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The Skills-based Hiring Shift

Why Recruiters Are Rethinking Application Requirements to Attract Quality Workers

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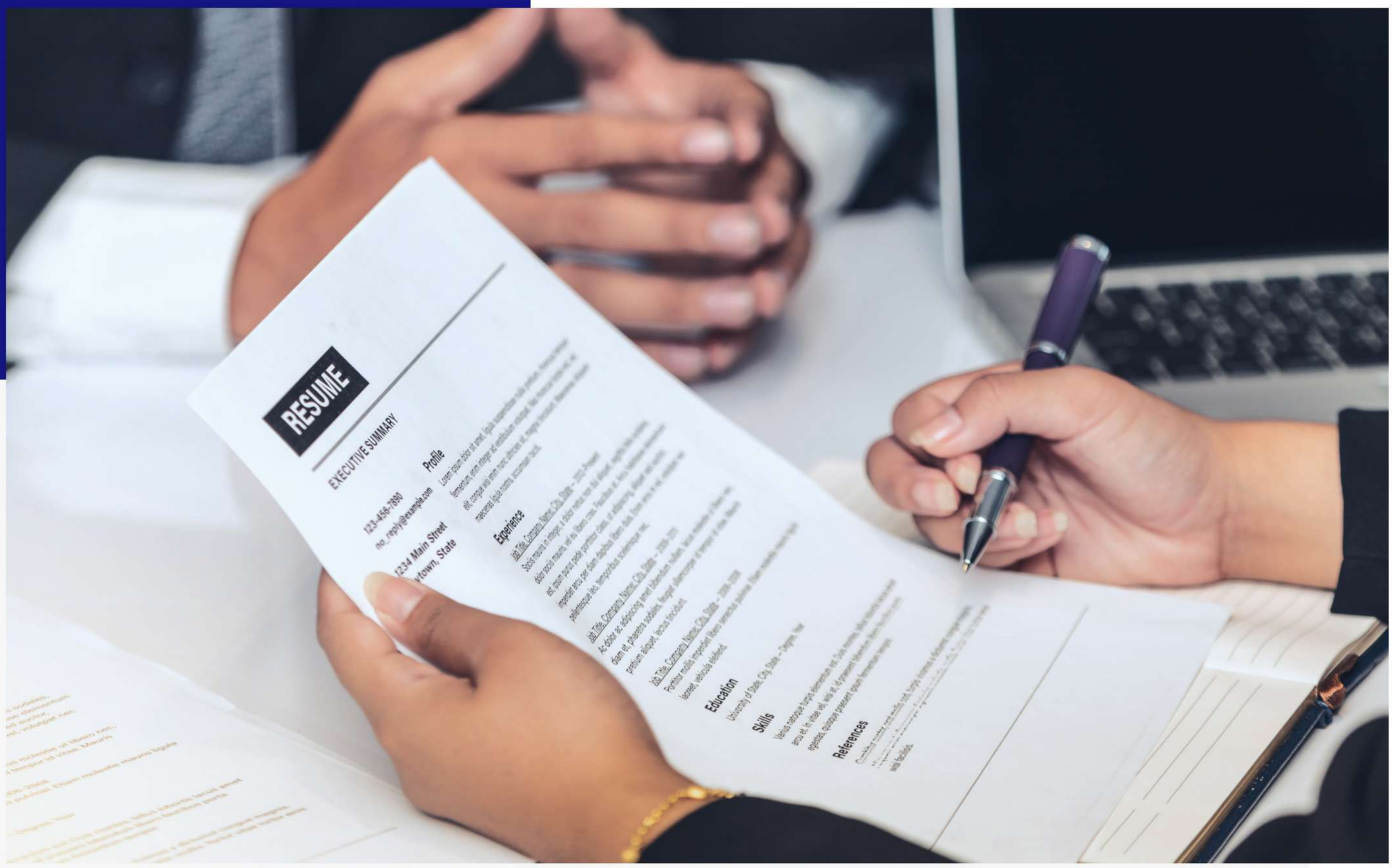
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The resume: A fading tradition

It's a tale as old as (modern-day) time: To apply for a job, you need a resume. Resumes have long been required as part of an application for corporate positions. They provide insight into a candidate's experience and accomplishments, but they don't always reveal acumen in actual on-the-job skills. In short, the utility of resumes is limited. There's even vocabulary to define the barrier built for job seekers without resumes: the "paper ceiling."

In the recruitment world, there exists an undercurrent of skepticism surrounding the relevance of resumes and other traditional job requirements, like college degrees. Only 40% of U.S. workers have bachelor's degrees[1] and more than 70 million Americans have valuable work experience but lack a college degree.[2] Although not an essential component of a resume, employers that mandate a college degree as a job requirement create the same barrier-building effect for applicants who don't have resumes.

On the other hand, according to a report from American Student Assistance and Jobs for the Future, 72% of employers don't consider college degrees as reliable indications of employee performance, and four out of five employers agree that organizations should hire based on skills rather than degrees.[3]

Despite growing doubt surrounding resumes, 90% of HR professionals who hire hourly workers feel they are valuable to recruitment.[4] But as we will reveal in this paper, there is growing evidence that shifting attention away from an applicant's resume and toward applicable skills will lead recruiters to the quality candidates they ultimately seek.

So why do some companies still require resumes? How are resume requirements hindering companies' hiring strategies? And what can be done to create a more equitable hiring process?

In this paper, we will:

- explore the limitations of mandating resumes for hourly jobs,
- delve into the emerging trend of skills-based hiring strategies and their benefits, and
- explain how recruiters can replace some of their traditional application requirements with skills-based steps with the assistance of AI and an ATS designed for hourly workers.