



**RESEARCH REPORT**

# **SKILLS-FIRST AT WORK:**

Assessing the Effectiveness of a Skills-Based  
Hiring Education and Technical Assistance  
Program for Employers

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# INTRODUCTION AND KEY FINDINGS

# INTRODUCTION

In today's rapidly evolving business landscape, addressing shifting needs for skills has become a critical focus for organizations striving to remain competitive. These shifts have created both challenges and opportunities for employers.

On the one hand, employers are encountering challenges related to persistent talent shortages amid evolving skills needs. According to [SHRM's 2024 Talent Trends report](#), 1 in 4 organizations reported that the full-time positions they've hired for in the last year have required new skills and 3 in 4 of these organizations said it has been somewhat or very difficult to find qualified individuals for these roles.

On the other hand, this requirement to address evolving skills needs also presents employers with an opportunity to expand their talent pool by revisiting and improving their existing hiring practices. For example, an overreliance on traditional degree requirements can limit organizations' access to larger talent pools by inadvertently excluding otherwise-qualified candidates. The skills-first movement offers employers the opportunity to evaluate a broader spectrum of skills, abilities, and expertise based on their direct value to the role, rather than focusing on where that knowledge was acquired.

This assessment of someone's skills and competencies through a broader lens is part of a larger approach often referred to as skills-first hiring, which has emerged as a promising solution to these talent challenges. By focusing on the specific skills and competencies a job requires rather than traditional qualifications such as degrees or years of experience, employers can identify and attract a broader range of qualified candidates. This approach not only helps employers fill their open positions more effectively but also has the potential to increase capabilities within the workforce.

Despite the clear advantages, many organizations still find it challenging to take the initial steps toward adopting a skills-first approach. This struggle emphasizes the need for effective tools and training that can help employers understand the benefits of a skills-first approach, address potential organizational barriers, and take meaningful action toward skills-first hiring.

To help address these challenges and better understand what combination of tools and training may be most effective for helping employers make meaningful skills-first hiring progress, SHRM and the SHRM Foundation, with funding from WorkRise, a project of the Urban Institute, designed a skills-first hiring education and technical assistance program for employers that could be implemented at three levels: low touch (unassisted), medium touch (technology-assisted), and high touch (fully assisted). The program was piloted among a cohort of employers across an eight-month period to identify the most effective strategies and resources for advancing skills-first hiring practices.

## WHAT IS A SKILLED CREDENTIAL?

A skilled credential is any certification, microcredential, badging, apprenticeship, or other assessed learning opportunity beyond a two-year or four-year college or university degree that formally indicates a worker has acquired specific skills or competencies.

## PROGRAM BACKGROUND

In September 2022, the SHRM Foundation and Jobs for the Future (JFF) partnered to introduce the [Employer Collaborative for Skilled Credentials \(ECSC\)](#) pilot program. This eight-month program guided a cohort of nine employers in implementing and testing strategies for adopting skilled credentials in their organizations. The program provided participating employers with individualized, comprehensive coaching and project support and included an action learning project focused on implementing skills-first hiring throughout various stages of the employee life cycle depending on the organizations' needs, goals, and level of readiness. The results of this pilot demonstrated the positive impact such a program can have on facilitating employer adoption of skills-first practices and improving perceptions and behaviors related to skilled credentials.

Despite the clear benefits, it is important to recognize that providing individualized, comprehensive coaching is a high-touch, resource-intensive intervention. This has implications for the scalability of such a program, and scalability is central to the SHRM Foundation's framework of change for driving skills-first adoption among employers. For this reason, it is important to understand whether a lower-touch or less resource-intensive style of program could be similarly effective in assisting employers in implementing a skills-first hiring approach or if a high-touch approach is ultimately necessary for achieving strong results.

To examine this possibility, SHRM and the SHRM Foundation designed a skills-first hiring education and technical assistance program for employers that could be implemented at three levels — low touch (unassisted), medium touch (technology-assisted), and high touch (fully assisted) — and tested its effectiveness among a cohort of employers. To do this, SHRM and the SHRM Foundation partnered with local Georgia SHRM chapters to pilot this intervention among a total of 30 employers in the Georgia SHRM community over the course of eight months.



# KEY FINDINGS

- » **When equipped with the right tools, employers can effectively advance skills-first hiring without the need for resource-intensive support systems.** Across all three pilot groups, employers reported a reduction in barriers to skills-first hiring and an increase in the implementation of skills-first practices over the course of the program. The findings highlight significant potential for scalability because self-implemented skills-first hiring strategies are not constrained by the limited reach of fully assisted support, which often depends on the availability of trained mentors and financial resources.
- » **Grasping the initial steps toward skills-first hiring is crucial for employers to invest in these practices.** Prior to the pilot program, 75% of the participating employers identified a lack of direction in incorporating skilled credentials in talent acquisition and development as a small, moderate, or substantial barrier preventing their organization from fully considering nondegreed candidates. Following the pilot, only 35% of employers said this was still a barrier, highlighting the program's impact in clarifying the pathway to skills-first hiring.
- » **Trends in job posting data over the course of the pilot program highlight the potential for skills-first practices to widen pathways to work.** Only 25% of the pilot employers' 2023 job postings mentioned a relevant skilled credential prior to the pilot program. This increased to 58% for new job postings after the pilot program. Prior to starting the program, 34% of the pilot employers' 2023 job postings required a traditional degree. This decreased to 18% for new job postings post-pilot, demonstrating that regular reviews and updates of job descriptions can expose outdated or nonessential qualifications that are restricting employers' access to talent.
- » **Internal and external collaborations are important for maintaining momentum in skills-first hiring programs.** The pilot participants represented their employers, but they were ultimately individuals. As a result, when a participant departed their organization during the pilot, the lack of an alternate leader to continue the program meant progress halted. Having an internal co-champion is important for mitigating such impacts, but having the support of external peers can also be beneficial for maintaining momentum. During the post-pilot evaluation, the participants emphasized the value of engaging with fellow employers in their group as a meaningful source of support and learning.





# CURRENT PILOT

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The participating employers were divided into three distinct groups to test the program’s effectiveness at three different levels of assistance.

## ABOUT THE THREE PROGRAM LEVELS

### UNASSISTED PROGRAM

- » **Level of Intervention:** Self-directed
- » **Available Resources:** Employers in this group received access to the SHRM Foundation’s Ready for Success toolkit, which outlines 12 skills-first strategies that employers can implement. They also received a PDF with a series of free resources to drive skills-first hiring and advancement at work. Lastly, they participated in monthly virtual community of practice sessions specific to their group. These meetings alternated between an open house setting and guest speaker sessions.

### TECHNOLOGY-ASSISTED PROGRAM

- » **Level of Intervention:** Self-directed, with the addition of technology-based guidance
- » **Available Resources:** Employers in this group received the same resources as the Unassisted group, plus access to the SHRM Foundation’s Skilled Credentials Action Planner, a technology-assisted readiness assessment and planning tool for the implementation of skills-first strategies.

### FULLY ASSISTED PROGRAM

- » **Level of Intervention:** Guided, via a mentor
- » **Available Resources:** Employers in this group received the same resources as the Technology-Assisted group, plus a mentor who provided them with intensive one-on-one coaching calls twice per month. The mentor provided support with auditing existing practices, identifying and implementing a skills strategy, and addressing ongoing barriers and challenges.

SUMMARY OF RESOURCES AVAILABLE TO EMPLOYERS AT EACH LEVEL OF THE PROGRAM			
	UNASSISTED PROGRAM	TECHNOLOGY-ASSISTED PROGRAM	FULLY ASSISTED PROGRAM
<a href="#">Ready for Success toolkit (PDF)</a>	✓	✓	✓
PDF of additional free, self-paced resources to drive skills-first hiring and advancement at work	✓	✓	✓
Monthly community of practice sessions	✓	✓	✓
<a href="#">Skilled Credentials Action Planner</a>		✓	✓
Twice-monthly one-on-one coaching calls*			✓
*While every effort was made to maintain the twice-monthly cadence of the one-on-one coaching calls, some calls had to be canceled due to participants’ schedules.			



## PARTICIPANT RECRUITMENT AND SELECTION

SHRM members across Georgia were invited to attend an informational webinar to learn more about the pilot program. Following the webinar, all Georgia SHRM members received an email with a recording of the webinar and were asked to complete a short screening survey if they were interested in participating in the pilot.

A total of 49 Georgia SHRM members completed the screening survey that assessed their individual readiness to champion a skills-first hiring initiative at their organization, their ability to influence policy change in their organization, and their interest in participating in each of the three groups. Only 30 seats were available for the program, so participants' responses were reviewed and evaluated to determine the best fit.

The 30 pilot participants were selected from among those who completed the screening survey using an established set of eligibility criteria. The participants were then sorted into one of the three groups based on their indicated interest and ability to dedicate the time and resources to participate in each of the three conditions.

Due to the eight-month commitment required to complete the pilot program, Georgia SHRM members were prioritized for inclusion in the pilot if they indicated 1) high interest, 2) high likelihood that they could dedicate the necessary time and resources, and 3) that their organization would likely support their participation. Due to the organizationwide policy and practice changes that are necessary to sustain skills-first hiring success, to be eligible, those who completed the survey also had to indicate that they were confident in their ability to influence the hiring process at their organization.

### PILOT PARTICIPANT ELIGIBILITY CRITERIA

- » **Organization size:** Preference was given to employers with less than 5,000 employees.
- » **Interest:** Indicated they were “very” or “extremely” interested in participating in the assigned group.
- » **Time and resources:** Indicated they could “probably” or “definitely” dedicate time and resources to the assigned group.
- » **Organization support:** Indicated their organization would “probably” or “definitely” support their participation in the assigned group.
- » **Ability to influence:** Indicated their ability to influence the hiring process at their organization was “very” or “extremely” likely.
- » **Organizational readiness:** Indicated at least some organizational readiness to adopt skills-first hiring practices (i.e., indicated their organization would “possibly,” “probably,” or “definitely” be willing to revisit job descriptions, consider relevant skilled credentials instead of traditional degree requirements, and support the adoption of a skills-first hiring and retention mindset).

Based on this eligibility criteria, 10 participants were assigned to the Unassisted Program, nine participants to the Technology-Assisted Program, and 11 participants to the Fully Assisted Program.



# PROGRAM EVALUATION

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DATA COLLECTION ACTIVITY	TIMELINE	PURPOSE
Pre-Program Survey	September 2023 - October 2023	Participants completed a baseline survey to assess the extent to which their organization currently valued, recognized, and integrated skilled credentials in its hiring and career advancement practices, systems, and strategies and assess potential barriers preventing further adoption of skilled credentials within their organization prior to participating in the program.
Post-Program Survey	May 2024 - June 2024	Participants completed a post-pilot survey to assess change in their organization's attitudes and practices related to skills-first hiring and provide feedback on the pilot program.

## PARTICIPANT ATTRITION

Due to the longitudinal nature of the pilot, some attrition was expected. Of the 30 participants that started the program, 10 participants withdrew from the pilot prior to its conclusion: three participating in the Unassisted Program, one participating in the Technology-Assisted Program, and six participating in the Fully Assisted Program. Therefore, a total of 20 participants completed the program: seven in the Unassisted Program, eight in the Technology-Assisted Program, and five in the Fully Assisted Program.

When evaluating participants' reasons for not completing the pilot, three themes emerged:

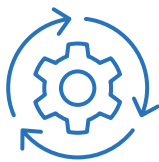
1. **Changes in staffing and capacity concerns:** Three participants (two in the Unassisted Program and one in the Fully Assisted Program) were unable to complete the pilot due to significant changes in their organization's staffing and capacity. These changes required the participants to take on additional responsibilities within their organization in addition to their normal duties and affected their ability to stay engaged and committed to the program.
2. **Lack of leadership support:** Two participants in the Fully Assisted Program were unable to complete the pilot due to a lack of sustained leadership backing. These participants' coaches indicated that the participants may not have had the kind of authority within their company needed to make large-scale organizational changes. Due to the twice-monthly action-oriented coaching calls this cohort received, these participants may have encountered such organizational barriers sooner than the participants engaged in the self-directed groups did.
3. **The nature of jobs and turnover:** Four participants (one in the Technology-Assisted Program and three in the Fully Assisted Program) were unable to complete the pilot because they changed organizations. Once the participants left their organizations, there tended to be a lack of another champion to pick up where they left off.

A final participant from the Unassisted Program who didn't complete the pilot failed to respond to follow-up communications. Therefore, their reason for not completing the program is unknown. Overall, there was no significant pattern in the types of participants or employers that dropped out of the program across industry, organization size, or job level.

## ABOUT THE PILOT PARTICIPANTS

The 20 pilot participants who completed the program represented employers from a wide variety of industries and organization sizes. Participants tended to hold relatively senior roles within their organization.

### PARTICIPANTS BY INDUSTRY SECTOR



**8**  
**Employers**

Knowledge sector (e.g., professional, technical, and scientific services; government; information technology)

**6**  
**Employers**

Service sector (e.g., health care; child care; retail trade)

**6**  
**Employers**

Physical sector (e.g., manufacturing; construction; wholesale trade)

### PARTICIPANTS BY ORGANIZATION SIZE



**8**  
**Employers**

Less than 100 employees

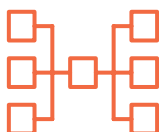
**7**  
**Employers**

100-499 employees

**5**  
**Employers**

500 or more employees

### PARTICIPANTS BY JOB LEVEL



**3**  
**Participants**

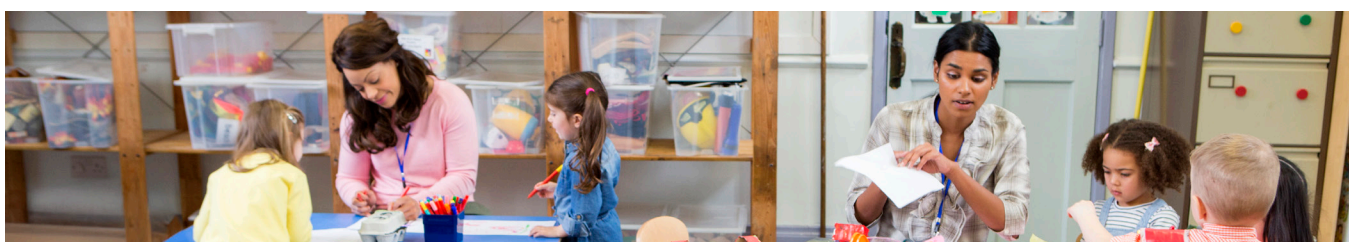
Individual contributor

**7**  
**Participants**

Manager or supervisor

**10**  
**Participants**

Director or above





# RESULTS

# RESULTS

To assess the relative impact of the three program levels on the pilot employers' skills-first hiring outcomes, we used a statistical technique called a mixed analysis of variance (mixed ANOVA). This technique allowed us to answer two important questions at once: 1) Did participating employers make any meaningful improvements over time? and 2) Did any pilot group perform better than the others?

We conducted this analysis across several key areas of interest: 1) Knowing Where to Begin, 2) Navigating the Skilled Credentials Landscape, 3) Aligning Job Descriptions with Skills, 4) Sourcing Qualified Candidates, and 5) Recognizing Skilled Credentials in Upskilling and Advancement.

SUMMARY OF ANALYSIS EXPLORING 1) WHETHER PILOT EMPLOYERS MADE MEANINGFUL IMPROVEMENTS OVER TIME AND 2) WHETHER ANY PILOT GROUP PERFORMED BETTER THAN THE OTHERS			
AREA OF INTEREST	EXAMPLE ITEM TESTED	DID THE ANALYSIS SHOW THAT PILOT EMPLOYERS MADE IMPROVEMENTS OVER TIME IN THIS AREA?	DID THE ANALYSIS SHOW THAT ANY PILOT GROUP PERFORMED BETTER THAN THE OTHERS IN THIS AREA?
Knowing Where to Begin	To what extent is the following a barrier preventing your organization from fully considering and/or recognizing nondegree candidates? <b>My organization does not know where to begin with including skilled credentials in talent acquisition and development.</b>	Yes	No
Navigating the Skilled Credentials Landscape	To what extent is the following a barrier preventing your organization from fully considering and/or recognizing nondegree candidates? <b>There are so many skilled credentials, we can't keep track of which ones meet our job requirements.</b>	Yes	No
Aligning Job Descriptions with Skills	How often does your organization do the following? <b>Write job descriptions that equate skilled credentials with a certain level of traditional education.</b>	Yes*	No
Sourcing Qualified Candidates	To what extent do you agree or disagree with the following statement? <b>My organization knows where to find qualified candidates without degrees.</b>	Yes	No
Recognizing Skilled Credentials in Upskilling and Advancement	How often does your organization do the following? <b>Consider skilled credentials as a factor when making promotion and/or salary adjustment decisions.</b>	Yes	No

**Note:** Unless otherwise stated, "No" denotes that the results of the statistical test for this item were not significant at the  $p < 0.05$  level; "Yes" denotes that the results of the statistical test for this item were significant at the  $p < 0.05$  level.  
\*Marginally significant,  $p = 0.068$ .

As depicted above, the results of these analyses show that while pilot employers overall reported a reduction in barriers to skills-first hiring and an increase in the implementation of skills-first practices over the course of the pilot, no pilot group performed significantly better than the others across these five areas. For this reason, the results discussed below are reported holistically across the 20 participants who completed the program rather than separately by group.

## KNOWING WHERE TO BEGIN

A significant challenge for many organizations embarking on their skills-first hiring journey is determining where to start. Prior to the pilot program, 75% of the participating employers identified a lack of direction in incorporating skilled credentials in talent acquisition and development as a small, moderate, or substantial barrier preventing their organization from fully considering nondegree candidates. Post-pilot, this figure dropped to only 35% viewing it as a barrier (of any size). This marked improvement underscores the program’s effectiveness in providing clarity on how employers can initiate skills-first hiring.

### The Program Helped Employers Understand How to Kick-Start Their Skills-Based Hiring Journeys



To what extent is not knowing where to begin with including skilled credentials in talent acquisition and development a barrier preventing your organization from fully considering and/or recognizing nondegree candidates?

■ Not a barrier  
 ■ A small barrier  
 ■ A moderate or substantial barrier



### How One Pilot Employer Kick-Started Its Skills-Based Hiring Journey

*“We operate largely in the retail space. We used an impact-effort matrix to identify a target role that would have the highest impact with the lowest effort. We ended up selecting our key holder role, that’s your manager on duty. This was the position with the highest disruption for our company and the lowest effort to change. We noticed that we had a high rate of job abandonment and involuntary termination in that job. Our job description requirements were largely focused on length of work experience, instead of what skills or leadership life experience might equate to being a good manager. If a store manager found an outstanding candidate who was shy of the experience requirement, they weren’t allowed to move forward with them. So, we focused on aligning job duties, job descriptions, and job requirements with skills.*

*We revamped the job description, shortening that length of retail and leadership experience. We identified the specific characteristics for a successful manager on duty. We held training for our managers on how to consider life experiences like volunteer work and not just work experience and provided them with a written interview guide.*

*And we found a lot of success. We reduced turnover for the key holder position within the first year of employment by 45%. Job abandonment and involuntary terminations were reduced by 50%.”*

— Service-sector employer in the Technology-Assisted Program

## NAVIGATING THE SKILLED CREDENTIALS LANDSCAPE

Another area where employers can struggle to begin their skills-first hiring journey is in navigating the skilled credentials landscape. At the start of the program, participants shared that the diversity of skilled credentials in the market posed challenges for properly evaluating candidates' knowledge in a standardized way.

For example, half of the participants (50%) reported that the overwhelming number of skilled credentials in the market posed a moderate or substantial barrier to their organization considering nondegree candidates with these credentials because they could not track which credentials met their job requirements. The percentage of employers that identified this as a moderate or substantial barrier reduced to 10% post-pilot, however, after participants gained resources and strategies that enabled them to better align their assessment processes with the skills needed to fill their open roles. In fact, 3 in 4 pilot employers (75%) agreed or strongly agreed post-pilot that their organization knew how to match its workforce needs to skilled credentials, compared to only 45% pre-pilot.

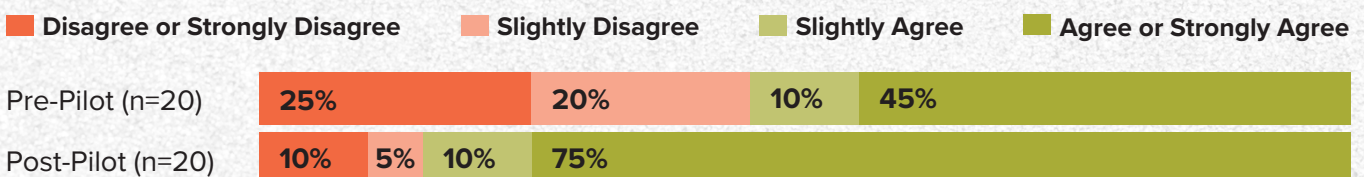
### Employers' Ability to Navigate the Skilled Credentials Landscape Became Less of a Barrier over the Course of the Pilot

Percentage of pilot participants who identified there being so many skilled credentials they can't keep track of which ones meet their job requirements as a "moderate" or "substantial" barrier preventing their organization from fully considering and/or recognizing nondegree candidates with skilled credentials in talent acquisition and development.



### Employers Gained a Better Understanding of How to Match Their Workforce Needs to Skilled Credentials over the Course of the Pilot

My organization knows how to match our workforce needs to skilled credentials.



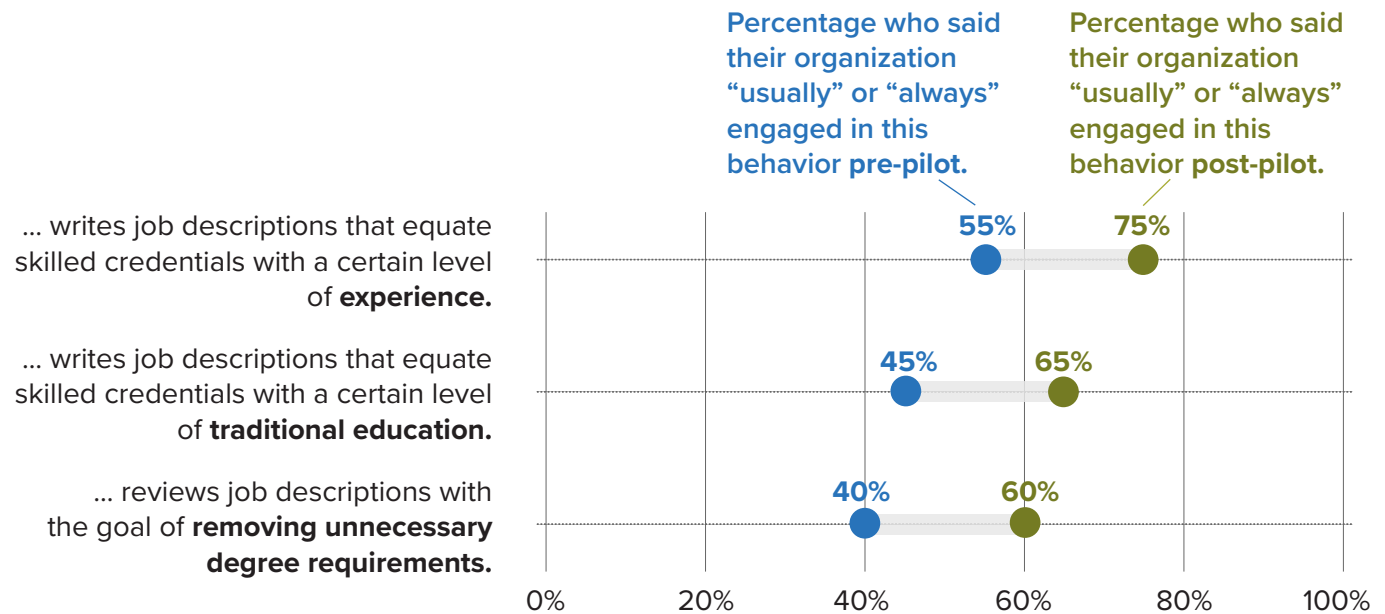


## ALIGNING JOB DESCRIPTIONS WITH SKILLS

Over the course of the pilot, participating employers demonstrated a proactive shift toward understanding the skills-first landscape, increasing the frequency with which they wrote job descriptions that equate skilled credentials with specific levels of experience or traditional education. Additionally, many pilot employers made a concerted effort to review and revise job descriptions to eliminate unnecessary degree requirements. Sixty percent of pilot employers indicated they usually or always review job descriptions with this goal in mind post-pilot versus 40% pre-pilot. By adopting these strategies, employers were better able to match candidates to roles based on their skills.

### Employers Learned How to Better Align Job Descriptions with Skills over the Course of the Pilot

My organization ...



**Note:** Pre- and post-pilot data reflect the n=20 participants who completed the pilot program.

### How One Pilot Employer Leveraged Equivalencies

*“We focused on departments contacting us to advertise for open positions during the pilot period. We pulled information on the role and job announcements we already had on file and held conversations with the hiring managers. Many times, we were able to reword the minimum qualifications to be more inclusive. We took these conversations as an opportunity to talk to the hiring managers about any certifications or nontraditional training that they would consider as an equivalency. As more departments come to us, we want to look at their job openings and cast a broader net to give more opportunities to people with nontraditional training.”*

— Knowledge-sector employer in the Unassisted Program

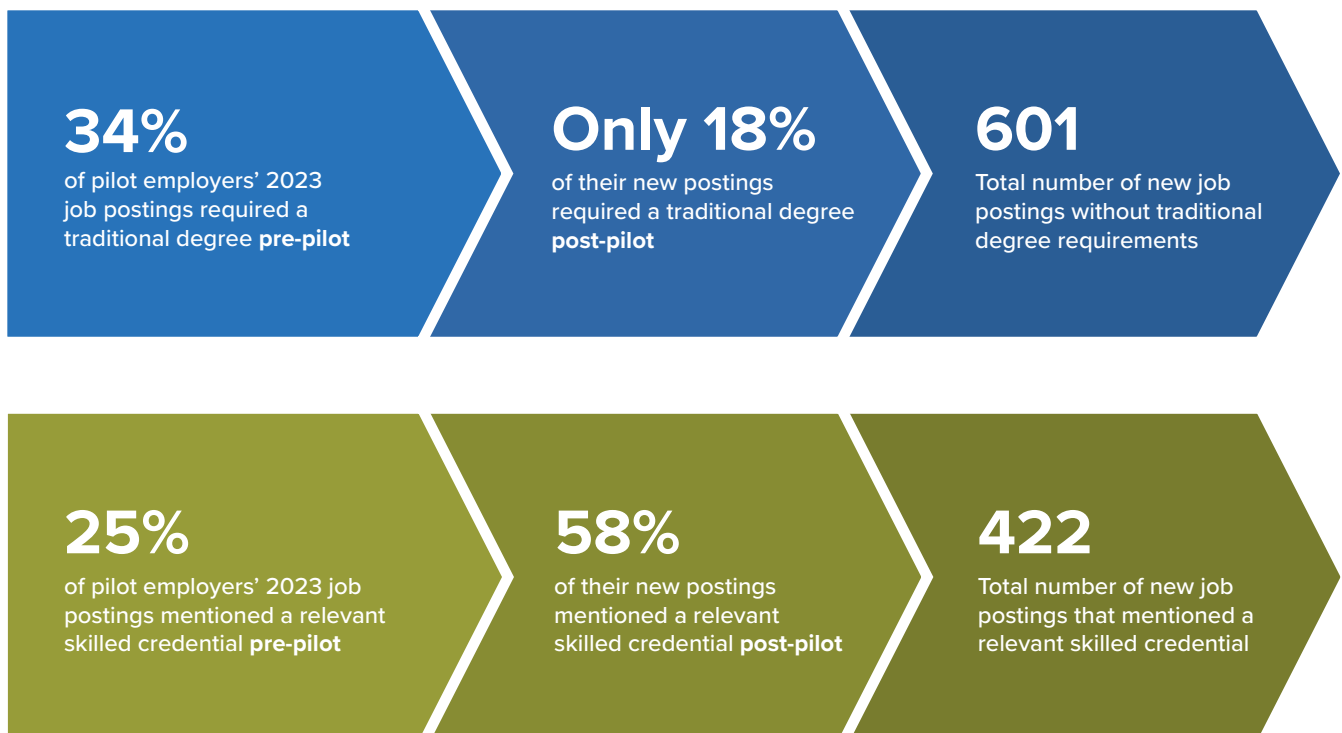
## How One Pilot Employer Replaced Educational Requirements with Skills

*“An organization did a job study for us last year. We found that our job descriptions were extremely long and difficult to understand. This pilot came at a great time to help refocus where I was looking. I went to our leadership as I was going through this program and shared the statistics and the tools, and I was given full rein to revamp our job descriptions. We focused on swapping out educational requirements for skills. This has now evolved into a manager training program. Down the line, we’ll be looking at developing interview skills with our managers so we have consistent, fair, and relevant evaluations of our candidates. Another priority for us is working with our employees to help them understand how their career can grow so they can be part of this interactive process. It has created a snowball effect in a really good way.”*

— Service-sector employer in the Technology-Assisted Program

Notably, employers’ progress in these areas was reflected in their job posting data. Prior to the program, 34% of the pilot employers’ 2023 job postings required a traditional degree. Following the pilot, this decreased to 18% (for new job postings), demonstrating that regular reviews and updates of job descriptions can expose outdated or nonessential qualifications restricting employers’ access to talent. Additionally, only 25% of the pilot employers’ 2023 job postings mentioned a relevant skilled credential pre-pilot. This increased to 58% (for new job postings) post-pilot, emphasizing the gains that the pilot employers made in learning how to match their workforce needs to skilled credentials.

## Employers’ Progress Toward Skills-First Hiring over the Course of the Program Is Evident in Their Job Posting Data



## How One Pilot Employer Increased Applicant Numbers Using Skills-First Job Descriptions

*“The challenges we were facing were low application numbers for critical positions and not enough qualified staff based on our listed qualifications. To increase our application numbers and to attract qualified staff, we started by revising our job descriptions to highlight knowledge, skills, and abilities in a way that allowed our applicants to be able to see what our goals were. After we made this change for our most recently posted job position, we saw a major increase in applicants. Our coach opened up another world for us. To have that many applicants come in was just mind-blowing.”*

— Service-sector employer in the Fully Assisted Program

## SOURCING QUALIFIED CANDIDATES

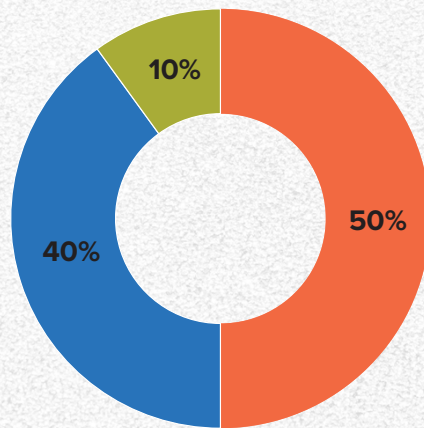
Over the course of the pilot, there was a marked increase in the frequency with which pilot employers were sourcing candidates from nontraditional channels, with the percentage of employers doing so “usually or always” rising from 10% pre-pilot to 40% post-pilot. Notably, this increased use of diverse sourcing channels coincided with an increase in employers’ confidence in their ability to find qualified candidates without degrees. Only 15% of the pilot employers agreed or strongly agreed that they knew where to find qualified candidates without degrees pre-pilot versus 45% post-pilot.

### Employers Increasingly Sourced Candidates from Nontraditional Channels over the Course of the Pilot

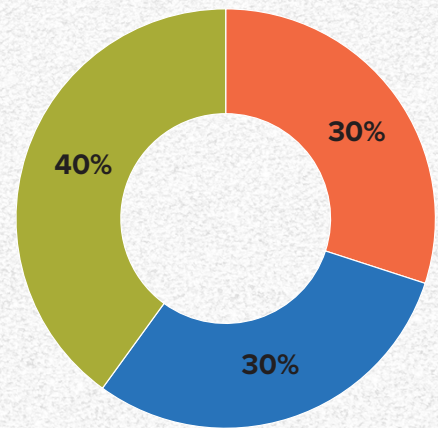


How often does your organization source candidates from nontraditional channels (i.e., channels beyond job ads on the company website, job fairs, online job boards, and other traditional channels)?

- Never or Rarely
- Sometimes
- Usually or Always

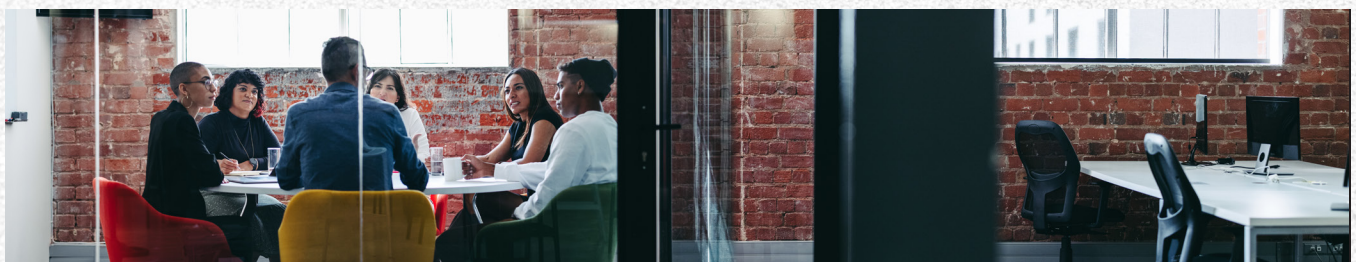


Pre-Pilot (n=20)



Post-Pilot (n=20)

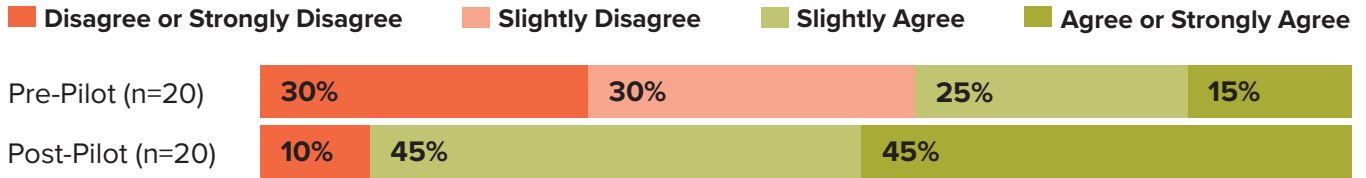
**Note:** Examples of nontraditional channels include military transition seminars, partnerships with local workforce development organizations, and apprenticeship programs.



## Employers Became More Confident in Their Ability to Find Qualified Candidates Without Degrees over the Course of the Pilot



My organization knows where to find qualified candidates without degrees.



### How One Pilot Employer Looked Beyond Traditional Sourcing Channels

*“The challenge that we encountered is that when we’re recruiting and hiring, managers think within a box. They’re looking at someone who is degreed. Through this program, we were able to talk about some of the reasons why skills-based hiring is something we want to actively incorporate in our process — looking at other ways that people are bringing their talent to us that may not be a degree or a pedigree. Part of that is looking outside of the usual formats and lanes that we would look to hire. We’ve expanded where we’re looking. We’re looking at veterans, we’re looking at women who are coming back to the workforce who may have temporarily left because they were taking care of a family, or retirees who have come back into the workforce.”*

— Service-sector employer in the Unassisted Program

## SKILLS-FIRST HIRING SUCCESSES

Importantly, the results of this pilot underscore that adopting a skills-first hiring approach does not equate to lowering standards; rather, it enhances the recruitment process by focusing on tangible competencies. Results from the pilot reveal a significant shift in employer perceptions in this vein. Before implementing skills-first hiring practices, only 60% of the employers agreed or strongly agreed that candidates with only skilled credentials were as capable as those with traditional degrees. This figure rose to 85% post-pilot after employers found that these candidates didn’t just meet but often exceeded expectations. This evidence underscores the value of prioritizing skills over traditional educational qualifications, ensuring that organizations access a broader talent pool that drives innovation and performance.

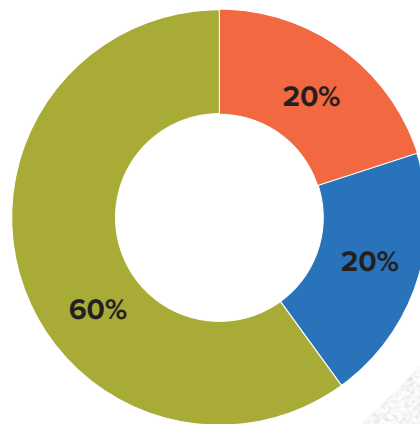


## Employers Increasingly Recognized the Value Candidates with Skilled Credentials Can Bring over the Course of the Pilot

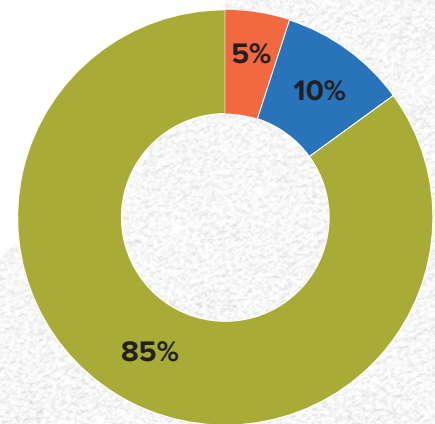


Job candidates who hold only skilled credentials can be just as capable or more capable than those with only traditional degrees.

- Slightly Disagree
- Slightly Agree
- Agree or Strongly Agree



Pre-Pilot (n=20)



Post-Pilot (n=20)

**Note:** No participants selected “disagree or strongly disagree” for this question.

### Skills-First at Work Hiring Success Stories

*“We had a supervisor candidate who, on paper, was fantastic. He had 25 years of demonstrated successful experience, but he didn’t have a high school diploma or a GED. We talked about it because our job description said you must have a GED. But this man could do everything that we needed, so we made the conscious decision to hire him based on the things we were learning. He didn’t have a skilled credential, but it did shift our thinking to where we were able to bring this individual on, and he’s done very well.”*

— Physical-sector employer in the Unassisted Program

*“We very recently brought on a young man who was a skills-based hire. That’s not what the hiring manager was looking for, but this young man’s abilities and capabilities were just so strong that it surprised even the hiring manager that he chose this person to hire. This young man is our golden child, our testament to taking off your blinders and looking outside of what you normally think about in a candidate.”*

— Service-sector employer in the Unassisted Program

*“Just recently, I was able to hire an individual who was not degreed. I got pushback from our senior leaders, who felt it was important for this role to require a degree. Although the individual did not have a degree, he had a certification relevant to the role. He checked all of my boxes as far as the job description. When I vetted him to the hiring manager, he was concerned leadership wouldn’t want to move forward with the candidate. I brought up this program and how many companies are moving away from those traditional education requirements. I called out that the job description had been rewritten to have degrees only as preferred. The individual just started with us, and he is doing very well.”*

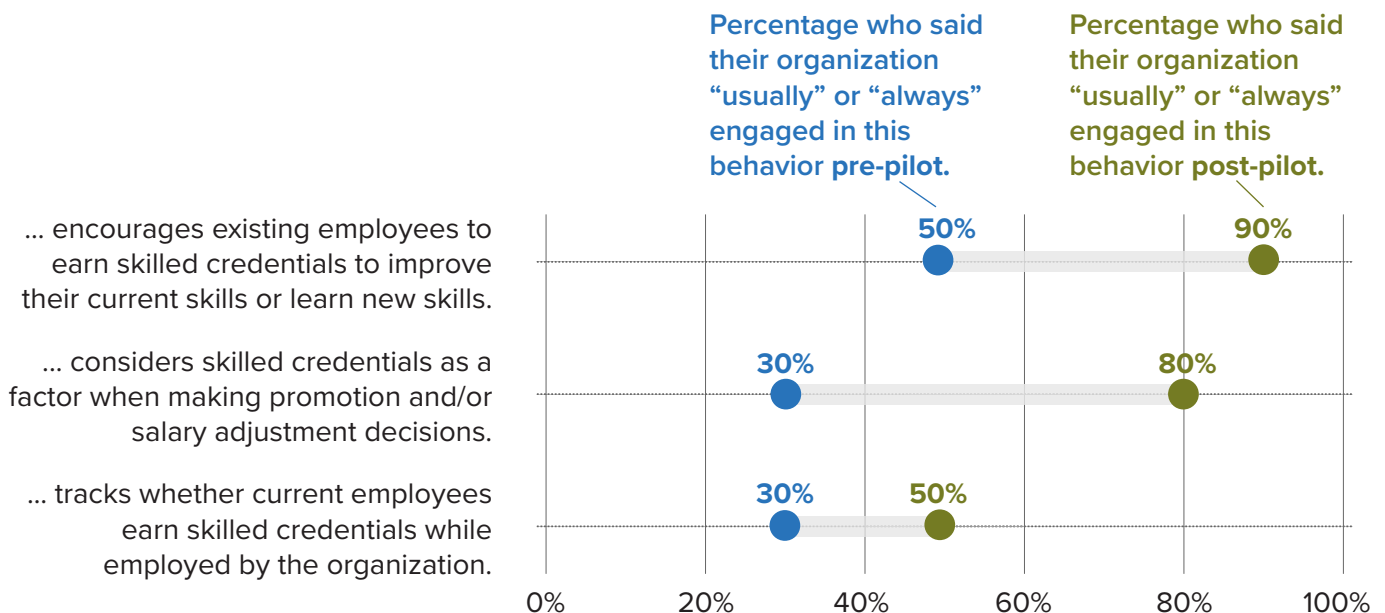
— Physical-sector employer in the Unassisted Program

## RECOGNIZING SKILLED CREDENTIALS IN UPSKILLING AND ADVANCEMENT

Skills-first practices are not just for external recruitment, they are also a valuable strategy for upskilling and advancing current employees. Over the course of the pilot, employers increased how often they were encouraging their workforce to pursue skilled credentials to enhance or acquire new skills. They also significantly increased the frequency with which they considered skilled credentials as a factor when making promotion and/or salary adjustment decisions. Initially, 30% of employers regularly factored in these credentials, but this rose to 80% post-pilot. Additionally, more employers began systematically tracking credential attainment among their employees over the course of the pilot — a crucial step in leveraging skilled credentials effectively. Without such tracking, organizations miss opportunities to harness the full potential of their workforce’s development, underscoring the necessity of integrating skills-first metrics into their strategies.

### Employers Increasingly Incorporated Skilled Credentials into Their Internal Advancement Processes over the Course of the Pilot

My organization ...



**Note:** Pre- and post-pilot data reflect the n=20 participants who completed the pilot program.

### How One Pilot Employer Leveraged Skills-First Practices to Upskill Its Workforce

*“We anticipate a big wave of retirement soon across our upper management team, and most of them have traditional degrees. As we look internally toward succession planning, we have people who have experience working in our industry but don’t have the degree. Our challenge has been to create a structured, purposeful pathway to internal leadership. What we’ve done over the course of the pilot is implement a tiered mentorship program where people can participate in a structured six-week mentoring program with someone in the organization. If they want to learn more, we offer a more fully immersive mentorship program. Each month, they spend a full day focused on training for things like performance reviews, public speaking, and managing supply budgets. The latest class had 10 participants — and five of those have already moved into manager positions.”*

— Knowledge-sector employer in the Technology-Assisted Program

## THE IMPORTANCE OF INFLUENCE FOR SKILLS-BASED HIRING PROGRESS

Underscored by the results above, the pilot employers achieved substantial progress in implementing skills-first practices over the course of the program. That said, the participants' sense of influence waned post-pilot despite this success. Initially, all participants reported that they could have a very or extremely influential impact on the adoption of skilled credentials in the hiring process at their organizations. By the program's conclusion, however, only 60% believed they had very or extremely high influence. This decline may stem from the realization that implementing skills-based hiring demands more time, effort, and leadership engagement than anticipated. Navigating challenges like capacity issues, staffing shortages, and securing leadership buy-in reveals that the path to implementation is complex, requiring some experimentation to find the best approach.

### Implementing Skills-First Hiring Does Not Come Without Challenges



Percentage of pilot participants who said they could have a “very” or “extremely” influential impact on the adoption of skilled credentials in the hiring process at their organization.





# LEARNINGS AND RECOMMENDATIONS



# LEARNINGS AND RECOMMENDATIONS

Reflecting on both the successes that employers achieved and the challenges they overcame during the pilot underscores the impact skills-first hiring and advancement resources and tools can have when paired with tailored strategies. By learning from these experiences, organizations can develop effective strategies for skills-first hiring that can deliver long-lasting change.

## **Learning No. 1: With the right tools, employers can advance skills-first hiring without heavy resource demands.**

A major question this pilot sought to answer was if a less resource-intensive or lower-touch slate of tools could effectively support employers in transitioning to skills-first hiring practices or if a comprehensive, high-touch approach is essential for achieving optimal outcomes. The results from the pilot showed that when equipped with the right tools, employers can effectively advance skills-first hiring without the need for resource-intensive support systems. Regardless of whether the support pilot employers received was unassisted, technology-assisted, or fully assisted, they saw a reduction in key barriers to skills-first hiring within their organizations and increased uptake of key skills-first practices over the course of the pilot.

Future skills-first hiring pilots could benefit from larger cohorts to address participant drop-off and further explore more nuanced effects of varying support levels, but the lack of differences observed across groups in this pilot is encouraging. These results have important implications for the scalability of skills-first hiring programs, tools, and resources because self-implemented strategies are not limited by the constraints of fully assisted support, which typically rely on the availability of trained mentors and financial resources.

**Recommendations for Employers:** Cost can often be a substantial barrier for organizations exploring new investments or initiatives because they must carefully prioritize where to allocate limited budget dollars. This research underscores that starting a skills-first hiring journey does not have to be expensive. In fact, there are a variety of free and effective resources that organizations can leverage to begin their skills-first hiring journeys, such as the [SHRM Foundation's Ready for Success toolkit](#), which was utilized by employers in the pilot and provides step-by-step guidance for how to implement skills-first hiring in your own organization. To access this resource as well as other free tools to help kick-start your organization's journey, please visit the Resources section at the end of this report.

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## **Learning No. 2: Prioritization is key to success.**

This research showed that high-touch, fully assisted support may not be necessary to drive change, but prioritization is still critical to a successful skills-first hiring program. Thirty percent of those who dropped out of the pilot did so due to shifting priorities and lack of staffing support. This finding underscores the critical need for a strong commitment to ensuring that skills-first hiring efforts receive the necessary attention for the best results. Having access to free resources and tools can certainly be beneficial, but the results of this pilot showed that without an organization's commitment to prioritize skills-first hiring and ensure that it remains a focus, progress can stall and resources can go underutilized.

**Recommendations for Employers:** The real value of skills-first hiring resources is driven by active engagement and the efforts of employers committed to leveraging them. Skills-first strategies require organizational support in the form of dedicated personnel and time to succeed. Even if your organization has the best intentions, without clearly and intentionally setting aside these resources and making a conscious effort to use and maintain them, skills-first strategies may be deprioritized in favor of other business needs over time. Just as your organization would invest in other strategic initiatives, you must commit to the support needed to make skills-first hiring a core component of your organization’s talent strategy for best results.

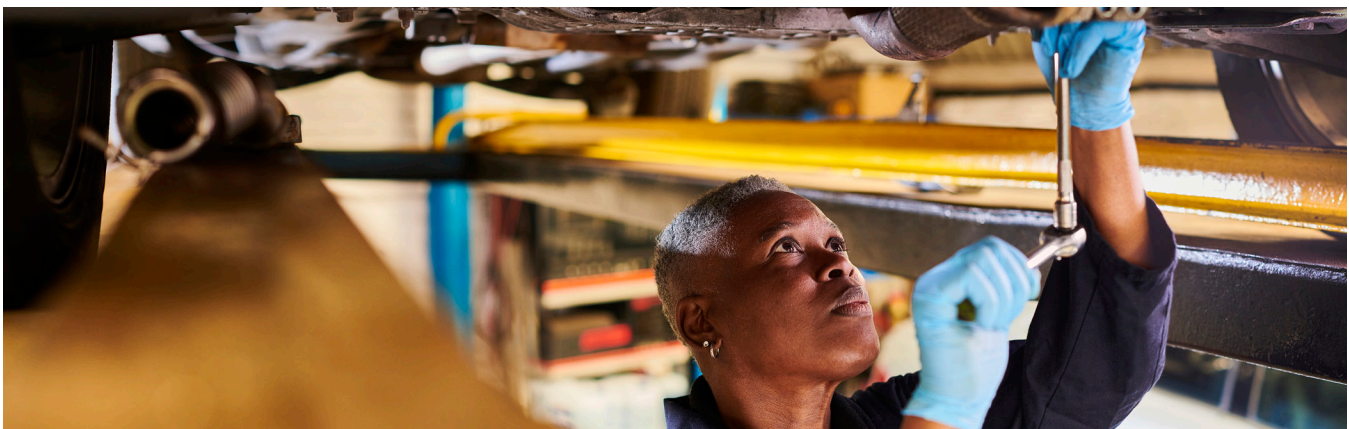
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### Learning No. 3: There is no one-size-fits-all approach to skills-first hiring.

Many pilot employers recognized the benefits of adopting skills-first hiring practices in their organizations from the start, but the participants entered the pilot program with varying levels of individual and organizational readiness to implement these policy and practice changes. As underscored by pilot employers’ success stories, there are overall best practices for skills-first hiring, but the impact of these best practices particularly shines when employers leverage them with their organization’s unique situation, workforce capacity, and goals in mind. For some, the challenge was not knowing where to start. For others, the challenge was not knowing where to find qualified candidates without degrees or how to match workforce needs to skilled credentials. Throughout the pilot, organizations adopted a wide range of strategies, each finding success in ways that suited their unique needs and varying levels of organizational readiness.

**Recommendations for Employers:** For the best results, be sure to leverage tried-and-true best practices for implementing skills-first hiring, but also spend time thinking through the unique challenges your organization may be looking to solve to help customize these solutions to your organization’s specific context. Many of the pilot employers found success following skills-first hiring best practices such as rewriting job descriptions and listing degrees as “preferred” qualifications instead of “required,” where applicable. They also customized their approaches to their needs by developing behavioral interview guides, creating skills-first career pathways for promotion, and implementing hiring manager training, among other strategies.

Consider your HR department’s capacity and staffing, the size of your organization, your level of leadership buy-in, and your organization’s available budget to determine a strategy that will work for your organization. If you are unsure where to start, consider leveraging the [Skilled Credentials Action Planner](#) to assist. This tool uses technology to help you assess your organization’s readiness, facilitate change management, and create a custom workplan for implementing skills-first strategies in your organization.



## Learning No. 4: Start small.

Success in skills-first adoption must be (and can be) incremental, measurable, and manageable. The skills-first hiring landscape can often feel overwhelming for organizations that are just beginning their journey. Building momentum by starting small and aiming for step-by-step incremental changes can be the key to long-term success. For example, these two pilot employers highlighted how starting small gave them the momentum needed to make changes:

*“In an industry with high turnover, we often lack capacity to regularly dedicate time to projects, so we take it in pieces. For example, instead of reviewing the job descriptions for the entire organization, we are doing it by division. We have adapted one division’s job descriptions to remove the degree and/or high school requirement and have met with those division leaders to get them on board.”*

— Service-sector employer in the Technology-Assisted Program

*“We focused on a specific department that faced challenges, including high turnover and employees lacking soft and hard skills, which impeded them from being able to succeed in their role. We lacked formal policies and structured expectations, so we created and implemented an employee handbook with ancillary policies as well as a job readiness assessment tool. The tool allowed us to clearly define what those standards are for hard and soft skills and to support employees’ professional development and career advancement. We have begun to cross-train and retrain our current staff to ensure all our staff are capable and have transferrable skills.”*

— Service-sector employer in the Fully Assisted Program

Rather than attempting more drastic shifts, these pilot employers used a “start small” approach to not only help build their confidence but also capture valuable insights into what works and what doesn’t, minimizing the risks associated with larger policy and practice shifts.

**Recommendations for Employers:** Focus on achieving and celebrating small wins by prioritizing smaller steps that can alleviate concerns and hesitations that your organizational leadership or hiring managers might have about implementing skills-first hiring strategies more broadly. Seeing the tangible benefits of these smaller successes can help build their confidence and showcase the potential impact of these initiatives. This strategy may be particularly helpful for HR professionals who may be challenged with obtaining leadership buy-in or larger organizations that hire for a wide variety of positions. If you are unsure where to start, try focusing on a single department or a critical position or role where your organization is facing a shortage of talent. By establishing incremental, early successes, you can help make the case for expanding skills-first hiring practices across more departments and teams. As confidence grows, so does the potential for larger-scale changes.



## Learning No. 5: Internal and external collaboration are important for maintaining momentum in skills-first hiring programs.

Organizational change is tough. Doing it alone is even tougher. Among the pilot participants who dropped out of the pilot program, 40% did so because they changed jobs during the pilot period. When these participants left their organizations, there often was not another champion to continue driving the program forward. As with other organizational initiatives, the pilot highlighted the importance of establishing co-champions across the organization to maintain accountability and avoid losing skills-first progress should staffing changes occur.

Notably, having the support of external peers can also be beneficial for keeping skills-first hiring momentum going amid organizational shifts. Participants across all three groups attended monthly community of practice sessions with other employers in their respective groups. In these sessions, participants had an open forum to discuss their progress, share about their challenges and successes, and offer insights on successful strategies from their organizations. It is possible that each group's scheduled monthly meetings may have acted as an informal accountability mechanism across the pilot. These meetings served as a forum for participants to discuss challenges and progress, and by empowering participants to be a source of support for others, they also were provided the opportunity to become a source of accountability for their peers. During the post-pilot evaluation, participants emphasized the value of engaging with fellow employers in their group as a meaningful source of support and peer learning.

**Recommendations for Employers:** When starting a skills-first hiring journey, engaging a team of champions rather than an individual champion can significantly enhance the continuity of a skills-first hiring program. By engaging a team of organizational champions, your organization will be better positioned to share the workload and prepare others to step in to take over responsibilities in the event of turnover or unexpected challenges with time and capacity. Importantly, when selecting a team, it is crucial to consider individuals within your organization who have meaningful and actionable influence over the hiring process.

Employers should not restrict themselves to only internal collaboration, however. Engaging with external peers who have implemented skills-first hiring or who are also in the process of their own skills-first hiring journey can be another valuable way to swap expertise and advice on how to overcome potential barriers to skills-first hiring within your organization. If a pre-existing group is not available, consider engaging with other employers in your local community. By doing so, you can exchange experiences and strategies, share expertise, and engage in collaborative learning. Additionally, attending industry conferences, webinars, and workshops on skills-first hiring can provide further opportunities to learn from others while fostering a sense of community and shared purpose.





# CONCLUSION

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The results of this pilot highlight a promising path forward for scaled implementation of skills-first hiring and advancement practices by employers. Across all three pilot groups, employers successfully reduced barriers to skills-first hiring, with participants reporting increased knowledge and abilities. This shift led to a notable rise in the implementation of skills-first practices, reflected in job postings that increasingly included skilled credentials and reduced emphasis on traditional degree requirements. Employer perceptions of candidates with only skilled credentials improved, as did organizations' recognition of the value that skills-first hires can bring to their workforce.

The pilot demonstrated that a skills-first hiring program can be effective without the need for intensive, resource-heavy support, thereby making such programs accessible to a diverse array of organizations. Nonetheless, for these initiatives to succeed, it is crucial for organizations to prioritize and hold themselves accountable for integrating skills-first hiring strategies. This approach not only boosts workforce capabilities but also positions organizations to excel in a constantly changing labor market.

## RESOURCES

- » **Skills-First at Work website**: A SHRM Foundation website that includes links to free research and training resources that give background on skilled credentials and skills-first hiring and advancement practices.
- » **Ready for Success: Adopting a Skills Mindset in Employment Practices toolkit**: A SHRM Foundation toolkit that explains what it means to have a “skills mindset” and outlines 12 strategies employers can implement to center skills in hiring, upskilling, and advancement within their organization.
- » **Skilled Credentials Action Planner**: A technology-assisted tool from the SHRM Foundation that helps employers identify their organization’s readiness, select one of nine skills-first hiring strategies to implement, and receive digital guidance through a 12-step implementation and change management process, resulting in a tailored action plan based on their readiness and goals.
- » **Skills-Based Hiring/Advancement Maturity Model**: A tool from the SHRM Foundation and Education Design Lab that helps employers evaluate their organization’s readiness and maturity level for implementing skills-first hiring practices.



# PARTNERS



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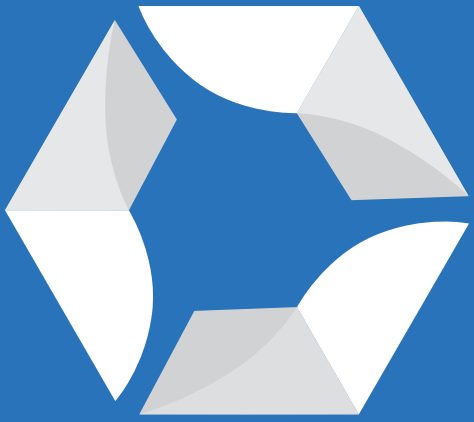
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## WORKRISE

WorkRise is a research-to-action network on jobs, workers, and mobility based at the Urban Institute. WorkRise connects workers, employers, researchers, and advocates to build evidence to inform and shape policies and practices that bring economic security and upward mobility for all U.S. workers — opening new opportunities for workers to thrive at work and in life.



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