over 75% of U.S. job</u> <u>postings have typically required a bachelor's degree, which 62% of the working population does not have.</u>



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Additional research confirms that gaps exist between those with degrees and those without. Indeed found that people with a bachelor's degree or higher average \$61,000/year in salary, almost double the \$37,000/year for high school graduates, while The Burning Glass Institute found that nondegreed workers placed in previously degreed positions saw an <u>average salary increase of 25%</u>. Furthermore, per Indeed, the employment rate for those with a bachelor's degree was 18 percentage points higher than for those with only a high school diploma (86% versus 68%). According to the <u>Social</u> <u>Security Administration</u>, men with bachelor's degrees earn approximately \$900,000 more in median lifetime income than men with only a high school diploma. <u>Opportunity@Work</u> found that someone without a degree must have 30 years of work experience before they will earn what a college graduate earns at the beginning of their career.

Workers aren't the only ones hurt by this situation; employers are, too. In the U.S. today, <u>2 in 3 working-age adults</u> do not have a four-year degree, but, as noted above, 75% of job descriptions still require one. This misalignment creates significant talent shortages as millions of people get auto-sorted out of consideration for positions they could fill. In fields ranging from health care to manufacturing to retail, employers are struggling to find, hire, retain, and advance talent as new generations come up against outdated systems for assessing the skills, aptitudes, and competencies of applicants and for addressing opportunities and challenges that can either help someone thrive at work or prevent them from doing so.

By and large, employers acknowledge the shortcomings inherent in the current situation. For example, while over 90% of HR professionals say that skills-first strategies are valuable for employee development, only 15% of HR professionals say they place a high value on skilled credentials when considering candidates. However, organizations are rarely willing to take action to do things differently. Even among HR leaders most amenable to skills-first concepts, a candidate with a degree is twice as likely to be deemed "very qualified" as one without. Given that enrollment in two- and four-year degree programs declined by 15% between 2010 and 2021, and that the number of credentialing options beyond degrees has increased by almost 400% in the last five years, this gap between agreement and action foretells a future crisis.

So why does that 90/15 gap exist? The answer is complex and the solutions to it varied, but the SHRM Foundation believes that part of the challenge is language: What framing, terminology, and argumentation must undergird any skills-first movement? In particular, what messaging will increase employers' willingness to embrace skills-first hiring, decrease their feelings of risk and concern, and drive adoption?

In 2023, as part of a broad pilot in five communities in Arkansas, funded by the Arkansas Department of Education and involving over 120 employers, chambers of commerce, and other partners, the SHRM Foundation commissioned Topos Partnership to examine these questions. Framing science is what Topos does—across issue areas, across the political spectrum, and across the country. In this case, it was tasked with something that sounds simple but is actually quite hard: Tell us what to say, and how to say it, to help employers understand that a shift to skills-first hiring is not radical and disruptive, but rather natural, additive, and inevitable.

The SHRM Foundation has set some lofty goals in this space. Within 10 years, we plan to have helped shift the hiring and advancement practices of 100,000 employers and 500,000 HR professionals, hiring managers, and executives across the country, positively impacting the lives of millions of workers. Language and framing will create the foundation on which all of our efforts are built, so we are grateful to Topos and our partners and funders for helping produce this report. We hope the guidance found here will inform not only the SHRM Foundation's actions but also the skillsfirst movement overall.



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## **EXECUTIVE SUMMARY** Making the Case for Skills-First Hiring and Advancement to Hiring Professionals

In 2023, the SHRM Foundation commissioned Topos Partnership to investigate the effectiveness of various framing, language, and argumentation deployed in an ongoing effort by the SHRM Foundation and its partners to promote hiring decisions that put less emphasis on academic degrees and instead consider all the ways job candidates may be qualified for a position.

This change will involve shifts in practices and policies across a wide range of organizations, as well as shifts in how stakeholders (HR leaders, hiring managers, C-suite decision-makers, and others) think about the topic.

While the SHRM Foundation has learned through other research that many hiring professionals and leaders are on board in principle, it is important to understand more about why they don't consistently act as though they value skills-first hiring and advancement strategies.



#### In particular, the SHRM Foundation asked Topos to conduct research that would:

- Explore why HR managers and other employer decision-makers don't more actively consider skills and experience beyond academic and higher-learning degrees when making hiring decisions, and
- O Develop recommended communication approaches to help convince this audience that they can and should prioritize action steps to move toward hiring based on skills-first paradigms.

With these goals in mind, Topos held confidential, one-on-one, 30-minute conversations with a diverse set of 46 SHRM members from around Arkansas who were recruited by the SHRM Foundation. These semi-structured conversations conducted between July and September 2023 explored default thinking and assumptions about hiring and gauged reactions to messages and framing approaches designed to advance the concept of skills-first hiring.

To complement the primary method of engaging SHRM members, Topos also organized community visits in three Arkansas cities—Little Rock, Hot Springs, and Russellville—where researchers conducted semi-structured ethnographic interviews with members of the public. Through conversations in August 2023 with 56 participants, many of whom fit the profile of individuals who would benefit from new hiring practices, Topos explored the topic through the perspective of potential applicants and employees.

Together, these two methods—the 30-minute conversations and the ethnographic interviews—uncovered valuable insights into how to effectively make the case for skills-first hiring with a broad audience.

#### 1. Agreement with rationales for change does not equal action when it comes to skills-first hiring.

Confirming prior research, Topos found that SHRM members generally agree in principle that employers should put less emphasis on academic degrees in hiring.

Also confirming prior research, however, this enthusiasm generally does not translate into actual practice. Previously, SHRM found that only 15% of employers report seriously considering skilled credentials when hiring for a position. Topos research confirms that even though hiring professionals agree that putting less emphasis on degrees would be fair, would increase opportunity, and would lead to better results for employers, they still aren't necessarily likely to adopt new approaches.

"[People] won't take it seriously until it's something that could legally be discriminatory. Until you put that out there to where it is a hard stop, then there's nothing to push back on. And then it's just a cycle and a circle of subjectivity. That's been my experience with it."<sup>1</sup>

#### 2. The skills-first hiring movement lacks clear definition(s).

One of the most problematic findings to emerge from this research is the absence of two equally well-defined options for assessing job applicants. While the concept of focusing on degrees in hiring decisions is understood simply, clearly, and universally, there is no clear, shared understanding of what an alternative looks like.

Instead, the alternative is defined in opposition as a "negative" definition: "Don't focus so much on degrees." This isn't as compelling as an affirmative definition that clearly identifies what employers should focus on instead.

Degree-focused hiring represents the "box" that people agree they should probably think outside of, but this means degree-focused hiring is the norm and everything else is seen as being riskier, less clear, and open to different interpretations. Because of this uncertainty, many do not see the alternative as an attractive option.

Lacking a central common understanding as to what the alternative to degree-focused hiring is, HR leaders tend to look to other measures that can be counterproductive. For example:

- Work experience is a natural alternative focus. Other SHRM research has repeatedly shown that work experience, particularly for positions that are not entry-level, is the No. 1 way candidates are assessed. While a candidate's work experience can prove to be useful information, it can also exclude potentially excellent candidates who are young; who have been in prison, the military or otherwise out of the civilian workforce; who are transitioning from one field to another; or who have health conditions or other drivers that have made it hard to get a job.
- Fit—in terms of character or culture, for example—is also sometimes used as an alternative way to assess candidates. Particularly for HR leaders who must balance caring for the culture, well-being, and productivity of their full workforce with ensuring compliance with various internal and external policies, focusing on fit can be alluring. Fit, however, is often subject to bias and other kinds of subjectivity that can exclude potentially excellent candidates. Harvard Business Review, for example, notes that affinity bias—the tendency to have a more favorable opinion of someone who is like you—is ubiquitous in hiring and "leads people to seek out, and hire, candidates who 'look, act, and operate' like them."

Since many hiring professionals currently do put some emphasis on factors such as experience and fit, they may feel they are already making the shift to skills-first hiring and that communications on the subject aren't really targeted at them, but rather at others.

"I have a designated team that I've trained to interview and look for ... culture, fit, skill set. And then the leaders are interviewing. And then there might be subsequent interviews. ... So, we don't just try to fill positions with whoever. ... We really take the time and get the right people in the right places."

Given the confusion that exists around what the skills-first hiring movement is and how it works, an important goal is to encourage people not to simply "think outside the box" when it comes to hiring practices, but rather to redefine what a new hiring approach should look like in clearer, more constructive ways.

#### 3. A focus on individual action and accountability makes it challenging to build a movement.

Another broad pattern that emerged from the research is that people tend to see shifts in hiring strategies in terms of individual HR staff or organizations changing their ways.

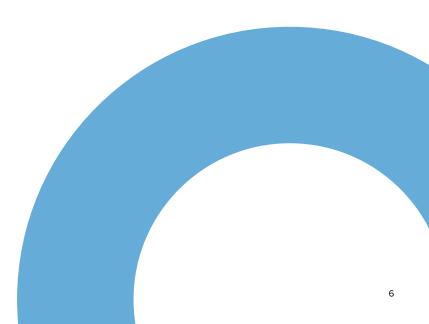
This narrow, little-picture perspective makes it harder to engage energetic support, for a few reasons:

- It reinforces the idea that different approaches are suitable for particular needs and contexts, rather than the idea that the shift to skills-first hiring is a widespread, shared movement.
- It can leave hiring professionals feeling that communications aren't relevant to them, since they believe their own workplace is already using skills-first hiring.
- It makes any shift in hiring strategies seem challenging because it is seen as an individual effort without much in the way of support or resources.
- It makes it harder to tap into social or professional momentum that would likely come if hiring professionals felt they were engaging with a broad shift in strategy along with their peers.

"For some hiring managers ... [if] they're not familiar with [skills-first hiring], I think that it's very scary to them because if it doesn't work out, then that is on them. ... Someone could list all this stuff on the resume and it would look amazing to me, but unless I really took the time ... to figure out what all of this meant—I mean, it all could be fluff. ... So, I think it's just more of a commitment of time [for] hiring managers having to think outside of the box and being OK with that risk."

#### 4. There are situational challenges and barriers that go beyond framing language.

The SHRM Foundation was already aware of some of the obstacles identified in the research, including the belief that a shift away from degreefocused hiring will require more time, effort, and creativity; a concern that superiors will not support hiring decisions in the absence of degrees; and a perceived lack of resources and technical support for effectively and efficiently evaluating candidates—or their skills, credentials, aptitudes, and talents—in other ways.



*"First, your organization needs to support HR. And if they're not supporting HR, then they're never gonna support any buy-in that comes from any kind of hiring decision."* 

"[For] supervisory or managerial roles, the company where I work ... [has] been very intentional about stripping requirements for degrees out of our job postings. ... But it was met with resistance, right? There were managers—there still are managers who were very explicitly saying, 'No, I need a candidate with a degree.' And then, you know, when you press them and press them about, you know, why do they need a degree ... they don't really have an answer to that."

### OPPORTUNITIES AND RECOMMENDATIONS

The research identified some clear paths forward for engaging SHRM members more effectively and consistently in a shift away from degree-focused hiring.

#### 1. Center the movement on the terminology "skills-first."

This phrase intuitively and clearly captures the essence of a new approach. What's more, it's easily picked up and used by SHRM members, and it builds on their intuition that hiring should ultimately focus on the skills people possess, rather than qualifications that appear on a piece of paper. Finally, it is easily contrasted with current approaches that can be called "degree-first," "degree-required," and so forth. By crystallizing the essence of a new approach, it helps people focus their enthusiasm more concretely.

This term also emphasizes the things people can do, as opposed to how the skills were acquired or what form the "proof" is in.

#### 2. Focus on emphasizing a fieldwide shift.

Consistently framing the needed shift as one that is occurring at the system level, not just the individual or organizational level, has important advantages:

- It addresses the problem of people ignoring communications that they think are intended for others by calling on them to think about the hiring field as a whole.
- It addresses the challenge of people focusing on how different companies need different approaches.
- It addresses people's fear of being isolated or having to go out on a limb if they take a different approach.

It is consistent with the idea that this shift will be
supported by SHRM and other fieldwide organizations, which energizes members and helps them believe the shift is practical and attainable.

Essentially, this aspect of framing the argument for skills-first hiring is about making the shift seem like an "official," fieldwide initiative.

#### 3. Frame skills-first strategies as the inevitable and natural future of hiring.

This fieldwide shift is easily understood as an evolution away from "old" practices that no longer serve the profession or fit the realities of the workforce and the workplace, and toward something that is informed by, and informs, the realities of tomorrow's workplace and workforce and that will inevitably emerge as the preferred model. Rather than suggesting that hiring professionals will need to take a potentially risky, "outside-the-box" approach, present the shift as the conscious adoption of better standards for assessing skills and credentials. It should not be characterized as a sudden or radical shift, but rather a natural development.

### **RECOMMENDED FRAMING LANGUAGE**



## Communicators will find their own ways of making key points based on their audiences and contexts, but the following paragraph illustrates one way important points could be expressed:

The world of work has changed, and hiring professionals recognize their field needs to change with it. Corporate leaders and HR staff in workplaces of all sizes are recognizing that skills-first hiring not only is the most effective approach for addressing their talent needs but also has benefits for applicants. By moving away from degree-required hiring and focusing on the full spectrum of skills an applicant brings to a position, we can more effectively identify good candidates while also creating opportunities for more people.

There is an urgent need for the field to continue to develop systematic ways to efficiently identify the hard and soft skills candidates bring, and for the existence of a shared language for applicants and hiring professionals to communicate about those skills. SHRM and its members believe it's time for the skills-first approach to be a human resources and business community standard. With commitments from industry leaders, we can all hire more easily and successfully, in ways that offer long-term benefits to our companies, our workers, and our communities.

## **Research Approach and Methods**

Informed by expertise from the social and cognitive sciences, Topos Partnership focuses on Cultural Common Sense, or deeply held understandings that are pervasive and unquestioned and that have the power to shape people's views and behavior. By aligning with Cultural Common Sense, we approach the level at which we win and lose real-world debates about policy and practice.

Topos' work goes far beyond the passive act of measuring responses to messaging. Instead, the firm wants to know what ideas have the power to stick with people and change their perspectives—and ultimately their behavior. Topos' unique and always-evolving research approach unearths insights and strategic possibilities others miss, and helping to establish a shared vision of the landscape of public understanding in which we all operate.

This research project took place in 2023. The primary method of collecting information was through conversations with SHRM members throughout Arkansas. Additional information was gleaned by conducting onthe-ground, ethnographic fieldwork—visits to a range of communities to talk with members of the public, including those who fit the profile of job candidates whose futures can be impacted by a shift away from degree-first hiring. To prepare for this work, Topos reviewed SHRM Foundation literature and previous research on skills-first hiring and advancement.



#### **Conversations with SHRM Members**

From July through September 2023, a diverse pool of 46 SHRM members who were recruited by the SHRM Foundation shared relevant experiences and perspectives related to degree-first hiring and other hiring approaches. Conversations lasted approximately 30 minutes, and members spoke candidly about the factors they consider, or would like to consider, when hiring, along with processes and tools that may lead to more helpful hiring solutions.

In part, these conversations were stakeholder interviews that involved explicit discussion of the barriers to and openings for skills-first hiring. They also served as a way to explore the beliefs and assumptions hiring professionals hold about skills-first hiring, as well as to gauge responses to different approaches to framing the shift toward this hiring approach.

#### **On-the-Ground Ethnography**

In-person ethnographic fieldwork took place in various communities across three different cities in Arkansas— Little Rock, Hot Springs, and Russellville—to explore how members of the public think about jobs, employment, and qualifications. Ethnographic conversations were held in August 2023 in outdoor settings, including parks, small businesses, and community events. Ethnographers recruited individuals onsite and conducted videorecorded conversations that lasted 15-30 minutes; these conversations elicited authentic responses from individuals who might not have otherwise participated in the research.

The perspectives of members of the public are relevant to the current challenge of making the case for skillsbased hiring because they represent the broader Cultural Common Sense mentioned earlier in this report. They also reveal the "other side of the coin"—how job candidates, especially those who do not have college degrees, experience the application, assessment, and hiring process.

See the Appendix for more details on the ethnographic research pool and process.

## **Detailed Findings**

Turning to findings from the research, we will first identify the challenges inherent in the conversation about skills-based hiring and then turn to opportunities and recommendations.



One of the clear and foundational findings from the research is that rationales explaining why it is a good idea to embrace skills-first hiring are not sufficient on their own to create a shift in practice (though it remains helpful to mention them, as we discuss later in this report).

While most human resource leaders say they are in favor of moving beyond a focus on degrees in hiring, practices do not reflect this perspective. Topos research confirms that hiring professionals agree with a number of rationales, including the argument that putting less emphasis on degrees is fair, increases opportunity, and can lead to better results.

"In our accounting department ... previously we would allow or require a college degree. Now we're hiring individuals in our billing department that have requisite numbers of years of experience. And I'll just tell you, those individuals have turned out to be great employees and hard workers and committed. They show up; they don't call in. And so I think that's the first step. ... There are some jobs that can be performed with individuals that have skills and experience and not require that diploma." "For my industry, the only time we're really requiring degrees is if I have a structural engineer, a civil engineer, sometimes a manufacturing engineer position. ... They require degrees for those. And then outside of that, I guess me personally in human resources, they usually require it, which I don't agree with."

But both prior research and the current Topos project—as well as everyday workplace experiences—show that these rationales by themselves are not enough to encourage the movement in practice and policy required for systemic change.

"I think there maybe is more willingness at the HR level, but not so much at, like, the department level where these people would be going. And I think it's probably stronger within certain fields than others. I think we also have a machine ... that really pushes people to go to college. And so when you come out of college and you've spent a ton of money on a degree, there's an expectation that you've paid for something. And I think changing that perspective is gonna be hard."

"The actual effort it takes to sort of change the embedded practice of [degreerequired hiring] is harder. I think for certain career fields, there's a stigma, right? Like, hiring managers and maybe in HR, people are more willing to embrace that. But the people that are actually hiring in those positions are less eager to embrace that change. I can think of certain fields where I've ... really had to try to influence people in changing their mind about things."

The questions that need to be answered, then, are



<sup>&</sup>quot;Why aren't rationales enough?" and "How can communications be more effective?

### BARRIERS AND CHALLENGES: WHY AREN'T RATIONALES ENOUGH?

There are several obstacles that currently prevent hiring professionals from moving in the hoped-for direction. Interviews with SHRM members reveal patterns in current thinking and discourse that create significant challenges to keep in mind.

Below are six primary obstacles identified by this research. The first two relate to fundamental understanding and language challenges. The final four relate to situational challenges.

#### 1. There is a lack of a clear, shared understanding of the shift.

One important overall challenge that gets in the way of effective communication on the topic, and makes it less likely that hiring professionals will shift their practices in the ways the SHRM Foundation envisions, is a basic lack of shared understanding and language.

A move away from an emphasis on academic degrees is the current, shared idea. But this negative conception of the shift (focusing on what hiring shouldn't be like) leaves the process of how exactly to change and improve practices vague. This vagueness is a problem because it doesn't promote any specific solutions, such as making changes to applicant tracking systems, or help build momentum around specific changes.

This lack of a clear, shared vision opens the door for hiring professionals' thinking and actions to go down unproductive or problematic paths, such as:

#### O Belief that they are already using skills-first hiring practices

Without clear, shared language and an understanding of how to think about the desired shift in strategy, hiring professionals may believe they're already taking the approach the SHRM Foundation has in mind (even if they're not) and that no change is needed on their part.

Many hiring professionals, especially those at very small organizations, believe that reading cover letters, considering degree equivalencies, and generally reviewing each application thoughtfully and thoroughly amounts to skills-first hiring.

"We're in the 'people business.' ... We have people, we staff people, we depend on the people. So, I think if you have a really nice interview process ... you're looking for those skill sets. You're looking for the behavior that matches the culture, fit, and everything else within your interviews."

"We have all walks of life, [a] broad variety. I think we look more at the person and their skill set and how they fit within the team versus a piece of paper."

#### Culture" and "fit" as problematic defaults

"Culture" and "fit" are common factors considered when the focus shifts away from academic degrees. To an extent, these are legitimate and helpful ways of thinking about candidates who lack certain other "qualifications" such as academic training. If a candidate's work style and professional values match the organization's, hiring them can help to reduce turnover, encourage teamwork, and keep up workplace morale.

"In our office, because we're so small—there's only nine of us—fit is extremely important 'cause you gotta be able to get along with everybody, right? And so sometimes [if fit is missing] that's more expensive than anything."

"As an employer, you don't wanna have a lot of turnover, you know? You want somebody there to stay and that fits your culture."

"[We] tend to be looking more for, 'Do you fit? Are you a fit? Are you somebody I can trust and I can rely on, and I can teach you the rest of it?' "

The problem, as some interviewees point out, is that there is great risk of personal biases affecting these assessments, especially when culture and fit are treated as primary criteria and are judged entirely through interviews and informal conversations.

"If someone can't pronounce a name, they're quick to throw that resume to the side. The other thing is, there is still some bias because if they see what college you went to or see where you live or see what type of boards you may be on ... they can assume that you are of a different race or a different gender or they can, they might understand what type of person that you are. Basically, the bias is there, whether it's conscious or unconscious."

Relatedly, employers often use employee referral programs<sup>2</sup> to identify potential new hires. But this approach can perpetuate a lack of diversity, as current employees are likely to refer others who are similar to themselves.

"Our biggest lead source is referrals. ... We have a nice referral program. ... If a person completes 90 days and you refer them, you get \$500. ... What we wanna do is create a culture that's so wonderful that they are referring their friends or family, whoever."

According to a <u>2023 study</u>, 84% of companies have some form of referral program, and people who are referred for a position are five times more likely to be hired. This pattern allows for affinity bias—the tendency to gravitate toward, and inherently feel affinity with, people who are socially or demographically similar to you—to play out strongly, but often unconsciously, in most hiring processes.

<sup>2</sup>These referral programs often benefit the candidate, who might automatically be invited to an interview without having to undergo any earlier rounds of resume review. The programs also benefit the current employee, who might receive a monetary bonus if the referred individual is hired and an additional bonus if the new employee stays longer than six months.

#### **PUBLIC PERSPECTIVES:** "FIT" IS UNDERSTOOD AS "CHARACTER."

When job candidates think about the concept of "fit," they talk about personality, responsibility, and character. They are aware of the need to demonstrate their "good character" to potential employers and describe the importance of face-to-face interactions to be able to do so. In this light, social networking is also seen as crucial to finding a decent job.

"Being upfront, honest, talking to them as if we knew each other for years. I just come in open-minded, willing to help them cover what they need covered at the time of me applying [for] the position. I'm applying for being a good worker, dedicated, always going above and beyond what's needed, and just being an outstanding new worker to the company. Maybe I can help them do some stuff that they had no ideas about. They could help me do some stuff I had no ideas about. It's always teamwork makes the dream work."

—Black woman, age 25, high school diploma, Russellville, Ark. "I was a shift supervisor, and I was involved in trying to get people hired. ... And that was kind of the big thing we harped on is a personality. And so in every job that I've ever worked at, it's been more personality-focused rather than the skills. The skills can be taught. Yeah. But you can't teach a personality."

—White man, age 24, college degree, Hot Springs, Ark.



"If you're a person without a degree, you have to work harder. You have to personally go to that employer, instead of having their robot look through the system, and talk to them. So, it really just depends on how hard you wanna work toward it."

—White woman, age 19, some college, Russellville, Ark.

#### "Experience" as a dominant and exclusionary focus

A particularly strong tendency, as professionals consider the shift away from a focus on degrees, is to instead focus on job experience, which figures strongly in the Cultural Common Sense about what makes a person qualified for a position.

"I think when you're evaluating a candidate, having some—not strict rigor, but like—some sort of methodology behind how you're looking at 'How does that experience translate to maybe the equivalency of a degree?' "

"Most of our workforce would be hourly. And what's more valuable on the floor ... would be prior manufacturing experience or factory work. Can you work in the conditions in the environment? Do you have a decent work ethic? Can you show up? It's not as much their educational background."

Obviously, work experience can provide useful and legitimate indicators of a person's potential for excelling in a position. However, a primary focus on work experience (to the exclusion of skills, aptitude, training, and other factors) can exclude some of the SHRM Foundation's target populations, such as opportunity youth, people who were formerly incarcerated, and potentially those whose physical or mental health conditions have made it more difficult for them to gain and maintain employment.

#### **PUBLIC PERSPECTIVES:** EXPERIENCE IS TOP OF MIND.

As confirmed through the ethnographic interviews, people in Arkansas know that a degree is not the only marker of skills. They also, and often first, think of experience when thinking of indicators of skills and aptitude.

"I know what it's like to be around people that feel forgotten about, and, you know, my grandpa lives in a facility like that. ... My experience and the special skills I've gotten from my experience all since I was [young], it may not be on a certificate, but it's just as valid of an experience. Maybe more valid of experience."

- White woman, age 38, high school diploma, Russellville, Ark.



"It's nice to know that you have the experience. ... Education don't always mean anything. Experience is over it ... in my opinion. If I know people that don't have any ... certifications but they can run the equipment better than anybody else ... it's just, like, off of life experience when they actually know what they're doing."

-White man, age 21, high school diploma, Dover, Ark.

## **2.** A shift to skills-first hiring practices tends to be understood in terms of individual professionals or organizations changing, instead of as a collective and ongoing movement.

The second broad challenge in members' current thinking and discourse is that skills-first hiring tends to be understood in terms of individual professionals or organizations changing their ways. This narrow, individual focus can lead to a number of challenges:

#### **O** Missing the movement

By considering this effort in terms of individual professionals or organizations, hiring professionals can miss or ignore the chance to tap into additional kinds of momentum, such as the desire to be part of a larger, profession-wide change.

#### **O** Relevance

If individual hiring professionals believe they're already embracing skills-first hiring, communications about a shift in hiring strategy can feel irrelevant to them.

#### O Defensiveness

If communications sound like they're aimed at getting individual hiring professionals—or their departments or organizations—to change, they may sound critical and trigger defensiveness instead of enthusiasm.

#### **O** Situational dependency

Hiring professionals tend to focus on their own contexts and the needs of their own organizations. Because of this, there is a tendency to emphasize that hiring processes and decisions play out differently in different places, creating another obstacle to engaging with broad new perspectives.

#### • Fear of operating "outside the box"

If new hiring approaches are seen as "different" or "creative," and if degree-required hiring is the norm, new approaches will be seen as being harder to adopt and requiring more effort and thought. These new approaches will also be viewed as more experimental and idiosyncratic, and even professionally risky. This kind of language was sometimes used by SHRM members to describe a shift away from degree-required hiring:

"I think [hiring professionals] need to really be challenged. ... 'Here's what you're trying to get. Can you get that in a different way? And really challenge the status quo? Think outside the box?' "

To succeed, this conversation cannot be about thinking outside the box; it has to instead be about collectively changing the nature of the box.

## **3.** Hiring professionals are concerned about the resources and time that will be needed for skills-first hiring.

The first situational challenge, raised often by SHRM members, is an assumption that hiring processes that move beyond traditional educational degrees require more careful, interpersonal, and time-consuming effort.

For example, many believe that culture and fit are best (or only) assessed by face-to-face interactions, perhaps in multiple rounds of interviews. In addition, hiring professionals mention close reading of resumes and cover letters as ways to better assess candidates' skills, actions that often demand more time and effort than some hiring professionals can afford to spend.

"We have the functional accountabilities for every job description within the organization, and then the essential skills needed. ... We look for in those resumes matching words that go into our job descriptions ... and then in the interview process, we have select questions that we [use to] look for those skill sets. ... We don't have AI looking for all that. We actually have people looking for the resumes and looking for those key skill sets."

## 4. There is a perceived lack of material and structural supports for hiring professionals.

Hiring professionals often assume that new approaches must be developed and implemented at an individual level, in part because there are few material or structural supports for them organizationally and across the industry.

SHRM members noted that it's much easier and more efficient to assess candidates' level of education than it is to assess their skills, especially when using an applicant tracking system. It's more difficult to sort through large numbers of applications by skilled credentials, and there don't seem to be effective, available tools that address this challenge. "We have posted for an HR specialist job, and I think we got, like, a hundred resumes. ... So, being able to go through there and kind of look [at each resume], and I know a lot of people look for buzzwords that their system will do ... and it could knock out fabulous candidates because they didn't include a buzzword. So, I think an application software would be very useful, especially for either the recruiter or the hiring manager to really go through there and just not look for highlights of two or three things."

## **5.** Among hiring professionals, skepticism exists about the effectiveness of system-level hiring initiatives.

While SHRM members believe transformation is a good idea, they also expressed skepticism about whether it is possible. Some wondered how a shift of this scale could be implemented effectively at a system level. There is also concern regarding whether initiatives can be designed so that they actually support HR professionals in ways that will allow them to do their jobs more effectively and efficiently.

Some hiring professionals drew on their experiences of initiatives that, to their knowledge, did not work well, including recent attempts at online job market databases in the state of Arkansas.

"I've not seen those [clearinghouses or credential verification websites] be very successful in the past. ... Here in Arkansas ... [there was a state-funded] website that was supposed to marry employers, educators, and job seekers all in one centralized location. ... That initiative was dead before it started. ... I think clearinghouses are important, but, I mean, folks have to use them, and that [is] the biggest issue."

"My biggest concern is how that would actually play out when you're talking thousands of institutions of higher ed across the country, you know, just using National [Student] Clearinghouse itself. Not all institutions use that. And so making sure that whatever this database system is truly reflects the real documents and not something that was somehow manipulated. ... And I don't know that you're going to get buy-in from corporations 'cause they're going [to] have to ... subscribe to it or whatever that looks like. And that's money out of HR's pocket, and we know how that goes."

#### 6. Hiring professionals believe skills-first hiring will face resistance from organizational leadership.

HR professionals are often on board with new hiring approaches in principle, but they may also believe that their bosses and superiors do not share this perspective. When upper management, or even particular hiring managers, value degrees over other potential qualifications, it can be difficult to hire candidates who don't have them.

For example, SHRM members said they sometimes have to make a special case for an individual applicant or argue for changes to job listings that specify "degree required" or "degree preferred."

Reaching leadership or management, or helping HR professionals talk to leadership, may be an important route to focus on. Whether or not they are resistant, leaders' views matter for making organization-level changes.

"I think it depends on the leadership. I think in my past experience and especially where I'm at now, our leadership truly, we do not focus on a college degree. We do focus on the individual, the experience they bring, and it is license-driven, certification-driven."

"It drives me crazy when I'm talking to employers and they have their intake methods set to rule out anybody that doesn't have a college degree. I want to frankly scream."

"I think sometimes the people that sit way on the top who make the rules, they pass these requirements down, and unfortunately there's not a lot of leeway. They don't pass on the ability [to] the hiring managers to stray from certain criteria, and I think that can be an issue. I think that's the big issue there."

### OPPORTUNITIES AND RECOMMENDATIONS: HOW CAN COMMUNICATIONS BE MORE EFFECTIVE?

The research identified several promising framing approaches to help make the shift toward skills-first hiring a clearer and more compelling proposition for hiring professionals.

These framing approaches can be thought of as lenses through which to view the topic, ways to "set the table" for more specific discussions of why and how to make the change, and strategies to help people think differently and engage more strongly.

The approaches encompass two overarching themes:

Clarify the nature of the shift in an "affirmative,"rather than a negative, way.

2.

Treat the shift as fieldwide rather than individual.

The most effective approaches will combine the following elements:

- Using the term "skills-first" hiring will clarify a specific new focus on skills that may be acquired and demonstrated in various ways beyond academic degrees.
- Emphasizing that this is an "official," fieldwide shift will help hiring professionals to see that the change is happening on a professionwide basis, as opposed to an individual, exceptional, and occasional basis.
- Characterizing the change as the future of hiring will make the case that this shift moves the hiring field forward, progressing past an outdated system that should be left behind.

These points are clear, consistent, and mutually reinforcing, and they can be combined into one powerful narrative that can be expressed in different ways. Here is one proposed script:

For many reasons, the future of effective hiring will involve a shift away from prioritizing academic degrees and toward taking a "skills-first" approach that focuses on the skills a candidate brings, regardless of where these skills came from. SHRM members recognize that degree-first hiring means they miss out on good candidates and hire people who aren't best suited for the position, but we can move forward as a field by creating and using tools that efficiently identify skills, not just academic training. This shift will make us more effective and help bring people into the workplace who might have missed out on opportunities in the past.

### APPROACH 1: USING THE TERM "SKILLS-FIRST HIRING"

The research showed that "skills-first hiring" is a straightforward phrase with strong potential to capture a hiring approach that focuses on all relevant skills, regardless of how those skills are acquired or demonstrated.

All of the following qualifications are relevant as aspects of the skills-first conversation:

- Experience—as a way people acquire skills. Through a skills-first lens, "experience"—which is already highly valued in hiring—could be definitionally expanded to include diverse experiences such as military service, parenting, and community organizing.
- Credentials—as a way of demonstrating and verifying skills. Importantly, credentials include degrees as well as other forms of training and skill building.
- Aptitude—as a kind of base line underneath skills. This base line, which also ties to conceptions of attitude, interest, and innate ability—often unspoken components of "fit"—can be assessed in the hiring process.

The phrase "skills-first hiring" taps into the Cultural Common Sense of the SHRM audience. After all, skills—no matter how they are acquired—are what's needed to perform the tasks that positions require.

"I value a skill over a piece of paper all day."

"You can get some really creative people who don't have degrees, and they can take your company to a whole new level just for whatever reason. ... That's something that holds a lot of people back. [There] are very smart people who are very capable and excellent choices for bigger companies that are creative and think outside the box. So, I think that skills-first would be an excellent way to go."

"Skills-first hiring" also syncs with the experience of many hiring professionals themselves, who often do not have relevant or advanced academic degrees for their current position.

Moreover, "skills-first" can be contrasted clearly and simply with "degree-required" or "degree-first" and, in testing, proved more likely to resonate with SHRM members than other potential terms, such as "whole-human hiring," which people found confusing.

### A DIFFERENT LENS

**FOCUS ON ALL THE SKILLS** NEEDED FOR SUCCESS ON THE JOB REGARDLESS OF HOW THEY ARE ACQUIRED OR DEMONSTRATED

**EXPERIENCE** - resume, history, prior positions

**APTITUDE** - teamwork, leadership, communication, soft skills

**CREDENTIALS** - apprenticeships, internships, training programs, academic degrees

#### **PUBLIC PERSPECTIVES:** JOB SEEKERS DO NOT THINK THEY'RE BEING ASSESSED BY THEIR SKILLS FIRST.

Instead of being assessed by their skills first, job applicants often feel that they must convince employers of their character or to "take a chance" on them even though they may not have experience or training.

Applicants believe it's their responsibility to demonstrate their skills and aptitude to prospective employers, but these individuals do not always see a clear path to do so. They would likely be open to supports that would allow them to better convey the skilled credentials they hold.

"Got to sell yourself. Who are you? Let them feel who you are. Who are you? 'Cause when I walked up to that job, that woman didn't know me, but I just told her I'm a hard worker. Gimme a chance and I'll show you. She was happy with ... who she saw as an individual. She stepped outta faith. 'I don't know you, but you ain't got your credentials or nothing. You ain't got no identification. But lemme see what you'll do.' " "Hey, I've been there. I know what it feels like [to look for a job], but you just keep trying. ... It only takes that one person that sees something in you that they like. And boy, when you find them, you work hard for 'em and you do a really good job. And after that, you can't be stopped."



"I was really good about showing up every day 'cause someone told me that on the job, you may not be the best at that job, but showing up every day, just being there, counts for a lot of it. ... As long as you keep going, you keep going and keep going, you're gonna grow as an individual."

### APPROACH 2: EMPHASIZING THAT THIS IS AN "OFFICIAL," FIELDWIDE SHIFT

Consistently framing the needed shift to skills-first hiring as one that is happening at the system level, as opposed to just at an individual or organizational level, brings several important advantages. One is that it addresses certain challenges in SHRM members' current thinking, which were discussed earlier:

- Many individuals believe they and their organizations are already moving away from degree-first hiring, so current communications can seem irrelevant to them and/or critical of their current practices.
- O Hiring practices are currently understood as being dependent on particular contexts and situations, with different pros and cons for each organization.

- Many hiring professionals fear being isolated, having to go out on a limb, or feeling unsure and unsupported when it comes to changing their hiring approach.
- Many individuals are skeptical about specific efforts or tools, such as updated applicant tracking systems, being effective.

By addressing these challenges, an industrywide or systemwide framing also helps engage and energize people more effectively.

"We have to look at changing our methods. And I believe that we're facing ... [a] workforce crisis. I think there are individuals that want to work ... that may be screened out or not even considered just 'cause they don't have a degree. So, I would support that shift, and I think that we need to be engaged in that discussion and in that thought process to help us fill ... some of these gaps that exist in our workplace right now."

Note that explicit support from SHRM for the shift toward skills-first hiring is both important and helpful from a framing point of view. Members affirm in interviews that hearing about this support means that the shift is real, broad-based, positive, and attainable.

### APPROACH 3: CHARACTERIZING THE CHANGE AS THE FUTURE OF HIRING

SHRM members are already convinced that times have changed and that hiring needs to evolve. They think about this need in terms of how to attract candidates (e.g., by offering different kinds of benefits, flexibility, and a more welcoming culture) and in terms of how to assess candidates with more accuracy, reliability, and replicability.

Furthermore, SHRM members believe there is already momentum in this direction. They accept that this is the way hiring practices are currently moving—and they believe it's for the better. While the change requires some proactive effort, it represents a natural progression to the next phase of professional practice and should feel smooth rather than rough and disruptive.

"[Skills-first hiring is] progressive, and it's long overdue in society. There was a time and place when the four-year degree was the pinnacle of success and it fit for that society, but college was more affordable then, housing was more affordable ... and lots of things are different [now]."

### A NEW SCRIPT: WHY SHOULD I SERIOUSLY CONSIDER SKILLS-FIRST HIRING STRATEGIES?

As already discussed, SHRM members may already understand and agree with the rationales for moving to skills-first hiring, but that alone isn't enough to make the shift happen.

That said, brief reinforcement of the most compelling rationales remains helpful as a secondary aspect of the communication. Even if the professional audience is mostly already convinced that the shift to skillsfirst hiring needs to happen—or, in some cases, is already starting to happen—equipping them with clear, consistent, and easily translated justifications will reinforce the importance of the shift and help them communicate with organizational leaders, hiring managers, and others who may not be as convinced by or as familiar with the reasons.



Conversations with professionals show that the following tactics are often engaging and persuasive:

#### 1. Speaking from the company/organization perspective

Some of the ideas that members find compelling relate to the fit between what companies are looking for and the assessments they use, or should use. In effect, skills-first hiring simply makes more sense than current approaches, for several related reasons:

#### **O** Qualified applicants don't always have two- or four-year degrees.

This point is self-evident to a large number of SHRM members because many do not have degrees themselves. Also, they know of co-workers and friends who do well in their jobs despite lacking degrees. This idea is occasionally expressed as an exception that proves the rule—doctors and lawyers need degrees, but people in other positions don't.

Many SHRM members even already believe that assuming someone is qualified for a position just because they have a degree is like taking a shortcut that doesn't always work out.

"I think when you're evaluating a candidate, having some—not strict rigor, but like—some sort of methodology behind how you're looking at 'How does that experience translate to maybe the equivalency of a degree?' "

"I myself do not have a degree. ... I feel like we're overlooked in positions."

"If somebody wants to be an accountant or a doctor or a lawyer, I want them to have as much education [as possible]. I want my doctors to have all the education they can get. But those are choices, and not everybody gets that. And if you just look at our local statistics in our region ... there's nothing that supports everybody going to college."

"I'll always say, 'Gimme the C students,' you know? 'Gimme the folks that don't have the top companies gunning for them' because they're the ones that are gonna come in and be thankful and grateful that they have an opportunity. Or, 'Gimme the ones that dropped outta high school because they gotta work.' Like, you just gimme those people because they tend to work harder, in my experience."

#### **PUBLIC PERSPECTIVES:** REQUIRING DEGREES FOR POSITIONS IS OFTEN UNNECESSARY.

Individuals who participated in ethnographic interviews agree that a person doesn't need a degree to do a good job and that there are already many decent positions (at least in Northwest Arkansas) that do not require a degree.

People also discussed the value of skilled credentials, especially certifications and training, in securing gainful employment.

"[My colleague] could have waited until she graduated high school and went into college, but the nursing home paid for her to go for a three-week class to get certified. ... I think for the younger generation, I think it's a better alternative because they are tired of school. ... They just wanna get into the workforce."

- White woman, age 41, graduate degree, Russellville, Ark.

"We have a VA clinic that if you don't have medical experience, they have secretaries and filing clerks and stuff like that."

— White woman, age 46, vocational/technical training, Mena, Ark.



"If you wanna be a massage therapist ... there's a massage therapy school here. And a lot of people do that because they give massages in the bathhouses. ... I don't know too many people that have a degree."

-Biracial woman, age 72, some college, Hot Springs, Ark.

"[Russellville has] a lot of caregiving jobs and helping patients and things like that. ... To work in [that] field, you do need a CNA, AP, CAA, PRNA, APRN or some type of license in that field. So yeah, it's very required to have those certifications."

—Black woman, age 20, high school diploma, Russellville, Ark.

Other factors, especially training and credentials, are often more valuable than degrees. SHRM members consider skilled credentials, such as training and certificates, to be valuable. In fact, several saw the act of keeping credentials current as being similar to renewing their own SHRM certifications. They believe training classes and programs will have the most up-to-date, industry-specific information—more so than academic degree programs.

Further, keeping up with certifications and training demonstrates ongoing professional development, which SHRM members value in prospective and current employees.

"When I think of the hesitation that might come [up against skilled credentials], it's from the larger corporate organizations in certain roles, right? ... If you need a CPA, you need a CPA. ... There are some things like that that you just can't get around. ... We're more comfortable with ... certifications. In the past, it's been the trade skills, [like] plumbing. I think of those kind of skills, of certifications, and I would absolutely consider someone in an HR role that had an HR certification and some relevant experience or exposure to people. ... I would absolutely consider someone like that as just as qualified as someone who had a business degree."

"We have a contractor safety training that we provide in order to get into one of the plants as a contractor ... whether it's mowing the yard or painting, or scaffold[ing a] building, whatever you may be contracted for. ... We provide this training for about a thousand people a year. ... With that training, we literally update it annually."

**Important caution:** As discussed earlier, without explicitly identifying skills-first hiring as the desired method, SHRM members easily default to narrow and counterproductive ways of thinking about experience and/or fit as natural substitutes for a focus on degrees. The idea of credentials tends to be more off the radar, though appreciated when brought up.

"We like to see degrees there, but gosh, that they have to stay on top of [industry training] all the time ... just to be relevant. And so we see them getting a lot of, like, little certs and taking classes online classes that, you know, didn't even have to do with their college degree."

#### 2. Talking about how it is the "right thing to do"

SHRM members appreciate that a shift toward skills-first hiring would be good news for many job seekers—but how the message is framed is important.

Talking about the importance of diversity in the workplace resonates with some SHRM members, but for others, the term clearly feels empty. By contrast, talking about how skills-first strategies foster a situation where "more applicants will have more opportunities" consistently garners support.

Many SHRM members either have had difficulty earning a degree themselves due to their life circumstances or know good workers in similar situations. (Interestingly, the research suggests that those in younger generations may be more open about the challenges they have faced.)

"Many of us have checkered pasts, and that doesn't take away from what a peer has to offer. ... So, being a second-chance employer is very important."

#### **PUBLIC PERSPECTIVES:** IT IS A CHALLENGE TO OVERCOME THE INFORMATION GAP.

Individuals without degrees are struggling to overcome the information gap between themselves and prospective employers. They often need to rely on social connections and/or their ability to convey their "character" in an interview. In the most dire circumstances—including if they don't have an ID or cannot pass a drug test—they often resort to finding employment through temp agencies that get them immediate work. However, these agencies can be exploitative or even dehumanizing.

"And they sometimes frowned upon people who are homeless 'cause I was run out of McDonald's a few days ago when I was looking for a job. They did not accept my application. And I try getting ahold of the business owner, but, you know, things tend to go sideways when you're doing that."

—White man, age 25, some high school, Little Rock, Ark.



"Yeah, it's hard to find a job in Little Rock—like, most of the jobs—if you don't got a driver's license or whatever."

-White man, age 32, some college, Little Rock, Ark.

Many individuals also said they have skills that don't necessarily translate on paper.

"I can be on my feet for long periods of time. Tyson, when they first put you in there, they kind of throw you in there and they don't give you no gloves or nothing. ... That's without the special skills I'm telling you about. Man, I can deal with the cold. I can work at Tyson, Wayne Farms, all those."

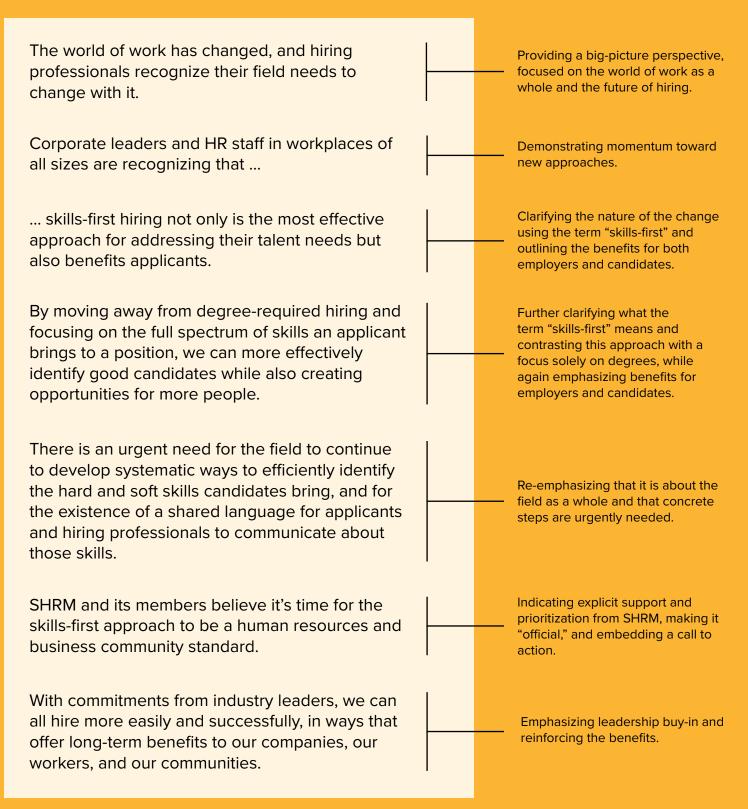
—White man, age 41, high school diploma, Russellville, Ark.

"When you come out [of] incarceration, you get [the] majority of your jobs through temp agencies, so the temp agencies were where they'll put you somewhere. ... They pretty much put you where [they think] your skill set is. ... And most jobs the temp services give you, they'd be majority like \$12 an hour."

—Black man, age 44, GED certificate, Little Rock, Ark.

## **CORE FRAMING:** Putting It All Together

Communicators will find their own ways of making the key points and offering examples, but the following is an illustration of what messaging might sound like, based on the findings from this research.



## **BEYOND FRAMING:** Additional Recommendations

The research conducted by Topos focused on understandings and language related to skills-first hiring, as well as new communications and framing approaches. But conversations also reinforced the importance of several other factors SHRM should keep in mind:



#### • Leverage respect for SHRM.

The membership and their employers strongly respect SHRM, appreciate the support the organization offers, and will take seriously the recommendations and solutions advanced by SHRM in this area. They feel that SHRM recommendations will make it more likely that leaders at their organization will follow through with changes.

#### Reach out to leadership.

Many HR professionals do not feel supported in skills-first hiring at their organizations. They believe that any substantive change needs to involve those "above" them within the organization. Both because of these leaders' influence and in order to promote shared, consistent perspectives, SHRM will benefit by engaging top management as much as possible.

#### O Use (or create) standard terms and categories.

While SHRM members were tentatively supportive of several initiatives, such as a clearinghouse for skilled credentials and a professional organization to support best practices, they were most enthusiastic about the potential usefulness of standardizing terms for skills. They believe that this is something currently missing from the field and that the benefits seem obvious. Some went so far as to recommend support for candidates to use new, standard language (e.g., by helping them write resumes). They also believe that standardized understanding of skills would help to educate parents who may be unnecessarily pushing college degrees on their children.

"I think it would be helpful from several perspectives—from the candidate being more aware because that way they can provide a more succinct and ready description of what their talents are. So, if they have an understanding of what a credential or a standardization of some kind of experience or credential they've gained, that would be helpful to them. So, it helps with that communication between the employer and that potential employee."

"The problem is that you gotta start with the parents. ... They say, 'You gotta go to college. You gotta go to college and get a four-year degree.' And the parents themselves don't realize what a great salary people with these skill sets are going to be able to make. And education of the parents is one thing, and that's one reason the Arkansas State Chamber's getting involved is trying to do—redo the whole mindset of directing students to a four-year college when they graduate, when there are so many job openings right now that a skill-set education, as you call it, these folks could fill the job."

#### **PUBLIC PERSPECTIVES:** JOB CANDIDATES AND EMPLOYERS ARE SPEAKING DIFFERENT LANGUAGES.

Job candidates feel like they don't know how to communicate their skills to potential employers; they want to show their "character" but can't articulate clearly how they would do so. They may also struggle with other barriers, such as long application processes or discomfort using computers or web applications.

"[Temp agencies] have jobs to offer you, but it still depends on the actual company that you're going to the interview for. ... You have to go to them, do an interview, background check, and it just be weeks and days, [even] months, before they just ever reach out to you. You basically have to ... keep reaching out to them to make your name remembered and heard that 'I'm looking for a job.' But we keep trying. We won't stop."

—Black woman, age 25, high school diploma, Russellville, Ark.

"I just wish that [employers would] understand it's hard to get a job, and the same way someone gave you an opportunity in your position at your job, we need that same thing, because they look at us as, 'OK, well, we already got a job, but they need a job. We can prolong their time and procrastinate and not get on what they want because ... we're the ones that they have to come to.' ... I feel like they don't understand that everybody is living in the same world. It's the same stuff happen to everybody. ... I just feel like they should treat others the way they're getting treated."

—Black woman, age 20, high school diploma, Russellville, Ark.



"I'm not very good at computers, so ... I'd rather just do the paper application, take it home, take my time, you know, because there's a lot of things that they want—specific dates and how long. I can't remember that."

—Native American (Cherokee) man, age 43, some high school, Hot Springs, Ark.

"I think you have the advantage online ... or you at least could if your resume looks good. But yeah, if you're banking on your personality 'cause you're in an entry[-level] position or you don't have a ton of experience, you should just go knock on somebody's door."

—White man, age 19, high school diploma, Hot Springs, Ark.

#### O Continue to develop mechanisms and tools.

SHRM members expressed skepticism when interviewers suggested specific tools, such as updated applicant tracking systems, that may facilitate skills-first hiring. Some believed that such tools had not functioned effectively in the past. However, SHRM members would likely be open to using these tools if they were endorsed by SHRM and could demonstrably help implement skills-first hiring.

#### O Upskill current employees and then hire from within.

This audience believes that upskilling current employees is an underutilized route through which open positions can be filled with good candidates and good workers can be retained. They either have examples in mind of people who have advanced in a company through continuing their training or getting a degree, often paid for by their employer, or they see good workers who remain stuck at a certain level as an untapped source. Embracing this approach could be a valuable way to both validate the value of skilled credentials and improve retention.

#### **PUBLIC PERSPECTIVES:** HAVING A DEGREE MIGHT NOT BE REQUIRED TO GET A JOB, BUT IT IS NEEDED TO GET PROMOTED.

Workers without degrees describe a "paper ceiling." Though they know there are many jobs out there—even decent ones—that do not require degrees, they also believe that you can only advance so far at an organization without a degree.

"It's hard to move up the corporate ladder or any kind of ladder. You pretty well have to have something under your belt, even if you do a trade or something like that. If not, they won't consider you for the good jobs out there. And that's the truth. Even with an associate [degree], it's just now getting to where people will look at you to do a management type of job or something like that. But if you don't have it here, you're outta luck." "I worked at Tyson. There was opportunities that I missed out on because I didn't have a college education. [There were] a lot [of] job opportunities I could have had if I had a college education."

—White man, age 36, some high school, Russellville, Ark.



"I went through the same scenario. I couldn't move any higher at International Paper because I didn't have a college degree. I couldn't become a supervisor. [I] had qualifications, I worked a position as a lead man and which would be the only person on the floor. The only difference is I just didn't have the college education. ... So, it kept me from moving up."

—White man, age 65, some high school, Russellville, Ark.

—White woman, age 51, associate degree, Hampton, Ark.



## Conclusion

Through this research, Topos has identified and articulated various effective framing and language strategies that, if deployed in an ongoing effort, could have a significant impact on employer uptake of skills-first hiring strategies.

Core findings from which to act include the following:

 Being in agreement, and agreeing with specific rationales for why change is necessary, does not by itself drive action when it comes to skills-first hiring.



- **2.** The skills-first hiring movement lacks clear definition(s) and requires language that makes it an affirmative and additive movement, rather than simply an unknown approach set up in opposition to the status quo.
- **3.** Advocates for skills-first hiring strategies must reframe the focus away from individual action and accountability and toward a collective, systemwide movement.
- 4. While language is crucial to the movement, it is also important to recognize the situational and institutional barriers and challenges that will persist no matter how enticing the language is, and to develop additional mechanisms for mitigating those barriers and challenges where possible.

#### From these findings, a set of recommendations are clear:

- Center the movement on the terminology of "skills-first hiring," which resonates and sets up a solid and positive alternative to a degree-centered mindset.
- Emphasize that this is a fieldwide movement, as opposed to something happening at an individual or organizational level.
- Frame skills-first strategies as the inevitable and natural future of hiring and advancement, as well as a way of increasing and expanding opportunity for everyone.

Ultimately, the challenges and opportunities that exist call for a new proposed script for how to talk about and advocate for the skills-first hiring movement. By utilizing some or all of this language, we can align the field; create a positive, clear and enticing future; and help HR leaders and employers move from agreement to action on skills:

The world of work has changed, and hiring professionals recognize their field needs to change with it. Corporate leaders and HR staff in workplaces of all sizes are recognizing that skills-first hiring not only is the most effective approach for addressing their talent needs, but also benefits applicants.

By moving away from degree-required hiring and focusing on the full spectrum of skills an applicant brings to a position, we can more effectively identify good candidates while also creating opportunities for more people.

There is an urgent need for the field to continue to develop systematic ways to efficiently identify the hard and soft skills candidates bring, and for the existence of a shared language for applicants and hiring professionals to communicate about those skills.

SHRM and its members believe it's time for the skills-first approach to be a human resources and business community standard.

With commitments from industry leaders, we can all hire more easily and successfully, in ways that offer long-term benefits to our companies, our workers, and our communities.

### **APPENDIX:**

## Ethnographic Research Approach

While conversations with SHRM members represented the primary method used to reveal challenges and opportunities in making the case for skills-first hiring, ethnographic fieldwork supplemented the research in valuable ways. Topos ethnographers conducted 15- to 30-minute conversations with 56 members of the public, including those who fit the profile of job candidates who could be affected by a shift away from degree-first hiring.

What and why: Semi-structured interviews (15-30 minutes) with a researcher in natural settings (public spaces, workplaces, cafes, parks, etc.) allowed us to establish authentic rapport with individuals and to reach people who would otherwise not participate in research.

How many and where: 56 respondents from three Arkansas communities—Little Rock, Hot Springs, and Russellville participated in person, while others from additional communities participated virtually.

Who: Respondents self-identified in the following categories:

- Gender: About half men and half women
- Race/Ethnicity: About 75% white, about 15% Black, about 6% Latinx/Hispanic and about 4% multiracial or other
- *Education:* Over 85% reported an education level other than a college degree (high school diploma, GED certificate, some college, vocational training)
- Income: Nearly 75% reported a household income of less than \$50,000/year
- Populations of interest: 65% represented at least one of the following populations:
  - Job seeking (43%)
  - Disability
  - Opportunity youth (under age 24 and neither in a job nor in school)
  - Formerly incarcerated
  - Veteran/former military
  - Changing jobs over age 60

When: August 2023

#### Sample questions from ethnographic interviews

This type of research is semi-structured and doesn't follow a verbatim script or questionnaire. Instead, skilled researchers allow the conversation to flow naturally, in ways that can reveal insights we otherwise would not have discovered. The following are illustrative examples of the types of questions asked to explore the topic of skills-first hiring and spark conversation with participants:

- O What about looking for a job around here? What kind of positions might someone looking for a new job come across?
- When it comes to looking for a job around here, how important is it that a person has a college degree, like an associate degree or a bachelor's degree?
  - Why do you think it's important or not?
  - How might looking for a job be different for someone who has work experience and maybe earned a certificate for a skill but does not have a college degree, compared to someone who has a degree?

- When you think about your own experiences or the experiences of people you know applying for jobs, what are the most important skills or qualifications to show potential employers?
  - Why are they the most important?
  - Are there other important skills or qualifications?
- O How much do you think employers take into account work and life experiences, good math skills, customer service, or other skills when they are considering hiring someone around here?
  - Are those considered to be just as important as education level, like degrees, or less important? Why do you think so?
- Some groups of people might have valuable skills and experiences but have not had the chance to get a college degree. Do you know of anyone like that?
  - What about people like veterans who didn't have time to earn a degree while in the military, people who were incarcerated and are returning to work, disabled people who may not have pursued a college degree, and other groups? What might their experiences looking for a job be like?
  - Some people think it's important to consider qualifications and skills aside from college degrees, so that potentially good candidates have a chance to be considered for positions. What would you say to someone who said that to you?
- Some people are trying to encourage employers to change the way they hire people to consider more of their skills and qualifications, not only college degrees. Is there anything you personally wish employers would understand about these applicants?
  - Is there anything you wish employers would do differently?
- Of everything we talked about today, is there one thing that will stick with you or that you might think about again later?



#### **About SHRM Foundation**

SHRM Foundation empowers Human Resources as a force for social good. We are the nonprofit arm of SHRM, the world's largest HR professional society, which globally represents nearly 340,000 members and touches the lives of more than 362 million. While the world of work faces complex challenges, SHRM Foundation believes HR is in a unique position to lead change. Our organization mobilizes and equips HR to ensure that talent and workplaces can prosper and thrive. We work by: widening pathways to work for more skills-first candidates and more kinds of talent; tackling societal challenges, with a current focus on workplace mental health and wellness; and strengthening the HR field with even more diversity, growth, and readiness to address these needs. SHRM Foundation works with SHRM, courageous partners, and bold investors to generate awareness, action, and impact. Together we're building a world of work that works for all. Discover more at <u>SHRMFoundation.org</u>.



#### **About Topos**

**Topos Partnership** is a pioneer in field building around framing, narrative, and other lessons from the cognitive and social sciences. Topos founders have developed a unique perspective and research methodologies that allow us to identify the Cultural Common Sense–ideas that are pervasive and largely unconscious, but that shape our beliefs and actions–and to create paradigm-shifting strategies that communicators have successfully deployed for economic justice, racial equity, nuclear weapons policy, wages and benefits, climate change, child development, the arts, and direct democracy, among many others.

To access other resources from SHRM Foundation's Skills-First at Work initiative, please visit <u>shrm.org/skills-first</u>.