Andrew Ridgeway:

Hello, and welcome to this webcast on the Skills-First Hiring Starter Kit, A guide for hiring better, faster.

Today we'll learn about the Skills-First Starter Kit product from the Department of Labor. As part of that, we'll also talk about the basics on skills-first hiring, reasons to try it, challenges you may face while doing it, the ways the Starter Kit can help, and some things to keep in mind as you use the Starter Kit.

I'm Andy Ridgeway. I'm the Division Director for the Office of Apprenticeship here at the US Department of Labor. Joining me today are two of my colleagues from the Office of the Assistant Secretary for Policy with the Department of Labor. Nick Beadle is the Good Jobs Initiative's Chief of Staff for Workforce and Communications. He developed and managed the Starter Kit project as part of his work to make it easier for employers to offer good jobs to more workers. We're also joined by Laney Umland, who is a presidential management fellow working with the Good Jobs Initiative, who worked on the publication and development of the Starter Kit.

Nick, I'll hand it off to you first.

Nicholas (Nick) Beadle:

Thank you Andy, and thank you viewers for joining us today.

If you can't tell, we're trying to be brief because we don't want to do a webinar that takes longer than it takes to read the guide the webinar is about.

The Skills-First Starter Kit is a resource on better hiring practices that private employers can read and start using within 15 minutes. The webinar will preview some of the best practice and considerations you will find in the Starter Kit.

We wrote the Starter Kit with three audiences in mind: Small business owners may get what they need to start changing their hiring practices from just this guide, staff at larger companies are likely to find this most useful as a conversation starter about their hiring practices, and general readers can find this Starter Kit helpful because it answers a lot of questions about skills-first hiring and how to do it well.

We're very proud of this resource, but it certainly wasn't made by us alone, was it Laney?

Laney Umland:

Hello, and no, Nick, it certainly wasn't. The Starter Kit pulls the expertise of dozens of experts on skills-first hiring and good hiring practices. These include our own world-class experts here at the Department of Labor, as well as organizations from across the spectrum of employment and labor practices, including the Business Roundtable, AFL-CIO, SHRM Foundation, NABTU, Opportunity at Work, Strata Education Foundation, and many more.

Nicholas (Nick) Beadle:

Thanks, Laney.

Now you may ask, why did we make this hiring kit?

Well, at the Department of Labor, we see a lot of potential in skills-first hiring to improve hiring for employers and help more workers get ahead. However, some early adopters of these strategies have had struggles in deploying it successfully. We wanted to produce a product that not only defines skills-first hiring and how to do it very, very clearly, but also takes the lessons learned from these early adopters, so employers new to this work have all they need to succeed.

All that said, the big question we have to answer first is, of course, what is skills-first hiring?

Well, in short, it is hiring built around skills that a worker actually has regardless of how the worker got those skills. You might have heard about skills-first hiring but under another name, such as skills-based hiring or skills-first talent management. These all mean the same thing, and if you have heard them before, you probably did so in relation to employers who had degree requirements to open up access to workers they weren't hiring before. But skills-first hiring is not just removing degree requirements.

First, skills-first hiring can be a great way for people with college degrees to enter jobs they're qualified for, but maybe not formally trained yet, or jobs that require overlapping skill sets, like certain financial analysts and accountants.

Second, and most importantly, removing degree requirements does not do the critical work needed to ensure successful skills-first hiring, which we will cover in a moment.

Something we think is important when thinking about skills-first hiring is what types of workers employers might not be reaching through traditional hiring methods that are not tailored to skills.

Laney, I'll turn it over to you to share some examples.

Laney Umland:

Yes, Nick, workers acquire skills in a lot of traditional ways. Skills-first hiring can open new ways for these workers to get good jobs. Some examples include a restaurant manager who handles bookkeeping even if she's never taken a finance class, a high school student who knows how to code because she makes video games as a hobby, and American veterans who have significant transferable skills that can be overlooked in the civilian workplace.

These are just a few examples. But while helping workers is an important benefit of skills-first hiring, there are some significant business benefits that Nick will cover in our next slide.

Nicholas (Nick) Beadle:

Thanks, Laney.

If you're an employer ever wondering why you would ever try a skills-first hiring, the answer is that hiring is very hard and skills-first hiring is one way to make it easier.

By focusing on the skills needed to do a job on day one, you find better candidates externally and internally because there are workers on your team who can fill higher-level roles but can't reach them because of barriers in the hiring process. Skills-first hires can stay in their jobs longer because they're better suited to the role, and employers hiring based on skills have seen significant benefits as you see on screen.

That said, getting to those benefits requires work, and if you're an employer, I imagine that sounds daunting, but there are plenty of free tools to help and the Skills-First Starter Kit provides concrete steps for each step of the process.

We'll cover more on this later, and before that, Laney will share about the talent pool you might be missing due to a traditional hiring process.

Laney Umland:

Thanks, Nick.

Research has shown that 30 million workers have skills for jobs paying much more than they make currently. That is a staggering number of workers not utilized by employers or who have not been able to maximize their effectiveness in their current workplace. Also, there are degrees and credentials that reach a much more diverse, yet just as talented population of potential workers.

Skills-first hiring can reduce biases against people with associate degrees, certifications, and non-degree credentials, ensuring they have an opportunity to prove they not only belong in a workplace, but they will excel there.

So if you're not making an effort to hire people based on the skills they have, you could be missing out on tremendous talent who could be hired by your competitors. The work is not without challenges, as Nick will cover next.

Nicholas (Nick) Beadle:

Thanks, Laney.

The most important thing to emphasize is that just removing degree requirements is not enough. Many employers who have only removed degree requirements have not seen the benefits of skills-first hiring because they have not made the necessary changes to how they think and hire talent. This is vital to a successful skills-first strategy. That does not mean that ending degree requirements is a bad idea. It means that it is part of a solution, not all of a solution.

We also want to caution that there are occupations for which degrees are important to maintaining safety or ensuring professionalism or that degrees are required by local law. You should check local requirements and industry standards before trying to transition a role to a skills-first hiring strategy.

So what work is needed to ensure that your skills-first strategy will work?

The most important thing is that you need to be sure what a job does within your organization to contribute to its success, as well as what skills someone needs to do that job on their first day. On screen are some questions that can help you reach that determination. It's especially vital that this is an organizational determination, not just a personal or individual one.

If you're a hiring manager, you should talk to your workers or their union representatives because they know what it takes to do the job every day. If you're a human resource professional, you need to talk to your leadership to make sure that you have buy-in that will ensure you have patience and resources to get this new hiring process right. And if you're an organizational leader, you need hiring managers and human resource professionals' input and buy-in because they will be the people who will have to make this process work once it's put in place.

The other important detail to keep in mind is that the people you may want to reach with the skills-first hiring process may be reluctant to seek your job. Why? They may have been rejected several times because of how they got their skills. Additionally, if they are transitioning from another occupation, they may not think they're a good fit. That is why it is also important to examine your current hiring process to ensure you're welcoming these workers and ensuring them that you're giving them a chance at the job, because you are.

So what are some ways you could do that?

One, make sure you're writing a job description that is quick and easy to read and understand. Two, make sure you're doing this work consistently and focused on skills throughout the process. And three, take steps to make sure you're not shutting out workers based on the time, place, and wage you're evaluating them based on skills.

Again, a lot of workers have skills to make more money than they do now. You cannot meet those workers and see those skills if your process shuts them out before they exist.

These are some of the concrete steps you will find in the Starter Kit. And now Laney will go over how the Starter Kit can better help you hire based on skills. Laney.

Laney Umland:

Thanks, Nick.

As we covered before, the Starter Kit is a practical concrete guide that runs through all the important considerations and strategies for hiring based on skills, with links to resources for employers who need a deeper sense of how to address certain parts of the process.

The Starter Kit also provides ideas for how you can make sure your experimentation with skills-first hiring is successful. These include things like checking your applicant tracking system to be sure it fits skills-first hiring, as well as trying out skills-first hiring internally to reduce risk and refine your process before you use it to hire outside candidates.

Now Nick will wrap up our presentation with a few items to keep in mind as you think about skills-first hiring.

Nicholas (Nick) Beadle:

Thanks, Laney.

We'll wrap this webinar by sharing a few important things to keep in mind as you consider starting skills-first hiring.

First, there's no one way to do skills-first hiring. The right way will fit your organization and its resources. The important thing is to find a method that you can do consistently every time so that you're getting the best evidence on each candidate and what they're capable of.

Second, you won't get this right the first time. This is an interim process that will evolve as you learn more about what is needed to hire based on skills for your organization. Also, jobs are not static things. Fields and occupations change and evolve all the time, and so will a hiring process based on the skills needed for your work.

Third, workers who you hire based on skills shouldn't be paid lower than the workers you hired based on traditional hiring processes. Even though these traditional processes value degrees or other ways a worker acquired their skills, again, millions of workers have the skills to earn more than they do now, and this is a growing trend. Paying less now could have consequences later as you compete for talent with your competitors.

Finally, as we said earlier, this work requires buy-in. Keep everyone in the loop as your process evolves and gets better.

Andrew Ridgeway:

Thank you, Nick and Laney, for this great presentation, and thank you for watching. You can find the Skills-First Starter Kit available for download on this WorkforceGPS page.