CHAPTER 2

Defining a STARs Hiring Strategy
Now that you understand why including STARs as a key source of talent in your overall workforce strategy is important to increase the pool of talent available to hire, improve your adaptability to market shifts, expand the diversity of your workforce, and drive greater equity for all, we want to help you create and launch a STARs strategy tailored to your organization and aligned with the realities of your business. Companies can choose from a variety of mechanisms to implement STARs hiring based on their individual needs and capabilities, but the starting point for any organization is the same: determining why you are revising your talent strategy to incorporate STARs. Then you can decide how to successfully execute that new strategy based on a practical assessment of your current workforce development efforts, culture, and operations. This will include making targeted decisions about your initial scope, the roles you want to fill, the hiring mechanisms best aligned to those roles, and the tactics and practices needed to implement your new hiring approach. This chapter offers a clear and sequential action plan for launching your strategy, divided into three main parts: Planning, Retooling, and Operationalizing. Once you’ve completed these efforts, you can progress toward even broader, sustainable success with STARs hiring.

“If you don’t have a STARs talent strategy, you only have half a talent strategy.”
– Byron Auguste, CEO, Opportunity@Work

Tear the Paper Ceiling

STARs are workers who are Skilled Through Alternative Routes. They’re more than 50% of the workforce, have a high school diploma, and have developed valuable skills through military service, community college, training programs, partial college completion, or, most commonly, on-the-job experience instead of a bachelor’s degree.

For decades, upward economic mobility for millions of STARs has been blocked by an invisible barrier — the paper ceiling. The paper ceiling represents the degree screens, biased algorithms, stereotypes, and exclusive professional networking that block career opportunities for STARs. When we tear the paper ceiling, employers gain access to a massive and diverse pool of skilled candidates for hard-to-fill jobs, while STARs get a fair chance to earn the higher wages that lead to upward economic mobility.

Visit TearThePaperCeiling.org to get involved.
STARS
Hiring Strategy

Planning

Step 1: Articulate your purpose ................................................. 2
Step 2: Define your scope ......................................................... 4
Step 3: Select target roles ......................................................... 8

Retooling

Step 4: Define jobs around skills .............................................. 11
Step 5: Consider specific hiring mechanisms ............................ 14
Step 6: Realign recruiting sources .......................................... 16
Step 7: Adjust key hiring practices ............................................ 18

Operationalizing

Step 8: Align data, incentives, and performance metrics ............ 21
Step 9: Understand your ROI and outcomes ............................ 23
Any effective effort at organizational change requires careful planning to clarify intent, scale, and objectives. The first part of your STARs strategy development divides this work into the following steps:

*Step 1: Articulate your purpose*

*Step 2: Define your scope*

*Step 3: Select target roles*

Once complete, these efforts will allow you to convey a well-defined action plan for STARs hiring.

---

**STEP 1: Articulate Your Purpose**

Philosophical alignment with the broad case for STARs hiring is important, but until it is articulated within the context of your company’s needs and challenges, it may be difficult to gain traction and correctly identify the specific tactics needed to achieve success. *The first step in developing a STARs strategy is to translate the imperative for changing your approach to talent into objectives and outcomes that are directly relevant to your business and people.*

This includes answering some fundamental questions:

- **What are our pain points today?** What are the key challenges in your current hiring and workforce development efforts, and how do STARs offer specific solutions to these challenges?

- **What challenges do we foresee tomorrow?** How do you anticipate that workforce and market trends will impact your organization’s ability to meet its current and future goals? If these trends indicate a need for the evolution of your workforce strategy (and that is likely), how do STARs fill gaps in the current strategy and advance your ability to succeed in the face of emerging trends?

---

**How STARs Can Help Solve Common Hiring Challenges**

<table>
<thead>
<tr>
<th>Challenge</th>
<th>STARs Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to talent/limited pool</td>
<td>STARs (50% of US workers) significantly increase the available pool of qualified talent.</td>
</tr>
<tr>
<td>Talent acquisition costs/timing</td>
<td>STARs new and expanded sourcing channels (including increased internal mobility) offer opportunities for decreased costs/hiring lead time.</td>
</tr>
<tr>
<td>Achieving diversity targets</td>
<td>STARs represent the majority of candidates in many key demographic groups.</td>
</tr>
<tr>
<td>High turnover, low employee engagement</td>
<td>Increased diversity and internal mobility from STARs increases productivity, inclusivity, retention, and engagement.</td>
</tr>
</tbody>
</table>
KEYS TO SUCCESS:

Understand critical adjacencies, drivers, and risks in your corporate landscape

✔ Change demands a holistic approach and often involves a maturation curve for organizations, including adjacent investments and intention.

Consider that the benefits of accessing a new talent pool and adopting a STARs strategy will require:

- Targeted efforts to ensure the growth and support of new employees. This could include expanded or revised investments in training or mentoring that may represent a mindset shift from recent (and often declining) training investment trends.

- Acceptance of short- and long-term tradeoffs that you may experience tapping into the STARs talent pools. This could include trading increased time to productivity and training costs for higher retention and lower initial wages.

- Commitment to incorporating the needs of STARs into culture and inclusion efforts to ensure their integration and belonging in the broader workforce.

✔ Stakeholder buy-in is critical.

To maximize your success, you must begin with a careful analysis of your organization’s degree of readiness and motivation to make a talent strategy shift and frame your case for adopting a STARs strategy accordingly. Consider the following: Who should be recruited as fellow champions, who needs to be engaged as a formal sponsor, and who has veto power over these decisions? Who are the leaders and key decision-makers whose commitment to the strategy will be most critical to successful adoption? Who will be closest to the practical implementation of this strategy (for example, hiring managers and supervisors) and how do you ensure their buy-in? Universal enthusiasm may not be possible, but it is also not necessary provided that you understand and address your organization’s constraints.

✔ Building the case for change also requires identifying potential biases and barriers to success that may need to be addressed.

Important questions to consider include:

- What cultural biases can you identify in the organization that may be particularly problematic in gaining acceptance of the STARs strategy? (For example, the mistaken belief that a large majority of the workforce has bachelor’s degrees creating the assumption that everyone should have a degree.

- What are the practical concerns likely to arise over adjustments to hiring practices? How experienced and capable is your organization at adjusting to new processes? How fragmented or inconsistent are your current hiring strategy, processes, and data? How difficult will it be to alter systems and measures critical to tracking the data and incenting the behaviors that will promote success?
STEP 2: Define Your Scope

The scope of the initial approach to a STARs strategy should be dictated by the capacity and readiness of the organization and should allow you to show practical and steady progress within your company’s unique circumstances and constraints. Choosing the appropriate scope should include consideration of the full range of near-term commitments critical to success: training investments and strategies aligned to your workforce-model changes, budgets and key performance indicators (KPIs) revised to support the tradeoff of short-term investments for long-term benefits, and hiring practices revamped to facilitate skills-based hiring.

You can select an initial scope somewhere on the continuum from highly targeted, focusing first on a few roles that may be within a single business unit or line of business as part of a smaller, bottom-up approach, to company-wide, including all roles and business units in a top-down, comprehensive effort to change hiring practices. Either approach can yield meaningful results, but those results are dependent upon several key organizational preconditions for success.

Success with a targeted, role-specific approach includes the following preconditions:

- Hiring manager (and/or divisional leader) sponsorship
- Alignment between HR and hiring managers, especially in recruiting

These basic preconditions are necessary to implement your STARs strategy in even the most targeted way and will allow you to create an example of success that can be replicated and promoted in other parts of the organization as a basis for rolling out the approach more broadly. Their importance in establishing fertile ground for new practices to flourish cannot be overstated.
Defining a STARs Hiring Strategy

- **Hiring manager sponsorship**: Simply stated, a willing and eager hiring manager/divisional leader with critical jobs, and/or a sizable number of jobs that need filling (whether one role or multiple roles), and an open mind on how best to fill them is essential. HR cannot lead changes in hiring practices within HR alone because, in the end, it is hiring managers who make final hiring decisions and are responsible for creating the conditions for new hire success (or lack thereof).

  Gaining the support of hiring managers involves fully informing them of your motivations and goals from the start; creating a dialogue where their questions, concerns, and biases can be shared and addressed; anticipating and preparing for potential impediments to success within their sphere of influence; and creating a robust and frequent feedback loop through which you can identify issues that impact their ability to support new hires. It is critical to align their incentives with the success of the program and provide the support they need to adjust their approach to coaching and mentoring candidates with a broader array of previous experiences. This can involve targeted training and recognition of the extra time that may be required to develop these new hires.

- **Strong partnership and alignment between HR and hiring managers**: To open your hiring aperture to include STARs, your HR team will need to partner with hiring managers to rewrite job descriptions, reconsider recruiting sources, and revise interviewing practices, among other changes. Doing this in alignment with hiring managers and functional leaders is essential to success since hiring managers have the greatest practical knowledge of the job you are trying to fill and represent the front line of engagement with new STARs employees.

Success with a company-wide, top-down approach includes the following ADDITIONAL preconditions:

- **CEO/executive team sponsorship**
- **Centralized — or at a minimum, highly coordinated — HR function (particularly the recruiting function)**
- **Existing company-wide taxonomy of skills and roles, or at a minimum the intention and buy-in to create one as part of your evolving workforce strategy**
- **An HR management system that robustly captures data on hiring sources, skills, training, etc. for employees**

Each of these preconditions is critical to an initial approach that encompasses the entire organization, for reasons that are useful to consider by companies choosing either approach since they also represent aspirational goals for companies starting in a more targeted manner but planning an eventual company-wide rollout.

- **CEO/executive team sponsorship**: Driving change is hard — particularly when that change questions practices that have been in place for many years. In order to prioritize changes in hiring practices across an entire company, the HR function, hiring managers, and, to a lesser extent, the entire workforce must understand the importance of these changes. CEO/executive team sponsorship, including discussion and communication of the case for change at the leadership level, is a first step in driving new behaviors. These efforts must be coupled with ongoing executive-level assessment and review of progress with the new hiring practices, both to signal the importance of the changes and to ensure that the changes become part of standard operating procedures over time.

- **Centralized HR (and recruiting) function**: If your company seeks to assess hiring practices and widen the hiring aperture across all roles, having
a central HR function (or one that is synchronized across business units) to drive the process is critical. Without a central HR function, each hiring manager may create their own skills assessment approach, hiring protocol, talent sourcing strategy, tracking mechanisms, etc., creating a hodgepodge of approaches that will make tracking progress inconsistent (if not impossible), limit your ability to fully leverage systems and tools to support your efforts, and potentially even increase your legal risks. A strong central HR & recruiting function can drive a systematic approach to assessing and implementing broader hiring and can ensure that the foundational elements necessary for success are put in place with care and consistency.

- **Organization-wide taxonomy of skills and roles:** If your company goal is to change hiring behaviors broadly, then the ability to look across roles and leverage a common skills language will both speed the process and reduce risk. Using skills terminology your company agrees on, you can scale efforts to assess what qualifications, assessments, and experiences will serve as proxies for candidates having a given skill, regardless of the role.

- **HR management systems with thorough people data capture:** The business adage is that you “measure what matters.” Good data is critical to understanding where you are making progress opening your hiring aperture and where you may be having less success. Knowing from where candidates were sourced, how skills were assessed upon hire, and what post-hiring training is being used across roles is fundamental to understanding how to accurately measure success and fine-tune efforts. This data will also support systems of accountability. Note: Privacy practices in the EU will change what candidate and employee data is permissible to capture and store.

To date, we have seen more companies begin the expansion of their hiring aperture with specific jobs in a single business unit or job family, finding this an easier starting place from which to manage implementation and monitor progress. From there, companies can expand broader hiring to other roles and divisions as they experience success and refine their approach, ideally culminating in a company-wide, comprehensive STARs strategy.

---

**Case-in-Point: Removing Degree Requirements Across Indeed**

Over the course of 2020-2021, Indeed removed college degree requirements from 700 different role profiles, which allowed them to engage, attract, and hire a wider pool of qualified applicants for jobs across Indeed. Chris Hyams, CEO of Indeed, was a key sponsor for this work, noting, “Talent is universal, but opportunity is not.” Team members across Talent Attraction, DI&B, Mobility, Legal, Compensation, HR, and ESG partnered on this effort and rolled out this “degree removal project” to the entire company in 1.5 years.

---

**KEYS TO SUCCESS:**

Be realistic about what’s possible and when, and take small steps toward big goals

- **A STARS strategy makes sense for a wide range of talent needs — but there are many good reasons to start small.**

Reengineering the hiring process for an entire company all at once is a tall order. Establishing and implementing a variety of new processes, gaining the sponsorship of leaders, and managing new forms of onboarding and development are hard to do at scale from the start — and starting big can eliminate the opportunity to learn from challenges and mistakes in a small setting so that you can make adjustments with greater ease as you grow. Even if the initial champion in your organization is the CEO, practical realities often suggest that it is best to focus first on hard-to-fill positions that can generate early wins and insights on the best way to expand.

- **Data is key — and not all Applicant Tracking Systems and Human Resources Information Systems easily facilitate change**

Before you decide your scope, be sure to do a realistic assessment of your ability to capture data about your new hiring efforts in your ATS and HRIS. If you are unable to capture the basic information necessary to review and measure your new approach, it will be difficult to validate and scale your efforts. Choose your initial scope based on what you are confident you can manage from a data perspective, either through system modifications or through an alternate (and sometimes more manual) approach until such modifications are possible.

- **Hiring managers truly hold the key to success.**

We include hiring manager sponsorship as a precondition to success with either a targeted or broader initial scope, but the importance of support from this stakeholder group deserves special reinforcement. They are usually the first and deepest line of engagement in the onboarding, oversight, and acclimation of the STARS you hire, and their full commitment to the success of your efforts will be as influential in the success of those individuals and the program as almost any other factor.
STEP 3: Select Target Roles

Every organization has some roles or job families that are good candidates for intentional STARs hiring, and it is wise to consider speed, impact, and precedence of success as factors in your selection of initial targets. Two specific starting places offer special advantages:

- Roles marked by high need and proven pathways
- Newly designed roles or jobs that are new to the labor market

*High need/proven pathways:* One of the clearest and most expedient ways to launch your new strategy is with a focus on roles that sit at the intersection of your highest-need/hardest-to-fill positions and on jobs that have a history of being well suited to STARs. Focusing on these roles will allow you to minimize risk and maximize early achievement, and our work across many enterprises has shown that the companies driving the greatest success with broadening hiring start from this intersection of need and proven pathways.

In terms of need, all companies have roles that represent their greatest hiring challenges. Often these roles are characterized by a significant number of employees and an elevated level of ongoing hiring; additional factors might include roles with high turnover, roles with insufficient candidate supply through traditional sourcing routes, or roles that are highly competitive in the marketplace. In today’s tight job market, these roles are also often the ones with many open requisitions and long lead times to fill the role. Focusing on these roles will provide your organization with a better and clearer return on any needed investments.

In terms of proven pathways, Opportunity@Work’s research has identified a number of role progressions, based on STARs’ skills, which have shown measurable success. *Appendix A* will refresh your memory on O@W’s categorization of origin, gateway, and destination jobs, and *Appendix B* offers several examples of proven pathways between them. The tools available through Stellarsight (see sidebar on page 16) also allow you to identify the specific pathways aligned with your needs. By matching these progressions to
Defining a ST ARs Hiring Strategy

your company’s highest-need roles, you can identify a prioritized list of target roles that represent an excellent starting place for your new STARs strategy. You can also determine if your company is lagging or aligned with the market rate of STARs hiring for your target roles, information that offers valuable insights into the proper approach to attracting or promoting STARs in these functional areas.

Case-in-Point: Filling High-Need Roles in Tech

Tech companies have been battling talent shortages for years, and the tighter job market has only exacerbated the problem — resulting in staggering statistics that suggest, for example, almost half a million currently open cybersecurity jobs alone. As a result, companies like Dell Technologies have expanded their recruitment efforts and redefined recent graduate talent to include those with associate degrees and experience in apprenticeships and certificate programs. This is expanding the pool of talent for jobs in everything from cybersecurity to engineering, tech support, tech sales, and marketing. Jennifer Newbill, Dell’s director of university recruitment, explains the practicality of this mindset shift: “There’s a talent shortage all technology companies are facing, and it will only increase as time goes on if action isn’t taken today to step out of the traditional recruiting model.”

Note: A special opportunity exists to focus on proven pathways from which STARs have been displaced. As detailed in Appendix C, Opportunity@Work’s research has found that STARs have been displaced from 7.4 million middle- and high-wage jobs that they have traditionally held in higher proportions. Forty-one percent of that displacement can be accounted for in 30 key jobs where STARs have proven their value and

employers have an opportunity to reverse an unfortunate trend. Intentionally recruiting STARs for these positions — including customer service representatives, meeting and convention planners, business operations and management specialists, and many IT roles — is a low-risk opportunity to meaningfully engage STARs.

Newly designed roles or new-to-world jobs: Another approach is to start with new-to-world roles where the company is just starting the job-design work. These roles require fresh consideration of what will be needed to be successful — a blank slate that provides the perfect opportunity to think differently about skills and qualifications as part of job design. Often the innovation driving the creation of new roles is accompanied by an openness to new ways of seeing and working with talent, and these roles — by virtue of their nascency — typically lack established pathways.

Whether your organization is taking a narrower or broader approach to changing hiring practices, we recommend that you begin your efforts with targeted roles that leverage one of the advantages mentioned above. If you are employing the broader approach, you can use these roles to hone a systematic process for change and then expedite the revision of job descriptions, sourcing and hiring methods, and other related practices across your entire workforce.

KEYS TO SUCCESS:

Understand how your target roles may impact scope

Different roles may require different sourcing channels and hiring mechanisms, and this can impact your overall scope.

Be aware that if you choose to pursue several target roles based on these parameters, they may individually require different sourcing channels, hiring mechanisms, and other tactics. This can significantly change the scope of effort involved, as well as the return on investment of the initial approach. Consider starting with fewer roles, or roles that offer common sourcing approaches, if you do not have the capacity for such additional scope.

PLANNING OUTCOMES

Success in the planning stage of your STARs strategy development is defined by:

- A clearly articulated statement of purpose aligned with your needs and internal audience.
- Identification of key stakeholders and potential barriers to success.
- A well-defined strategic scope driven by organizational readiness.
- Selected target roles likely to generate early achievements.
Once you have framed your plan, you can begin retooling organizational practices for STARs hiring. This second part of your STARs strategy development includes the following steps:

*Step 4: Define jobs around skills*

*Step 5: Consider specific hiring mechanisms*

*Step 6: Realign recruiting sources*

*Step 7: Adjust key hiring practices*

Once complete, these efforts will allow you to begin active recruiting of STARs.

**STEP 4: Define Jobs Around Skills**

Every STARs strategy begins with a reconfiguration of job qualifications that focuses on skills. There are multiple mechanisms, which align with different types of jobs and needs, for broadening your hiring aperture, but they all start with creating a skills-based hiring mindset and rewriting job descriptions that define a role in terms of the skills required.

**Skills-based hiring mindset**

- As we discussed in Chapter 1, the overuse of degrees as a proxy for skills and “fit” was born of a desire to reduce hiring risk. It resulted in the unnecessary screening out of many qualified candidates, increasing the time and cost to hire and reducing the diversity of the workforce. This issue has become increasingly significant as labor markets have tightened and the case for workforce diversity has become clearer. Skills-based hiring offers a much more strategic and effective way to lower hiring risk while simultaneously expanding the pool of potential employees — by clearly articulating the exact skills needed to succeed in a role rather than using a proxy for those skills, like a degree. It demands a shift in mindset that involves honing the ability to look beyond an exact replica of experience or a familiar degree. However, this shift can stimulate a myriad of improvements in your talent practices. As transferable skills become the real currency in your workforce — and in the broader labor market — you will be able to harness the potential of internal and external candidates who can now be appreciated for skills that represent valuable assets across your business.

▶ Read our responses to [common objections to STARs hiring](#) in Appendix D.

**Identifying the skills at the heart of your skills-based approach**

The hard work of adjusting your talent strategy for the roles you’ve targeted begins with identifying the skills each role requires to effectively perform the functions of the job. You will find that many existing job descriptions have “qualifications” that have little or no direct bearing on role activities. These improper proxies can include number of years of experience, college degrees outside specific fields, and specific previous jobs. With a skills-based approach, the burden of proof on qualifications required for a given role should be high, and careful attention should be paid to poorly chosen requirements that screen out otherwise qualified groups of candidates.
Case-in-Point: State of Maryland’s Willingness to Change

When the state of Maryland evaluated their job descriptions, they discovered that some position descriptions had not been altered in decades. No one could remember how their qualification requirements became part of the job description but, over time, everyone from hiring managers to recruiters had accepted the requirements, especially degree requirements, as “given.” The willingness to challenge these historical norms is critical for a meaningful reassessment of job descriptions and skill requirements.

Identifying the skills required for a job should include consideration of both technical and industry-specific skills as well as softer skills such as communication and teamwork. It should also involve distinguishing between those skills that are truly required and those that are preferred; one way to think about this differentiation is to consider which skills are necessary on Day 1 and which can be taught on the job. It is also important to understand the prioritization of identified skills and to limit the number of skills listed in a single job description. Too many skills (e.g., over 10 to 12) can turn off or intimidate applicants and de-emphasize the skills that are most critical. There are multiple free tools, such as SkillsEngine and O*Net, that can help you identify skills frequently tied to certain roles; consider using one to help map your targeted roles to common skills. Most importantly, work with direct managers and those currently in the role to develop the right list of requirements and reality-test your hypotheses.

In Appendix E, we share an example job description before and after assessments of needed qualifications.

While assessing qualification requirements, it is also a best practice to look for biased language in the job description. Scanning tools now available, such as Gender Decoder, Textio, Ongig, and UInclude, can highlight language that may deter women and BIPOC candidates from applying for your roles. In a recent HBS article, Harvard professor Iris Bohnet shared ways to improve gender outcomes by design. She explains that by simply purging gendered language and limiting the number of mandatory qualifications to those truly required for the job, we can de-bias organizational practices—a much more effective way to ensure access to a broader pool of qualified candidates than to try to de-bias deeply held and often unconscious mindsets in the organization. One oft-cited example of why this is important was examined years ago in a Hewlett Packard internal report that demonstrated the fact that men apply for a job when they meet only 60% of the qualifications, but women apply only if they meet 100% of them. Effective skills-based hiring practices are a powerful way to minimize the bias in your search for talent and, as a result, maximize the number of qualified potential candidates in your application pool.
As with all changes to your personnel practices, legal review of both the roles you are targeting for broadening the hiring aperture and associated job description changes is an important step. Among other things, the legal team should be looking for:

- Job qualification changes that may impact other company programs, such as H-1B visas
- Job qualification changes that conflict with government requirements for certain roles (e.g., doctors must have a medical license, lawyers must have passed the bar, CPAs must have a current certification, etc.)
- Ancillary impact of job description changes on current legal actions facing the company

**KEYS TO SUCCESS:**

**Get the right input on skills, and review regularly**

✔️ **Correctly identifying necessary skills and rewriting job descriptions accordingly is a skill itself; leverage the right input.**

Members of the HR team may be most familiar with writing job descriptions, but they are also the closest to the kinds of traditional experience- and pedigree-based denomination of qualifications you are trying to change. Be sure to include a diverse range of input and intentional checks and balances as HR takes the lead on rewriting those descriptions. The best source of input is often at the source — direct managers and those succeeding in-role who truly understand what it takes to do the job, or in certain cases, those training individuals in the role. Engage them deeply in the process of redefining role qualifications; this is also a great way to win their buy-in to your new hiring approach and fortify their skills-based mindset. Likewise, use the resources available from widely regarded tools and platforms focused on skills definition that can provide a starting place for the kinds of skills (and how to articulate them) necessary for certain jobs. This information is based on extensive research that can give you a head start in building your own skills-based mindset, establishing a skills taxonomy in your organization, and appropriately redefining the requirements of the jobs you want to fill.

✔️ **Collect feedback and iterate, iterate, iterate.**

The failure of past job descriptions to correctly articulate what’s needed to do a given job should be a cautionary tale. As you begin to rewrite job descriptions, remember that there will likely be a need to refine those descriptions as you build your skills-based hiring muscles and as roles change over time. Create an intentional and unbiased feedback loop, especially in the early years of your new strategy, to ensure that you can uncover discrepancies between job descriptions and reality and adjust accordingly. That feedback loop can include everyone from those involved in the hiring process to the new hires themselves and should be conducted at regular intervals to allow for experience to generate meaningful insights.
STEP 5: Consider Specific Hiring Mechanisms

Once you know the skills required for the jobs you want to fill, there are a variety of targeted mechanisms that can maximize your potential applicant pool by ensuring that you are fully leveraging every possible avenue of access to that job. The specific nature of these hiring mechanisms allows you to minimize risk and maximize success by addressing specific qualities of the kinds of jobs they best serve. Consider them a menu of tactics you can use to accelerate the impact of your skills-based hiring mindset and practices by strategically broadening the top of your applicant funnel (See Appendix F).

1. **Internal mobility:** Current employees represent an often-overlooked talent pool and a special application of skills-based hiring. Organizations that already have large pools of proven origin jobs (lower-wage jobs from which workers gain skills and can achieve higher-wage jobs) in-house have the potential to leverage this talent pool as a consistent source of candidates to fill other roles across the organization. This provides the lowest hiring risk scenario for the company, as the candidates in this pool are known entities with documented work history, performance reviews, and current managers who can attest to their skills and performance. It also has a positive impact on retention by demonstrating the potential for upward progress to employees at all levels of the organization.

The two mechanisms below provide alternative onramps for new candidates and can allow a highly structured form of onboarding that minimizes hiring risk for the organization.

2. **Internships:** Internships offer an excellent opportunity to identify and develop talent for roles where soft skills and a few (but not an overwhelming number of) hard skills can be learned in months, rather than years. At the end of most internships, companies can correctly assess fit and ability to perform a specific role. Internships are commonly (but not exclusively) used for sales/services/support roles (as well as college summer hires in many roles); they are also used as a hiring mechanism after candidates have completed targeted training programs, such as boot camps, when companies want to validate both soft skills and the skills learned in the training program.

3. **Apprenticeships:** Apprenticeships offer the ability to identify and develop talent for roles that require a significant level of hard skills that are not commonly taught in the education/training ecosystem, and/or skills that are incredibly unique to your company. They provide the combination of training and assessment necessary to validate these skills before offering durable employment. Manufacturing/production industries commonly use apprenticeships in situations where processes and skills are exclusive to the company and/or where full-time workers receive a durable contract post-hire, increasing the cost of hiring errors.

The next two mechanisms allow companies to leverage existing staffing relationships in new ways and potentially multiply the impact of their skills-based hiring approach to spheres beyond their own direct hiring.

4. **Contract to hire:** If your organization has high-volume roles with common industry definitions for which an ecosystem of vendors/contractors has arisen to provide contract employees, there is an opportunity to hire for full-time internal roles from this pool of contractors. This contract labor
ecosystem can effectively hire/train a labor pool for these roles and is often supportive of employers hiring contract employees from their ranks for a modest placement fee. This model enables a “try before you buy” situation for employers, ensuring that they can directly assess the skills of individuals over the course of their contract.

5. **Vendor hiring requirements:** In enterprises where vendors represent an important part of the overall workforce model, organizations have the opportunity to reduce contractually mandated hiring constraints (such as required college degrees) for staff provided by vendors, thereby enabling them to hire from a broader pool of talent. While this does not change the composition of your enterprise’s workforce, it is a way to influence expanded, skills-based hiring in your array of partners and potentially include more STARs in the staff supporting your business through vendor relationships.

### KEYS TO SUCCESS:

**Consider the specific requirements of targeted hiring mechanisms**

- **Maximizing the potential of internal mobility requires a new look at onboarding and training.**

  Tapping internal pools of talent is a great option for many reasons, but it does benefit from a more integrated approach to hiring, onboarding, and training that anticipates the potential for internal movement. As you transition to skills-based hiring, be sure to consider the ways that onboarding and ongoing training may need to be adjusted across the organization to educate and prepare employees who may pursue paths through multiple jobs during their tenure at the organization.

- **Internships and apprenticeships require structured programming.**

  Effective internship and apprenticeship programs require thoughtful program development supported by committed leadership, recruiting, and training resources. If you have not yet built programs of this kind for the roles you want to fill, understand that you will need to plan strategically and gain support for investment in the establishment of such new entities.

- **Here again — collect feedback and iterate, iterate, iterate.**

  As with new job descriptions, utilizing new hiring mechanisms represents the development of a new hiring muscle. Create intentional and unbiased feedback loops with individuals closest to the work that ensure that you can uncover challenges and weaknesses and adjust your approach to these mechanisms as needed.
STEP 6: Realign Recruiting Sources

Once you have selected your target roles, determined what hiring mechanism will be most effective for your company, and considered the volume of hires you need in a given period, you will need to develop the recruiting sources best suited to expand the talent pipeline for your target roles. Your current candidate sources are likely aligned with a traditional hiring approach. A change in focus and strategy toward skills-based hiring will require adjustments to historical sourcing pathways to maximize your opportunity to connect with new candidates whose skills are appropriate for your target roles. New options for expanding your candidate pool and changing hiring outcomes may include:

• **Recruiting platforms:** What recruiting platforms should you add or replace to reach talent aligned with the skills you seek? Research platforms that access new hiring pools, including population-specific job boards where you are likely to find more STARs, including O@W’s Stellarworx.

• **Regional training providers and workforce agencies:** Which regional training providers could be a source of talent with verified skills based on their training program outcomes? How are your local workforce agencies set up to attract and connect you to talent with the required skills?

• **Community colleges:** Do regional community colleges offer programs that align with the skills you seek? Can you partner with these colleges to improve the alignment of their programs with your skill needs?

• **Source roles and employers:** Given your understanding of the alignment between the skills of people in origin roles and the skills needed for gateway jobs, are there regional employers with large pools of skilled talent in origin roles that you would want to tap into as a candidate source?

Institutions such as the Council on Integrity in Results Reporting can provide valuable insight into the effectiveness of various talent sources in developing skilled talent. Leveraging these insights will speed the development of your sourcing strategy.

The insights you need to unlock half the workforce are now at your fingertips. To create a blueprint for incorporating STARs into your workforce, you need knowledge of STARs in your region, an understanding of the skills they possess that translate to your open roles, and clear direction on how to adjust job requirements so those roles are accessible to STARs. Stellarsight aggregates the latest national labor market and STARs data into an interactive digital dashboard, helping you to identify the best way to source STARs. Intuitive data visualizations illuminate the STARs talent pool by region and show where STARs’ skills match with job roles based on proven career pathways.
KEYS TO SUCCESS:

New recruiting sources require due diligence and nurturing

Do your homework — not all platforms, providers, agencies, and colleges are the same.

The landscape of recruiting sources is broad and can be inconsistent, requiring your careful attention and diligence when choosing the right sources for your hiring goals. Recruiting platforms offer different levels of functionality and quality; regional training providers can have vastly different programs, outcomes, and scale; workforce agencies are run with wide variation in professionalism, impact, and local engagement; community colleges have highly disparate levels of alignment with local skill needs and flexibility to partner with local businesses. Be sure to do your homework thoroughly as you realign recruiting sources for your new approach to hiring.

Fully optimizing new recruiting sources takes time and relationship building.

Related to the fact that recruiting sources can vary widely in potential and performance is the fact that developing new pipelines, unlike the well-traveled paths and processes associated with traditional sources, can require significant time and energy to build relationships that maximize impact. The return on these investments can be great if chosen and managed wisely, but HR teams should understand that breaking new sourcing ground takes determination and nurturing to which they may not be accustomed.
STEP 7: Adjust Key Hiring Practices

After you’ve settled on a set of jobs, new job descriptions, and realigned sourcing channels, you will need to adjust your hiring practices to support engagement with a more diverse set of potential candidates. This includes reworking your screening and selection criteria, interview protocols, and onboarding and professional development plans.

Screening and selection criteria: Once you’ve determined how to increase the flow of applicants from new sourcing channels, you need to ensure that your screening process prevents the bias that has traditionally screened out candidates qualified through alternative routes. As a first step, companies should review their ATS filters to guarantee that candidates are not being filtered out of the hiring process through existing screening parameters that target years of experience or education. All ATS filters should be set to align with new skills-focused qualifications. To further focus the screening process on skills and minimize bias, some companies mask names in resume and application reviews. Many have also begun to employ pre-screening assessments aligned with required skills. Assessments from companies like GapJumpers, pymetrics, Hackerrank, and TestGorilla can quickly validate key skills, identify top candidates, and reveal areas for future development and training. As with the adjustments to job descriptions, it is wise to confirm the compliance of any assessment with your legal team.*

Interview protocols: The traditional interview process can unintentionally screen out viable candidates due to affinity biases. One way to combat this as part of your new hiring strategy is to create a skills-based interview guide that consistently asks all candidates questions directly connected to required skills. Likewise, it is important to create diverse interview panels, inclusive interview environments, and standard rubrics with which to evaluate candidates post-interview. One employer we interviewed altered their recruitment process for a high-volume, high-turnover role to include training for managers who would interview in teams. This company learned that their managers needed to be trained on how to successfully hire for potential, vs. hiring for previous analogous experience in their traditional industry hiring pipeline. This was not just a one-time training; it required the company to form interview teams that would prep, interview, and debrief together after batch-interviewing events to ensure consistency and reinforce new norms. This approach has yielded a rich new pipeline of candidates, 80% of whom have exceeded their initial sales targets or other role-specific performance goals.

* Legal note: If your company is domiciled or does business in NYC, you should be aware of Local Law 144, which goes into effect Jan. 1, 2023, and requires employers to audit automated decision-making tools used to evaluate job candidates and employees. AI and algorithm-based technologies used for hiring and promotions must be audited for bias that could lead to discrimination based on race, sex, age, or national origin. This law applies to employers with employees/applicants, whether those seeking to join the company or current employees seeking a different position with the company who reside in New York City. Employers must arrange for an independent auditor to complete an annual evaluation of automated tools that use machine learning, statistical modeling, data analytics, or artificial intelligence to score, classify, or otherwise make a recommendation regarding candidates and to assist or replace an employer’s decision-making process for promotions and offers of employment. Employers must maintain a summary of the bias auditing findings on their website. NYC Local Law 144 is a first-of-its-kind law but other locales, such as Washington, DC, and New Jersey, are looking into adopting similar measures and requirements.
Over time, it is also wise to consider adding unconscious bias training for all recruiters, interviewers, and hiring managers; such efforts improve the effectiveness of interviews and educate key stakeholders on the open and inclusive mindset most productive for your new hiring approach.

**Skills-based onboarding and professional development plans:** Traditional onboarding is often HR- and compliance-focused; skills-based hiring invites organizations to consider ways that this initial training can also address areas identified as needing attention to ensure the success of new hires from different talent pools. Ensuring that onboarding programs include attention to these issues often increases initial engagement and leads to greater performance and retention. Reinforcing your onboarding program to meet the needs of STARs may also involve revising traditional progress and development plans, extending the onboarding process over several months to integrate formal and on-the-job training, and increasing focus on mentoring and cultural connections that promote greater belonging in the workplace.

As with onboarding, a strong skills-based hiring strategy may reveal new priorities in your ongoing professional development and training programs. After revising your onboarding approach to serve your workforce model changes, consider what may need to be adjusted in these programs. Review the information collected in the hiring process to identify potential gaps and areas of improvement that ongoing training could address, and set up a system of frequent and thorough feedback to track the progress of new hires — involving both the new hires themselves and their managers. This can provide additional information on topics that training should address and ways that you can best prepare your workforce for needed skills and internal mobility.
KEYS TO SUCCESS:

Overlooking the details in tactical hiring practices can easily compromise your efforts

✔️ It’s easy to overlook long-established automatic screening in your ATS.

Thoroughly review any established filters and automatic screening in your ATS; unless you are intentional with this step, it can be easy to overlook filters that could inadvertently compromise your new hiring strategy. Consult with IT and those most familiar with your systems to ensure this is done properly.

✔️ Understand the importance of interview protocols.

Unstructured and inconsistent questions and evaluation criteria for interviews represent a major threat to any new hiring approach. If interviewers who are used to the traditional approach and to traditional candidates screened for degrees and experience are not educated and trained on new protocols and assessment techniques, it is likely your new approach will not yield success with new candidate profiles. Be sure to align your interview practices — and communicate new goals and procedures with interviewers — carefully.

✔️ It can’t be said enough — collect feedback and iterate, iterate, iterate.

New tactics in screening and selection, interviewing, onboarding, and professional development and training can only be refined if you are collecting feedback on their usage and performance from multiple sources (hiring managers, STARs hires, etc.). Both quantitative and qualitative feedback are important; create a structured feedback process that allows for continuous improvement of these tactics.

RETOOLING OUTCOMES

Success in the retooling stage of your STARs strategy development is defined by establishment of:

- Development of skills-based job descriptions for your target roles and progress toward an overall skills-based hiring mindset.
- Selection of hiring mechanisms that will expand access and onramps for new talent pools.
- Identification of recruiting sources to expand the talent pipeline for target roles.
- Adjustments to screening and selection criteria, interview protocols, and onboarding and professional development that reflect skills-based hiring realities.
- Commitment to continuous learning and refinement of new practices through intentional feedback mechanisms.
Once you have retooled your hiring practices to support your skills-based STARs strategy, it is important to fully operationalize your plan by aligning data, incentives, and performance metrics to support it, preparing key players for these adjustments, and clarifying your outcomes and ROI expectations. The third part of your STARs strategy development will ensure it is embedded in the fabric of your organization and includes the following steps:

- **Step 8: Align data, incentives, and performance metrics**
- **Step 9: Understand your ROI and outcomes**

Once complete, these efforts will allow you to fully engage your initial strategy and leverage it for broader scaling and sustainability.

---

**STEP 8: Align Your Data, Incentives, and Performance Metrics**

As you prepare to implement a change in your workforce strategy, it is critical to align your data collection, incentives, KPIs, and measurement systems to support the change and increase your ability to monitor outcomes and gauge success.

**Collect the right data**

Begin with your tracking systems (ATS and HRIS among others), which will determine what and how you can record results of the effort. Recruiting systems capture candidate sources and backgrounds but will often require new flags or identifiers to help you see how different sources of candidates are performing — not just during the recruit-to-hire phase, but also post-hire — so that measures of performance and retention can be included in the ROI calculations you use to validate and fine-tune your approach. Insights from tracking data of this sort have led companies to double down on hiring from origin roles or recruiting sources that more consistently offer candidates who go on to be successful. Regular reviews of your progress on intentionally broadening your workforce composition should become part of your HR and business leader talent reviews, exposure that also supports the eventual expansion of proven strategies.

**Align incentives with your new hiring approach**

Success with a new hiring approach depends on those most closely involved in the hiring process, and an assessment — and potential adjustment — of the incentives provided to key participants is essential. Starting with the recruiting team (and contract recruiters who support you), it is important to understand if modifications to existing incentives are needed to support your new workforce hiring programs and goals. Incentives that support a change in workforce strategy geared toward “screening in” candidates with appropriate skills include time to fill roles, % open roles filled, # non-traditional or target pool candidate interviews, and average sign-on costs (bonus, etc.). Incentives that can deter a changing workforce strategy and encourage the continuation of a “screen out” mentality include hiring rates based on the percentage of presented candidates hired. Incentives should be aligned as part of a balanced scorecard approach that is connected to the workforce strategy you are seeking to implement.

Incentive alignment needs to reach far beyond the recruiting team to ensure the success of your new hiring approach and of new employees. Often the
hardest accountability system to change is the one around short-term labor productivity. If you are moving to a workforce approach that increases the focus on hiring for potential, as many mechanisms such as apprenticeships and internships do, it is critical to give hiring managers the time and space to absorb potentially lower short-term productivity from new employees, knowing that the company will see a long-term ROI. Productivity targets and other accountability measures and incentives that determine hiring manager performance may need to be adjusted to support potential-based hiring. For a broad base of roles, such as customer service, inside sales, supplier management, and manufacturing, specific measures of productivity per employee are often tracked and used as critical indicators in business reviews and budget processes. If these measures are not adjusted to incent hiring managers to employ different strategies necessary for the success of employees with new talent profiles, the success of the new hiring strategy itself will be in danger.

Adjustments that allow for the additional space needed by managers supporting new talent can come in the form of additional hiring ramps and time-to-productivity modifications in business and budget models. It might also be achieved by focusing on the total cost for a given level of output over time, rather than just productivity per employee on a monthly or quarterly basis. This enables managers to consider hiring staff that may be less productive initially but that ramp to higher productivity once they are on board and fully trained. For roles where hiring and training are done at scale, we have seen companies “centrally hold” the reporting line and costs of new hires until they have completed the onramp and training process. Only then are these employees’ reporting and costs shifted into the standard organization model with line managers.

Your company may have other accountability and measurement systems that you need to assess to determine how they will impact your ability to hire from a broader pool of candidates. Take a careful and objective look at what behaviors your current operating model reinforces and, as a result, where you will need to put in place (or sometimes remove) incentives and measurements that support the behavior changes you are seeking.

Adjust KPIs, budgets, and other performance measurements to incorporate your new strategy

As the realignment of incentives described above suggests, your new hiring strategy may require adjustments to budgets and KPIs in order to enable managers to support the tradeoff of short-term investments for long-term benefits and the training and development needs of new talent. Anticipating these needs, and alerting and engaging the appropriate decision-makers in other parts of the organization (Finance, Strategy, etc.) about these changes, will ensure unnecessary challenges do not arise as you execute your plan. It will also allow you to build consensus around the benefits of your strategy and identify any factors that could compromise its success. In addition to the ATS and HRIS data-gathering mentioned above, this may also require adjustments to distinct budgeting and performance management systems. Even small changes (and associated approval) to the way these systems classify and track talent and associated metrics can take time, so it is wise to put changes in motion as quickly as possible. Appendix G includes a sampling of metrics to consider in measuring the adoption and effectiveness of your new hiring approach. These metrics were excerpted from The Business Roundtable’s “Multiple Pathways Initiative” impact measurement framework, which supports the adoption and maturation of skills-based talent practices for employers.
KEYS TO SUCCESS:

Data is critical but can be challenging; realistically ramp your metrics adoption over time

- It’s okay to start with a foundational number of metrics and expand data collection over time.

In a perfect world, you would collect the data necessary to analyze your new strategy from every angle on Day 1; in the real world, this can be a tall order. Start with a subset of fundamentally necessary metrics to gauge performance, validate results, identify strengths and weaknesses, and then expand your data collection as you gain traction and demonstrate success. Taking this reasonably scoped approach to data can make your new approach more palatable and accessible to other parts of the organization while also allowing you to measure and fine-tune your strategy as you grow.

STEP 9: Understand Your ROI and Outcomes

Understanding the expected and experienced success of any new strategy is an essential precursor to refining and scaling that strategy, and you should evaluate your new hiring approach with the same rigor you would any other organizational decision. Every investment of resources is made with the expectation of certain returns, and determining the ROI of your recruiting and hiring efforts allows you to assess the efficiency and effectiveness of your human capital — often one of the biggest, and arguably the most impactful and leverageable, resources in any organization.

From a financial standpoint, your recruitment ROI measures the value of an employee to the company against the money spent to hire and retain that employee. Many factors influence the elements of this equation, but it is a commonly accepted measure of the true productivity of your HR efforts. Your recruiting strategy contributes directly to the costs of hiring employees — but its greater goal is to attract and retain the most qualified, productive, and engaged employees possible. Measuring the quantitative and qualitative results of your strategies and specific tactics will help you manage limited resources and allocate time and money to the efforts that contribute the most to that goal.

Adopting a skills-based strategy is particularly compelling for the many ways that it can improve the key metrics associated with determining the ROI on your hiring efforts. There is little doubt that the adoption of a skills-based hiring approach (and associated engagement with STARs candidates) offers measurable advantages vs. the practice of making traditional industry hires through dependence on degrees and similar prior experience.
Consider the following KPIs commonly used in measuring the effectiveness of recruiting and hiring strategies, and the ways that skills-based hiring is likely to improve them:

**Application completion rate:** Tracking the number of candidates who actually complete and submit an application they begin is one measure of the effectiveness of your recruiting practices. According to Recruiter, only 10.6% of applicants complete a job application they start, and that number drops for applications with over 25 questions. This results in extremely low optimization of your recruiting processes, and the potential loss of many qualified potential applicants. (Conversion time — or the time from first viewing or starting an application to submission — is another important nuance of this metric.)

**How does skills-based hiring help?**
Application processes that have been carefully adjusted for skills-based hiring focus directly and efficiently on the specific skills needed and take into consideration a diverse audience of potential applicants and their behaviors. With skills-based hiring, exhaustive applications are less necessary, because you’ve already done the job of uncovering exactly what is most important to in-role success — and can be laser-focused on those things in your job descriptions and applications. This results in a higher likelihood of attracting truly aligned and interested candidates, as well as an application that is more manageable for them to complete.

**Applicants per opening:** The total number of people who complete an application for an open role is a strong indication of the effectiveness of your sourcing channels, and it should be reviewed thoughtfully both in the aggregate and for each individual recruiting source. If you have a low number of applications or many unqualified applicants, it may be an indication of ineffective or misaligned sourcing channels.

**Offer acceptance rate:** The percentage of candidates who accept a job offer from your organization is a clear sign of the competency of your recruiting efforts. Low offer acceptance rates indicate that the hiring process did not provide a robust understanding of the candidate’s goals and needs and can result in wasted hiring resources.

**How does skills-based hiring help?**
Proper retooling for skills-based hiring involves the development of job descriptions that more clearly articulate expectations, as well as selection criteria and interview practices that are more structured and intentional about revealing alignment between the candidate and the job/organization. These practices increase the likelihood that if a candidate makes it to the offer stage, there are fewer reasons for them to decline. Effective STARs hiring, specifically — especially when it involves active recruitment of
candidates from origin to gateway, or gateway to destination, jobs, either externally or through internal mobility pathways — offers the additional benefit of providing valuable advancement opportunities to qualified candidates who are more eager to accept based on the potential the job represents to them. For a reminder of how O@W defines origin, gateway, and destination roles, see Appendix A.

Nonetheless, it is always true that every day a role goes unfilled represents a cost to the company, and that recruiters seek to hire the best candidates in the shortest amount of time.

How does skills-based hiring help?
Time to fill is really a composite indicator of individual hiring tactics and practices, and skills-based hiring — as we have shown above — has a positive influence on the efficiency and effectiveness of every individual metric that drives it. From application completion rates and offer acceptance rates to more targeted interviewing, selection practices, and recruiting sources, skills-based hiring improves the critical time-to-fill rate from many directions.
Quality of hire: Determining the quality of a new hire based on how strong a fit they are along multiple measures allows you to assess the value they can bring to the organization. This metric consists of measures that will differ from company to company, some of which cannot be reduced to calculable scores and statistics and involves a compilation of an employee’s rating for multiple indicators: performance, engagement, ramp-up time, and culture fit, to name a few. When the quality of hire is low, it is often an indication of mismatched or irrelevant selection criteria or other weaknesses in the recruiting process.

How does skills-based hiring help?
As demonstrated in other KPIs discussed here, skills-based hiring greatly increases the quality of hire for several reasons. Clearer communication and assessment of the specific skills needed for a job result in new hires who are more likely to succeed in-role. Other elements of a robust skills-based hiring approach also result in greater satisfaction, performance, engagement, and retention.

Note: Some organizations track hiring manager satisfaction, which aligns closely with quality of hire. Hiring managers should play a central role in the determination of ratings included in quality of hire.

One-year attrition rate: All new hires require some time to adjust and maximize their productivity after being hired and onboarded, and it is hard to recoup the investments made in a new employee if they leave in under a year — not to mention the time it will take to rehire for the position and the burden it places on other members of a team when a job is unfilled. It’s also true that high one-year attrition rates can be a sign of weak recruiting practices. In these cases, candidates may have been unsuitable for the job in the first place (resulting in weak performance that fell short of expectations required to be retained) or their experience may not have aligned with the job requirements (resulting in dissatisfaction that caused them to quit.)

How does skills-based hiring help?
Skills-based hiring focuses on clear communication of the specific skills needed to do a job — leading to fewer mismatches between what is expected by both the organization and the employee. A skills-based strategy also pays closer attention to the onboarding and training required to help a heterogeneous set of employees maximize their performance, which serves to increase both time to productivity and employee satisfaction.

Note: The one-year attrition rate is one specific measure of retention; broader retention rates are also central to your recruiting ROI. High turnover can be indicative of many issues, including weaknesses in the hiring process. We focus here on more immediate new hire retention because it more specifically aligns with the kind of hiring strategy adjustments we are discussing. Nonetheless, it is worth noting that skills-based hiring generally results in higher overall retention.

Candidate experience: Measures of candidate experience can be specifically directed at the recruiting experience — assessing how a new hire (and in some cases, even unsuccessful candidates) perceived the hiring process across metrics like responsiveness, interview competence, communication, and courtesy — or they can be broader indicators of job satisfaction. Qualifying your recruiting tactics from an external point of view can be useful feedback on the performance of both your strategy and your recruiters and hiring managers. Measuring overall job satisfaction can be indicative of many factors, but the hiring process is definitely one; job satisfaction is significantly influenced
Defining a ST ARs Hiring Strategy

by a candidate’s perceived alignment between responsibilities and expectations set during the hiring process and those experienced in-role.

How does skills-based hiring help?
Skills-based hiring frames a role in a way that generally minimizes the chance of misalignment between expectation and reality. Clearly delineating specific skills and responsibilities leaves less room for incorrect interpretations about the job, and it is, therefore, less likely that a candidate will have false expectations impacting their satisfaction.

Cost per hire: The money spent to fill a vacant position is an important barometer of the effectiveness of your hiring strategy, and an essential metric in practical financial terms as you budget for future needs. It includes all internal and external recruiting costs, including advertising fees, recruiter pay/time and recruitment agency fees, sign-on and relocation costs, salary, benefits, onboarding, and training costs. These are the most direct inputs to the calculation of your recruitment ROI — and they deserve special attention as you assess a new hiring strategy. New and better tactics may involve new and different costs, but the right ones also drive greater ROI over the long term, and greater success in supporting the overall performance and success of the organization. Consider the following costs and how the adoption of skills-based hiring can affect them:

• **Direct recruiting costs:** The direct costs incurred by your recruiting team — in advertising/job board fees, recruiting agency fees, and the cost of your recruiting staff — may initially be higher with skills-based hiring because you are exerting more effort to screen in candidates vs. leveraging screen-out algorithms. However, over time, a more effective skills-based strategy (as demonstrated above) will result in an understanding of the most effective sources of candidates, less time to fill, and higher levels of candidate quality and retention, which will decrease necessary recruiting costs over time.

• **Sign-on costs:** Skills-based hiring often results in lower sign-on costs (bonuses, relocation) because it more effectively sources diverse and non-traditional candidates eager for the role and less dependent upon special incentives, and because it more effectively leverages the local ecosystem of talent to tap into a broader pool of qualified candidates already in the area.

• **Onboarding costs:** Onboarding traditional hires can be easier than onboarding equally qualified hires from outside the industry or role, simply because traditional hires often come with specific prior in-role experience and only need to learn the nuances of doing the same job at your company. Skills-based hires from more diverse backgrounds may need a bit more guidance at the outset, but there is a huge upside to the impact that skills-based hiring will have on your onboarding. By adjusting your onboarding practices to a more diverse pool of new hires, you are likely to improve their effectiveness in stimulating higher engagement, retention, and satisfaction for all new hires, something that will pay dividends far in excess of any additional costs incurred to refine this part of your hiring strategy.

• **Ongoing training/professional development costs:** One of the hallmarks of a strong skills-based hiring strategy is greater attention to potential internal candidates and greater efforts to facilitate internal mobility for proven, successful employees. This may invite more robust (and costly) ongoing training to facilitate skills transfers, but, here again, the impact of skills-based hiring on your training and professional development strategies is likely to have significant upside in terms of the performance, engagement, retention, and satisfaction of your employees — and your organization overall.
The calculation of hiring strategy ROI should also be aligned with your broad strategic goals and include measures of impact expressed not only through a hard-dollar business case, but also in terms of high-priority organizational goals. Making progress on objectives like diversity, equity, inclusion, and belonging targets is integrally tied to hiring efforts, and any measure of success with human capital should include attention to such targets. Strengthening your organization’s employment value proposition to include greater equity for employees and improving engagement through clearer, more robust skills-based career paths and internal mobility opportunities are great examples.

While the specific hiring mechanisms and tactics you choose to employ in implementing your new approach will have some impact on your expected ROI, there is a clear argument for adopting a STARs strategy to support both short- and long-term hiring needs and goals. As with any strategy adjustment, effort and investment will be required, but it is important to make decisions about these investments by considering their impact and payoff over a number of years and in conjunction with other measures of your workforce strategy’s effectiveness and goals. It can be tempting to choose an approach with the lowest up-front investment, but success will be determined by any approach’s alignment with the roles in question and its ability to sustainably deliver the candidate pool you need to support your business in the long term. For example, simply transitioning to skills-based job descriptions or focusing on internal mobility may seem to require the lowest investment and offer the fastest ROI, but they will not be the optimal approach for all roles. Internships or apprenticeships may represent higher investments or appear to provide a slower ROI but, for certain roles, they are the focused approach most likely to generate sustainable hiring success and a stronger overall return on investment.

Tracking and promoting the full range of outcomes afforded by a STARs strategy will be a necessary part of expanding your initial strategy to the broader organization. Once you’ve determined that optimal initial strategy, be sure that you can measure it — and use those results to direct the ways you tweak and fortify your approach as you expand its reach in the organization.

**OPERATIONALIZING OUTCOMES**

*Success in the operationalizing stage of your STARs strategy development will be visible in the following ways:*

- Establishment of targeted data tracking in ATS, HRIS, and other systems to track impact, measure success, and inform strategic refinement.

- Adjustment of incentives for key stakeholders to support success with the new strategy.

- Adjustment of related KPIs, performance metrics, and budgets to align with the needs of the new strategy.

- Analysis of the ROI, as well as more intangible outcomes, of the initial strategy to ensure clear understanding of impact and achievement of goals, and to further inform strategic refinement.
Defining a STARs Hiring Strategy

It starts with thoughtful and intentional planning to clarify your purpose, choose the appropriate scope and scale of your initial strategy, and select target roles that promise early examples of success and establish a strong foundation from which to expand. Once your planning efforts have framed a clear initial approach to STARs hiring, you can begin to retool organizational tactics and practices to support that strategy. Practical recruitment and hiring processes will need to be adjusted to reflect a skills-based hiring approach and success will depend on this essential work: redefining job requirements on the basis of skills; employing specific hiring mechanisms and recruiting sources that expand access to new pools of talent; and adjusting interviewing, selection criteria, onboarding, and professional development to support the engagement of more diverse candidates. Fully operationalizing your strategy will also require actions to embed the STARs strategy into your organization’s data management, incentive structures, and performance metrics. This will ensure that it is aligned with your overall operating frameworks and can, therefore, be fully engaged and eventually leveraged to deliver scalable, sustainable impact.

Call to Action

Expanding your workforce strategy to include STARs opens the door to valuable benefits for your organization — and there is a clear way to begin this journey to a broader, more inclusive talent pool.
In the succeeding chapters of this Playbook, we will talk in greater depth about specific hiring mechanisms that can play an important role in STARs hiring and that will reinforce the knowledge and capabilities your organization needs to pursue a broadly successful STARs strategy. The strengths that result from leveraging these options will not only enrich your organizational practices and culture — they will impact the broader workforce and community and catalyze others to invest in smarter, more effective, and inclusive talent strategies.

*Future chapters of the Playbook will provide more detailed guidance and case study examples on the following topics:*

- Skills-based hiring
- Internal sourcing
- Internships
- Apprenticeships and work-based learning
- Contract to hire
- Vendor contracting
### Destination, Gateway, and Origin Roles Explained

<table>
<thead>
<tr>
<th>O@W Segment</th>
<th>Definition</th>
<th>Examples</th>
</tr>
</thead>
</table>
| **DESTINATION ROLES** | Higher-wage jobs accessible via skills-based transition from middle-wage gateway jobs                                                                                                                                                                                                                                                  | *Currently >50% ST ARs:*  
  - Emergency medical technicians and paramedics  
  - General and operations managers  
  - Medical records and health information technicians  
  - Health technologists and technicians  
  - Dispatchers  
*Currently 20-50% ST ARs:*  
  - Computer & information systems managers  
  - Computer programmers  
  - Credit counselors & loan officers  
  - Financial managers  
  - Human resources managers  
  - Registered nurses |
| **GATEWAY ROLES**   | A job paying at least middle wages that is accessible from multiple origin jobs and helps the worker build a skill set to achieve a higher-wage job                                                                                                                                                                                                 | *Currently >50% ST ARs:*  
  - Customer service representatives  
  - First-line supervisors of sales workers  
  - Office clerks  
  - Secretaries & administrative assistants  
  - First-line supervisors of admin. support workers  
*Currently 20-50% ST ARs:*  
  - Computer support specialists  
  - Comp. scientists, network analysts & web developers  
  - Managers in marketing & public relations  
  - Human resources & training specialists  
  - Designers |
| **ORIGIN ROLES**    | Lower-wage jobs from which workers gain skills and can achieve higher-wage jobs                                                                                                                                                                                                                                                                                                                | *Most origin roles are >50% ST ARs:*  
  - Janitors and building cleaners  
  - Nursing, psychiatric, and home health aides  
  - Chefs and cooks  
  - Cashiers  
  - Stock clerks and order fillers  
  - Personal care aides  
  - Maids and housekeeping cleaners  
  - Waiters and waitresses  
  - Teacher assistants  
  - Grounds maintenance workers  
  - Childcare workers  
  - Packers and packagers, hand  
  - Food preparation workers (and first-line supervisors of same) |
Appendix B

Gateway Roles and Proven Pathways

Visualizing STAR Mobility Pathways Across Origin, Gateway, and Destination Jobs

This Gateway job, a customer service representative, is accessible from these five common entry-level Origin jobs — among many others. This Gateway job positions workers for higher-wage work in three common Destination jobs — among many others. These depicted Destination jobs are currently held by workers with a bachelor’s degree over 40% of the time.

<table>
<thead>
<tr>
<th>Origin Job</th>
<th>Gateway Job</th>
<th>Destination Job</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receptionists and information clerks</td>
<td>$16.83/hr</td>
<td>General and operations managers</td>
</tr>
<tr>
<td>Bank tellers</td>
<td>$16.83/hr</td>
<td>Managers, all other</td>
</tr>
<tr>
<td>Waiters and waitresses</td>
<td>$14.29/hr</td>
<td>Sales representatives, wholesale and manufacturing</td>
</tr>
<tr>
<td>Hotel desk clerks</td>
<td>$13.84/hr</td>
<td></td>
</tr>
<tr>
<td>Cashiers</td>
<td>$13.33/hr</td>
<td></td>
</tr>
</tbody>
</table>

Customer service representatives $19.23/hr

Note: Wages calculated for workers aged 25 and older.

Defining a STARs Hiring Strategy

Appendix C

STARs Displacement from Proven Pathways

Stars Were Displaced from 7.4 Million Destination Jobs Since 2000

Note: Expected STAR employment change assumes that change in employment from 2000 to 2019 would have been equally distributed across STAR and non-STARS workers based on the proportion of workers within each job in 2019, respectively. See Data and Methods section for detailed methodology on displaced STARS.

Source: Opportunity@Work analysis of the 2019 1-year American Community Survey and 2000 Decennial Census, Integrated Public Use Microdata Series.
### Stars Miss Out On Job Gains and Bear Weight of Job Losses

Expected and observed STAR employment change since 2000 in 30 key mobility jobs

#### Employment change in thousands

<table>
<thead>
<tr>
<th>Category</th>
<th>Total employment gains</th>
<th>Observed STAR gains</th>
<th>Unrealized STAR gains</th>
<th>Total employment losses</th>
<th>Observed STAR losses</th>
<th>Excess STAR losses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers, All other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Registered Nurses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer Scientists, Systems Analysts, and Developers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Service Representatives</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First-line Supervisors of Sales Workers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Operations and Management Specialists, All other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teachers and Instructors, All other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer and Information Systems Managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Executives and Legislators</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical and Health Service Managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Estate Brokers and Sales Agents</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer Support Specialists</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human Resources and Training Specialists</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Police Officers and Detectives</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diagnostic Technicians</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliance Officers, Non-agricultural</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meeting and Convention Planners</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales Representatives, Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial Engineers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managers in Marketing and Public Relations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchasing Agents</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Clerks</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales Representatives, Wholesale and Manufacturing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human Resources Managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer Programmers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting and Auditing Clerks</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First-line Supervisors of Administrative Support Workers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secretaries and Administrative Assistants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Expected STAR employment assumes that change in employment since 2000 would have been equally distributed across STAR and non-STaR workers based on the proportion of STARs in the occupation in 2000. Our estimates account for the decline in the proportion of STARs in the overall workforce over this period. See Data and Methods section for detailed methodology on displaced STARs.

Source: Opportunity@Work analysis of 2019 1-year American Community Survey and 2000 Decennial Census, Integrated Public Use Microdata Series.
Responding to Common Objections to STARs Hiring

Where to Start

• Arm yourself with solid information. Whether you started advocating to hire STARs because it feels like the right thing to do or because you think it is good business, make sure you understand the concerns, objections, and alternative points of view. The strongest arguments for STARs hiring are framed in terms of the value proposition for the organization, its talent needs, and its business strategy.

• Assess your stakeholder landscape. Determine whom to recruit as fellow champions (e.g., DEIB champions, recruiting leadership, hiring managers for high-volume or hard-to-fill roles), who can be formal sponsors, and who has veto power and might be hesitant or skeptical.

• Be prepared for persuasive endurance. The case for change will need to be made early and often, spanning the entire life cycle from setting hiring strategy to onboarding and supporting new hires. Stakeholder buy-in is critical to success, particularly across key hiring managers (and their managers), recruiting leaders, and other critical stakeholders who support organizational learning. The level of urgency and detail will vary, but players from the board of directors and CEO, through the CHRO and recruiters, and hiring managers and existing employees who will become coworkers to new hires will all need a mental and behavioral shift to fully realize the benefits that skills-based hiring and the talent category of STARs have to offer. Understanding and aligning to the incentives of natural allies and critical stakeholders is a meaningful way to build a coalition in your organization.

Common Misconceptions and Their Realities

In recent decades, the popular imagination of what a bachelor’s degree signifies has taken on a life of its own — one that is disconnected from the reality of the labor market, where most skills needed for work are acquired, and the cost of a bachelor’s degree, which represents a significant personal risk that perpetuates inequalities in our society. According to Dr. Anthony Carnevale of Georgetown’s Center on Education and the Workforce, “The education system is reproducing race and class advantages across generations. And that’s a very serious problem going forward.” The labor market has also rewarded workers for degree attainment far more than skills gained on the job to an extent that would seem to defy logic. As our study Rise with the STARs found, it takes a STAR 30 years to make the wage a college graduate earns on Day 1 of their career. If you are a degree holder, consider what relevant skills you had when you first graduated from college and what skills you had (or expect to have) a quarter century later. It simply doesn’t stand to reason that the labor market values STARs with 30 years of experience the same as a college graduate at the beginning of their first post-graduation job.

As is true for many topics, discussions of higher education and workforce development can trade in either/or thinking instead of the both/and framing that is more true to life. A degree simply doesn’t mean what many managers think it means.

Key things to know about the US workforce:

• It is normal to have a bachelor’s degree. It is also normal to not have one.

  • 50% of the workforce are STARs — workers who are Skilled Through Alternative Routes such as
military experience, training programs, or work experience, rather than a bachelor’s degree.

- 38% of the workforce have a bachelor’s degree.

• ST ARs are already engaged in most occupations in some proportion. Opportunity@Work’s research shows that 94% of occupations include ST ARs today, but they are overrepresented in low-wage occupations and are often blocked from advancement due to degree screens.

• It is common to begin pursuing a bachelor’s degree but pause or stop — top reasons include:

  - **Financial:** The biggest and most obvious reason for “stopping out” is financial. Whether due to the opportunity cost of lost income or the cost of post-secondary education, it is no secret that college is financially out of reach for many, and growing more so every year as college costs increase faster than inflation.

  - **Entrepreneurship:** In 2022, 7.6 million ST ARs were self-employed and 2.6 million of those are in incorporated businesses. For some young entrepreneurs attitudes toward college completion have changed, especially in tech, where famous forerunners such as Mark Zuckerberg and Bill Gates have normalized this choice. More broadly, others such as Peter Thiel have tried to encourage young people to forego college in favor of starting companies. His fellowship is specifically geared toward individuals who are under 22, interrupting the linear progression of students moving directly from secondary to post-secondary education.

  - **Caretaking:** Caretaking responsibilities in various forms (children, parents, siblings, etc.) may prove to be too great a responsibility to coexist with a post-secondary education, especially if paired with the need to bear financial responsibility.

Below, you will find some common misconceptions that arise when discussing skills-based hiring and embarking on targeted sourcing from the ST ARs talent category. By definition, these perceptions are widely held, so our purpose here is not to shame or blame those who believe them, but to offer up a fresh angle from which to consider and discuss them. Many do not withstand close scrutiny, but many are so common as to be rarely scrutinized.

**Misconception 1: Dropping degree requirements means lowering quality standards.**

*Reality:* Degrees are one valid mechanism (but far from the only one) to acquire knowledge, skills, and abilities. Other methods of skill acquisition include job training, apprenticeships, and self-paced learning to name a few. Using an assessment of the specific KSAs a job needs rather than a generic degree screen can deliver better quality hires from within traditional talent pools while uncovering previously hidden talent that offers those same KSAs.

**Misconception 2: Skills-based hiring devalues bachelor’s degrees and the work and investment that employees put into earning them.**

*Reality:* Skills-based hiring does not lessen the value of a bachelor’s degree. It merely allows that there are other ways to gain skills in addition to bachelor’s degrees.

**Misconception 3: Completing a bachelor’s degree is a sign of work ethic/perseverance, so those without a bachelor’s lack these qualities.**

*Reality:* College is simply not a financially viable or desirable option for everyone. While the growth rate of student loan debt is slowing, it continues to climb every year and as of 2021 totaled $1.748 trillion in
The average federal student loan debt balance is $37,667 while the total average balance (including private loan debt) may be as high as $40,274. We can no longer regard a bachelor’s degree as the only legitimate measure of an individual’s ability to demonstrate qualities such as grit, particularly because this measure places an uneven burden on those individuals from lower-income backgrounds who must persevere financially as well as academically.

**Misconception 4: Skills-based hiring will disproportionately benefit white STARs, at the expense of Black and Hispanic degree holders.**

*Reality:* Today, bachelor’s degree holders are disproportionately white, so moving away from degree requirements increases the likelihood of a more diverse talent pool. Furthermore, diversity goals are now mainstream. Every company in the Fortune 100 has made public DEIB commitments and while those commitments are not a guarantee of action, we would expect that employers will continue to monitor their hiring practices as they do today to ensure that they are hiring diverse candidates.

**Misconception 5: College teaches people how to learn so workers with a college degree are easier/cheaper to train, are more adaptable (e.g., to new technologies), and achieve full productivity more quickly than STARs.**

*Reality:* College may indeed be one avenue for practicing learning agility, but so can working in a small business, learning a new skill independently, or operating in other fast-paced environments. In general, the practice of skills-based hiring requires that we recognize and value the myriad life experiences of STARs.

**Misconception 6: Our current early-in-career pathways are working well, so we do not need to do the extra work to consider STARs.**

*Reality:* Trends across US employers show that hiring has become more challenging across many roles — with shortages of talent and longer lead times to fill roles. If you are one of the few companies to not be facing any hiring challenges, good for you! However, you might consider that the labor shortages in the market as a whole will eventually cause more competition for your talent. To maintain the workforce you need, getting ahead of these trends by adjusting your workforce strategy to tap into broader talent pools is key.

Additionally, overreliance on a homogeneous source of talent is like overdependence on a single supplier or investment in only one asset class. To build a resilient, diversified portfolio of talent, you need to consider multiple talent pools.

**Misconception 7: We are contractually obligated to staff engagements/agreements/contracts with bachelor’s degree holders.**

*Reality:* While contractual obligations may be a real obstacle, they need not be permanent. Employers with whom we work, including those who offer services contracts, look for receptive clients who see the limitations of these restrictive contract provisions. While the reality may not change overnight, the flexibility to staff contracts with skilled workers rather than skilled degreed workers yields benefits for all concerned.
Misconception 8: Our clients/customers expect us to hire the “best.” Our reputation depends on our ability to hire top [decile/quartile] talent.

Reality: When you conflate “top universities” or even degree attainment with “top talent,” you narrow your view of the talent pool and privilege the most affluent students, reinforcing the growing economic inequality in our country. From Opportunity Insights:

“Children with parents in the top 1% of the income distribution are 77 times more likely to attend elite colleges and universities than children with parents in the bottom 20% of the income distribution. At many Ivy League and other highly selective schools, there are the same number of students from the top 0.1% of the income distribution (families earning more than $2 million annually) as from the bottom 20% of the income distribution (families earning less than $25,000 annually).”

Bottom line: The “best” talent for a given role is not synonymous with an elite college degree.

Misconception 9: There simply isn’t a diverse supply of candidates in my [field/industry/role] and that’s not a problem I can solve.

Reality: Recognizing the well-understood benefits of diversity, you ought to start somewhere. Is it true that the talent pool you’re looking for is homogeneous or are your sourcing pipelines homogeneous? Have you examined the skills adjacencies of potential feeder roles? Are you building pathways into your [field/industry/role] such that even if you cannot completely resolve this in the short term, you are taking a long view of the opportunity?
Traditional vs. Skills-Based Job Posting Example


TRADITIONAL PEDIGREE-BASED JOB POSTING

TITLE: Recruiter

JOB SUMMARY: The recruiter role provides support in all processes and efforts to find and maintain relationships with all candidates. They draft hiring materials, source candidates for open positions, conduct screening, and interview candidates. They track information on applicants, arrange interviews, and build working relationships with hiring managers, HR staff, and community partners.

RESPONSIBILITIES AND ACTIVITIES:
This role will be responsible for recruiting functions including:

• Processing, verifying, and maintaining candidate documentation in our Applicant Tracking System.
• Sourcing qualified candidates from various channels (e.g., online, job fairs, community partners).
• Drafting and refining hiring documents including job postings, screening guides, and interview guides.
• Preparing, coordinating, and conducting reference checks and screening, and phone and in-person interviews.
• Evaluating applicant eligibility and qualifications for employment.
• Engaging and collaborating with HR manager and hiring manager to understand open positions and long-term talent needs.
• Evaluating and using new sourcing techniques to identify, cultivate, and attract qualified candidates.
• Answering questions regarding the interview process, assessments, eligibility, salaries, benefits, etc.

QUALIFICATIONS:
• Requires a BA/BS in a related field.
• Minimum of one year of experience working in a recruiting environment.
• Exceptional interpersonal and communication skills; friendly, tactful, good negotiator, ability to influence others.
• Analytical skills.
• Proficient using the Internet as a recruitment source.
• Ability to manage the entire hiring process (from sourcing to offer stage) in an efficient and effective manner.
• Experience with Workday ATS (Applicant Tracking System) application.
• Ability to build dynamic relationships with hiring managers.
• Sense of urgency is helpful.
• Financially driven, energetic, confident go-getter who can maintain integrity.
• General knowledge of various employment laws and practices.
SKILLS-BASED JOB POSTING

TITLE: Recruiter

JOB SUMMARY: The recruiter role provides support in all processes and efforts to find and maintain relationships with all candidates. They draft hiring materials, source candidates for open positions, conduct screening, and interview candidates. They track information on applicants, arrange interviews, and build working relationships with hiring managers, HR staff, and community partners.

RESPONSIBILITIES AND ACTIVITIES:
This role will be responsible for recruiting functions including:

• Processing, verifying, and maintaining candidate documentation in our Applicant Tracking System.
• Sourcing qualified candidates from various channels (e.g., online, job fairs, community partners).
• Drafting and refining hiring documents including job postings, screening guides, and interview guides.
• Preparing, coordinating, and conducting reference checks and screening, and phone and in-person interviews.
• Evaluating applicant eligibility and qualifications for employment.
• Engaging and collaborating with HR manager and hiring manager to understand open positions and long-term talent needs.
• Evaluating and using new sourcing techniques to identify, cultivate, and attract qualified candidates.
• Answering questions regarding the interview process, assessments, eligibility, salaries, benefits, etc.

REQUIRED COMPETENCIES/SKILLS:
• Interview and Assessment Techniques — Develop structured interview guides and use assessments to evaluate skill sets of applicants.
• Process Improvement — Monitor and evaluate recruiting processes and update recruiting and sourcing methods to improve the quality of candidates and reduce time to hire.
• Interpersonal Skills — Guide conversations to assess applicants’ eligibility and qualifications in person and over the phone; build relationships with community partners to hire their clients/students.
• Judgment and Decision-Making — Assess eligibility and qualifications of applicants during recruitment, screening, and interviewing; partner with HR and hiring managers to decide on new hires.
• Writing — Communicate clearly in writing as appropriate in email, digital platforms, and hiring documents (e.g., job postings).

PREFERRED COMPETENCIES/SKILLS:
• Employment Law — Have knowledge of legality for acceptable conduct and questions during interview and hiring process; understand employment eligibility.
• Recruitment Software — Ability to use Application Tracking Systems to track applicants for multiple open positions.
• Persuasion — Persuade top candidates online and at job fairs to apply to our positions.
## STARs Hiring Framework: Mechanisms to accelerate inclusive hiring

### Note that these mechanisms are not mutually exclusive.

<table>
<thead>
<tr>
<th>Mechanism</th>
<th>Definition</th>
<th>Current Number of Workers Affected Annually</th>
<th>Cost per Worker</th>
<th>Financial Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skills-Based Hiring (SBH)</td>
<td>The practice of writing job descriptions and qualifications for, identifying, and hiring workers based on a targeted relevant set of skills required for performance and, ultimately, mastery of a job. Moves away from using arbitrary criteria, such as college degrees or specific prior employers, as screening criteria.</td>
<td>10,890,000</td>
<td>??</td>
<td>N/A</td>
</tr>
<tr>
<td>Internal Sourcing</td>
<td>The practice of hiring employees from within the organization as opposed to sourcing externally. Internal sourcing can take place within a job family or business unit, or it can cross internal organizational silos. Internal sourcing focuses on known skills and attributes of existing employees, based on their employment history and performance with the company.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract to Hire</td>
<td>Also known as “temp-to-hire,” a contract-to-hire job is a short-term position with the opportunity to become a full-time, permanent job at the end of the contract. The position lasts anywhere from three months to a year, though some can go as long as three years. Usually executed in alignment with a “contractor” organization that supports the contract-to-hire mechanism.</td>
<td>16.8M contract-to-hire roles in 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internships</td>
<td>A short-term, often part-time position offered by an organization to enable workers to gain experience and social capital. Once confined to medical graduates, internships are now a widespread practice for a range of placements in businesses, non-profit organizations, and government agencies.</td>
<td>~360,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apprenticeships</td>
<td>A job in which an individual is paid to learn a set of skills through on-the-job training and classroom work, while supervised by an expert in the job. Registered apprenticeships are formally approved by either the Department of Labor’s Office of Apprenticeship or a state’s apprenticeship agency. Registration ensures the apprenticeship meets certain criteria to protect apprentices and to maintain quality.</td>
<td>~600,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vendor Contracting</td>
<td>As a mechanism in this context, vendor contracting arrangements refer to the practice of negotiating degree or other requirements for staff of an organization’s key partners/vendors. Either side of a relationship can initiate negotiations on degree requirements — either customers with their suppliers or service providers with their clients.</td>
<td>~500,000 (outsourcing), ~33,000 (offshoring)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Cost per Worker

- **Average cost/hire is $4,700** plus the annual salary of the employee.
- **Conversion fee paid to contractor organization is about 10% of salary at the median.**
- **$39,287 average cost of salary plus internship program management.**
- **$157,500 cost for salary plus training for one-year apprenticeship.**
- **N/A**

### Financial Managers

- **N/A**
- **~.25**
- **4.3**
- **7.0**
- **N/A**

---

**continued ➤**
<table>
<thead>
<tr>
<th>Impact on Retention and Engagement</th>
<th>Skills-Based Hiring (SBH)</th>
<th>Internal Sourcing</th>
<th>Contract to Hire</th>
<th>Internships</th>
<th>Apprenticeships</th>
<th>Vendor Contracting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees w/o a 4-year degree tend to stay 34% longer than degree holders.</td>
<td>High — internal opportunities can reduce employee attrition.</td>
<td>While initial engagement might be lower because these workers are not employees of the company, this mechanism can identify workers who have the highest likelihood of success prior to hire.</td>
<td>1-year retention is +10% compared with external interns and +52% compared with non-interns. At 5 years, +9% and +15%, respectively.</td>
<td>94% retention in the first year (confirm JFF numbers)</td>
<td>Low for the customer; potentially high for the employer.</td>
<td></td>
</tr>
</tbody>
</table>

**Key Benefits of This Hiring Mechanism**

- ST ARs stand to gain more than other workers from dropping degree requirements, but shifting to SBH increases equity for all workers and increases the likelihood that employers can more quickly match talent to their open roles by widening the aperture on available talent.
- The organization knows these employees well based on their employment performance with the company. The risk of hiring someone who does not fit the company culture or lacks the potential to succeed is significantly diminished with internal sourcing.
- New hiring models are emerging from companies that train workers on in-demand skills and contract them out to companies, enabling the contracting company to recoup their training investment, the STAR to gain an onramp into a desirable career pathway, and an employer to “test-drive” and hire talent that has been trained by experts/practitioners of the skill.
- Internships can be a powerful mechanism to support a learner or worker as they gain skills in their chosen field. The best internships are paid, provide a substantial enough experience to help the intern build skills and gain experiences, and provide social capital. For employers, the opportunity to work with interns on short-term projects can give teams a boost in capacity and an opportunity to build a pipeline of early-career talent. Many leaders also express a desire to coach and mentor others, so managing interns can be a lever of employee engagement.
- While apprenticeships are a significant investment, building an apprenticeship program can be a powerful and durable talent pipeline. Apprentices develop talent in targeted skills as practiced by the employer, often yielding higher levels of engagement and retention rates than the workforce average. The costs (of registered apprenticeships) can be offset with tax breaks and public subsidies in many cases.

For suppliers of talent, working with customers to understand the unproductive limitations of degree requirements (where appropriate) can enable organizations to more efficiently manage talent and staff engagements based on the skills needed rather than degrees or other arbitrary screens. For those working with suppliers of talent, removing unnecessary degree requirements frees suppliers and service providers to staff for skills rather than credentials, increasing the likelihood that true skill requirements are met. **continued**
## Defining a ST ARs Hiring Strategy

### Skills-Based Hiring (SBH)
- ST ARs are active in these jobs today.
- Jobs do not have specific licensing requirements.
- The skills needed to perform successfully in role are learned on the job or in a wide range of adjacent roles that can be hiring sources.

### Internal Sourcing
- Organization has roles (esp. lower-paid or high-turnover roles) with skill/competency adjacencies that can act as feeder jobs for more senior roles in the company.
- Speed-to-hire/productivity is critical.
- Leaders or hiring managers lack experience working with ST ARs (i.e., enables workers to build a track record).
- Your organization is inexperienced with a given role and/or does not have the means to train role-based skills.
- Your organization needs the budget/staffing flexibility that contracting provides.

### Contract to Hire
- Organization has roles or discrete projects that could be introduced over a period of weeks to months.
- There is a programmatic approach to managing the intern experience, from selection, to onboarding, to internship experience and end-of-internship actions.
- In rare cases, internships are integrated with the intern’s area of study or interest and can potentially offer college credit.

### Internships
- Specialized hard-to-gain skills or knowledge is needed to be successful.
- The role is key to your comparative advantage.

### Apprenticeships
- Roles lack definition and clear set of skills.
- Organization lacks the in-house mentors to successfully train apprentices.

### Vendor Contracting
- Roles are early in a career track that focuses on a clear set of “hard skills” and are hard to fill, are high growth, or lack a ready workforce.
- There is a programmatic approach to managing the intern experience, from selection, to onboarding, to internship experience and end-of-internship actions.
- In rare cases, internships are integrated with the intern’s area of study or interest and can potentially offer college credit.

---

### Consider When
- Your partners are receptive to your influence and discussion.
- When working with your clients, cost savings could be motivating.
- When working with your suppliers and vendors, the opportunity to have preferred status can be motivating.
- In both cases, more principled uses of degree requirements can relieve cost and talent acquisition risks.

---

### Exercise Caution When
- Regulatory requirements for licensure or certification exist.
- Avoid the perception of poaching from hard-to-fill roles; work in partnership.
- Organization will be hiring for this role in large numbers.
- The role is key to your comparative advantage.
- Specialized or hard-to-gain skills or knowledge is needed to be successful.
- Roles lack definition and clear set of skills.
- Organization lacks the in-house mentors to successfully train apprentices.

---

### Key Stakeholders
- Key stakeholders are resistant or risk averse.
Measuring Skills-Based Practices


The Business Roundtable’s recent work on measuring the impact of skills-based talent practices provides a useful starting point for understanding the range of metrics you should consider regarding practice adoption and impact on the employees and the business. The list below outlines 10 critical questions to answer if you are early in the process of adopting skills-based hiring.

Top 10 metrics to understand impact

<table>
<thead>
<tr>
<th>Key questions about skills-based strategies</th>
<th>Suggested metric to analyze biannually</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Practice adoption</strong></td>
<td></td>
</tr>
<tr>
<td>1. Are we expanding access to opportunity at our company for job seekers?</td>
<td>#, % and % change of total job postings that do not require a 4-year degree or bachelor’s equivalent</td>
</tr>
<tr>
<td>2. Are we actually hiring more people based on skills?</td>
<td>% of new hires without a 4-year degree or bachelor’s equivalent out of total job postings that do not require a 4-year degree or bachelor’s equivalent</td>
</tr>
<tr>
<td>3. Are we diversifying our sourcing partners and creating pathways into our company for non degree-holders?</td>
<td>% of entry-level hires coming from internship, apprenticeship or other work-based experience programs that do not require a 4-year degree</td>
</tr>
<tr>
<td>4. Are we investing in scaling our skills-based strategy?</td>
<td>$, % and % change of total HR budget allocation for non-traditional talent pipeline development/sourcing</td>
</tr>
</tbody>
</table>

continued ▶
### Key questions about skills-based strategies

<table>
<thead>
<tr>
<th>Employee impact</th>
<th>Suggested metric to analyze biannually</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. Are people without a 4-year degree able to access a family-sustaining wage at our company?</td>
<td>% of employees with/without a 4-year degree or bachelor’s equivalent who earn a family-sustaining wage*</td>
</tr>
<tr>
<td>6. Are people without a 4-year degree able to grow their careers meaningfully at our company? How do the outcomes differ by race and gender?</td>
<td>#, % and % change in promotions among employees with/without a 4-year degree or bachelor’s equivalent, disaggregated by race and gender</td>
</tr>
<tr>
<td>7. Are employees with and without 4-year degrees engaged in their work and feel a sense of belonging in our company? How does lived experience differ by race and gender?</td>
<td>Average employee engagement and belonging/inclusion scores among employees with/without a 4-year degree or bachelor’s equivalent,** disaggregated by race and gender</td>
</tr>
</tbody>
</table>

### Business Impact

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>8. Does skills-based hiring improve fit for role and support employee productivity?</td>
<td>Average time to proficiency/productivity or performance ratings*** among employees with/without a 4-year degree or bachelor’s equivalent (or other preferred metric for employee performance)</td>
<td></td>
</tr>
<tr>
<td>9. Do upskilling efforts and strengthened career paths for non-degreed talent improve employee retention?</td>
<td>% change in retention of employees with/without a 4-year degree or bachelor’s equivalent (company overall, by business unit, by level and disaggregated by race and gender)</td>
<td></td>
</tr>
<tr>
<td>10. Do our strengthened skills-based practices increase the representation of diverse talent?</td>
<td>% change in representation of POC and women in the company overall, by business unit and by level</td>
<td></td>
</tr>
</tbody>
</table>

* Family-sustaining wage definition will be based on MIT’s Living Wage Calculator and defined by region and/or state.

** If not available, question should be added to engagement surveys asking for education attainment.

*** If your company does forced rankings, you may not be able to get as much information from this metric about improvements in workforce performance.
About Opportunity@Work

Opportunity@Work is a nonprofit social enterprise with a mission to increase career opportunities for the more than 70 million adults in the U.S. who do not have a bachelor’s degree but are Skilled Through Alternative Routes (STARs). For STARs, the American Dream has been fading due in part to an “opportunity gap,” in which access to the good jobs required for upward mobility often depends less on people’s skills and more on whether and where they went to college, who they know professionally and socially, or even how they look. We envision a future in which employers hire people based on skills rather than their pedigree. We are uniting companies, workforce development organizations, and philanthropists in a movement to restore the American Dream so that every STAR can work, learn, and earn to their full potential.

Visit us at [www.opportunityatwork.org](http://www.opportunityatwork.org).
Tear the Paper Ceiling:
STARs Hiring Playbook

CASE STUDY

How HII Created a Talent Strategy
to Intentionally Include STARs
About the Practice
From employers’ perspectives, there is a decreasing pool of qualified candidates for open positions. This increases the time and resources required for the hiring process and prolongs role vacancies. Unfilled roles leave key business capabilities unsupported and stifles growth by limiting capacity for new projects. To resolve this issue, HII stands up multiple hiring pipelines operating on different time horizons and removes non-essential role requirements.

About HII
HII is an all-domain defense and technologies partner, recognized worldwide as America’s largest shipbuilder. With a 135-year history of trusted partnerships in advancing U.S. national security, HII delivers critical capabilities ranging from building naval ships, to unmanned systems, intelligence, surveillance, and reconnaissance (ISR), and AI/ML analytics.

Nicole Goldman
Vice President
Talent Acquisition at Mission Technologies, HII
Hiring Challenges Impact Business Operations and Growth

As employers see a shrinking pool of qualified candidates, the hiring process takes more time and money leaving positions open longer and stifling growth by limiting capacity for new projects.

**INSIGHT #1**

- Few candidates who fulfill all requirements
- Longer role fill times
- Increased competition for talent
- Fewer Applicants Per Role

**Few candidates who fulfill all requirements**

Are you finding enough qualified candidates to fill your roles?

- Yes: 21%
- No: 79%

Source: NEOGOV survey of public sector HR directors.

**Longer role fill times**

Mean time to hire:

- 2017: 30 DAYS
- 2022: 41 DAYS

Source: LinkedIn

**Increased competition for talent**

50% of HR leaders expect competition for talent to **significantly increase** over the next six months.

Source: 2022 Gartner CEO and Senior Executive Survey

**Fewer Applicants Per Role**

Number of Applicants Per Open Job, 2019 – Jan 2022

- 2019: 48%
- 2020: 45%
- 2021: 31%
- 2022: 14%

Some of the pain is self-inflicted

Each added job requirement narrows down the pool of candidates, disqualifying applicants who could be successful in the role as this example of the intelligence analyst role illustrates.

- Total number of candidates
- Knowledge and understanding of different cultures
- Proficiency in a language other than English
- Strong analytical and critical thinking skills
- Strong verbal and written communication skills
- Active security clearance
- Bachelor’s degree in policy, international relations, or similar

Women and minorities tend to self-select out in higher numbers than white men when they don’t meet all role requirements, contributing to limited workplace diversity.
Design a Talent Strategy That Works on Multiple Time Horizons

A successful talent strategy focuses on short-term wins while chipping away at complex long-term issues. Start with restructuring talent practices on a local level to secure quick wins and to gain allies and momentum.

Impact

**Horizon 1**
Redesign internal hiring
- Redesign hiring for intelligence analyst role
- Redesign hiring for adjacent roles
- Redesign hiring practices company-wide

**Horizon 2**
Design multiple hiring pipelines
- Launch internships
- Develop internal mobility
- Partner with state governments on skills-based talent initiatives

**Horizon 3**
Develop long-term workforce strategy
- Lobby the federal government with partner organizations
- Identify and invest in future-state, in-demand skills

HII’s talent strategy objectives
- Hire for future needs, not to backfill
- Retain through internal mobility and career planning
- Develop skills just-in-time
INSIGHT #4

Redesign Hiring by Starting Small

In the absence of a top-down mandate to rethink your approach to hiring, start by working with a single client and a single role to prove out the model – and then build on that success by expanding the approach to more roles.

---

**Role redesign indicators:**

1. Receptive client
2. Employees successful in the role come from a wide range of backgrounds
3. Pattern of passing on applicants who have relevant experience (i.e., regrettable disqualified candidates)
4. Long role fill time

**Aspirational metrics:**

1. Number of candidates without a bachelor's degree entering the hiring pipeline
2. Point in the hiring process candidates drop
3. Total number of new hires without a bachelor's degree
4. Retention rates for employees with and without a bachelor's degree

---

**Department representation:**

1. HR/People and Culture
2. Communications
3. Hiring Manager
4. Government Relations
5. Business Development

---

HII changed the bachelor’s degree requirement to “four years of relevant experience.”

HII counts work experience, military service, training, and certifications as relevant experience.
Identify Non-Essential Gating Requirements

Since each added requirement decreases the number of candidates who will apply, widen your talent acquisition funnel by working with clients to make sure you’re only including necessary requirements.

Job Requirements

- Knowledge and understanding of different cultures
- Proficiency in a language other than English
- Strong analytical and critical thinking skills
- Strong verbal and written communication skills
- Active security clearance
- Bachelor’s degree in policy, international relations, or similar

Questionnaire for Potential Requirement Removal

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Is the requirement requisite, rather than preferred, based on the Statement of Work?</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>2. Is requirement essential to role performance?</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>3. Do significant structural barriers to removal exist?</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>1. Can we training/certify you?</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

By discussing these questions, the Hiring Redesign Committee at HI identified the bachelor's degree requirement for removal.

“No” responses are desired to proceed.

“Yes” response is desired as it further indicates requirement is a good candidate for potential removal.
INSIGHT #6

Design and Utilize Multiple Talent Pipelines on Different Time Horizons

Varying both pipelines and time horizons will create more inclusivity, ensure a steady supply of talent, and create optionality to expand pipeline choices.

- **Internship**
- **Internal mobility program**
- **Apprentice schools**
- **University recruiting**
- **Partner with external organizations**

*Piloting a number of different talent pipelines provides flexibility to expand ones that work and sunset ones that don’t.*

*Launching internal programs while developing partnerships with external partners for future pipelines builds a powerful coalition of partners with a reputation of driving change and getting things done.*

*Having multiple pipelines operating on different time horizons aids diversity and inclusion and provides a more consistent supply of talent.*
Co-Create Metrics Around Goals and Areas of Concern

Bringing in potentially skeptical partners to help create KPIs will build trust and also help ensure the program’s effectiveness by giving the data you need to understand and address challenges, remove barriers over time, and scale up the program.

**INSIGHT #7**

“Non-degreed employees may quickly cycle out, nullifying time spent on hiring.”

Sample metrics: retention rates for employees with and without a degree.

“We were able to observe 80% of non-degreed employees are still with the company versus 60% of employees with degrees.”
Measure Results

1. Number of candidates without a bachelor’s degree hired into intelligence analyst roles

2. Conversion rate of interns to full-time employees

3. Number of talent pipelines

“The workforce development problem is pervasive and people are tactically trying to solve it in their individual areas, rather than doing the strategic work across the board through connecting with organizations facing the same issues, lobbying Congress, awareness campaigns with the government. I believe that’s where we should start.”

— Nicole Goldman
Hiring Redesign Initiative

Key Milestones

3-6 months

- Consistent interaction and check-ins with candidates.
- Decision SLA of three days for internal applicants.
- Pertinent feedback provided to internal applicants on reason behind the decision.

6-12 months

- Identification of skills and development opportunities for internal applicants.
- Career transition plans for internal applicants.

12-24 months

- Deployment of automation to notify and prompt manager action on applications.
- Store signals for internal employees that show they’re interested in certain opportunities.
- Lessen tactical workload of HR to free up time for strategy.
Assemble the Few, Not the Many

Hiring Redesign Committee’s Key Players

- **Subject Expert**
  - Possesses specialized knowledge
  - Shares information

- **Connector**
  - Knows lots of people
  - Makes introductions

- **Salesperson**
  - Persuasive and charismatic

**Desired characteristics of early allies:**
- Early adopters
- People with influence in the organization
- People who will act rather than observe/ponder the problem