

Hiring

You Need a Skills-Based Approach to Hiring and Developing Talent

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Summary. The economic toll of the Covid-19 pandemic is expected to leave more than 140 million people out of work and another 1.6 billion at risk of income loss. Unfortunately, many of the jobs lost simply won't return. At the same time, certain companies and industries... [more](#)

With the global economy experiencing massive change, upskilling and reskilling have taken on a renewed sense of urgency. Success through these transitions requires major shifts in thinking about how hiring and employee development are done.

The economic toll of the Covid-19 pandemic is expected to leave more than 140 million people out of work and another 1.6 billion at risk of income loss. Unfortunately, many of the jobs lost simply won't return. At the same time, certain companies and industries like logistics and manufacturing can't hire fast enough. Shifting to a skills-focused approach is a viable solution to an evolving workforce dilemma.

Workers often don't realize that the skills they have for one job can be easily transferred to another — nor do employers. Take food servers who lost their jobs due to the pandemic. More than 70% of them have the skills needed to succeed in customer service, which is currently one of the most in-demand jobs on LinkedIn. Had servers and people hiring for customer service specialists known they already had many of the required skills, we may have seen a significant shift of out-of-work food servers into in-demand roles instead of seeing those positions go unfilled.

Evaluating employees and new hires based on their skill sets instead of their work history can help level the playing field — and help companies realize the talent they already have. It also makes talent pools more diverse and often makes hiring more effective.

This is the future of hiring and development. To get ahead of it, companies need to start weaving learning into their company cultures. Organizations slow on the uptake will be left behind and forced to deal with unsatisfied and unmotivated employees and significantly less innovation overall. At a time when talent is the number-one commodity in business, companies can't afford to remain stuck in old mindsets.

Here are three ways companies can upskill and reskill their existing workforce and take a skills-based approach to hiring new employees.

Support new career paths for your employees

Many large enterprises around the world have viewed the need to upskill their current talent as urgent for the last few years and have invested millions — and in some cases, billions — in “future proofing” their employees, arming them with the skills required to adapt to changing work. For example, JPMorgan Chase added \$350 million to their \$250 million plan to upskill their workforce. Amazon is investing more than \$700 million to provide upskilling training to their employees. PwC is spending \$3 billion to upskill all of its 275,000 employees over the next three to four years; the mantra of the program is “New World, New Skills.” The pandemic accelerated this need for companies of all sizes, as many needed to retool their employees quickly to fulfill changed business priorities.

If your company is unable to support a structured learning program, encourage managers to find out what other areas of the company their employees are interested in learning about and help them participate in cross-functional meetings and projects. Allow them to spend 10% of their work time on that cross-functional work.

You shouldn’t have to switch companies to get ahead — creating and supporting these learning programs not only shows your employees that you’re invested in their future, but they also open different pathways for growth internally and can evolve into new career paths. In Northrop Grumman’s Pathways program, for example, employees do three 12-month stints in different roles before choosing the path they’d ultimately like to follow.

Don’t wait for the next crisis to begin the process of reskilling employees for critical roles. Employees who see good opportunities to learn and grow are 2.9 times more likely to be engaged. Creating internal programs that identify and address skill gaps not only helps prepare for future disruptions but also helps your strongest and most dedicated employees feel secure.

Give employees learning time and rewards

According to a June 2020 survey conducted by Glint, a human resources software company owned by LinkedIn, an overwhelming number of employees — 97% — want to expand or at least continue the amount of time they spend learning. What's more, opportunities to learn and grow have emerged as the strongest driver of work culture.

Executives and managers should make it clear that ongoing education is integral to personal career growth and can be done on company time. To help foster a learning culture, encourage employees to block out calendar time for learning each week or month — and do the same. If managers have dedicated learning time, employees will be more likely to follow suit.

It can be stressful to juggle learning with looming deadlines or client needs. Remind yourself and your team that the investment in learning will pay off for their careers and the organization, and give specific guidance in employee growth plans. For example, an employee can make it an end-of-quarter deliverable to spend four hours each month on learning courses, then discuss their learnings during their annual review.

Some businesses promote their learning programs with contests and incentives. Rewards, whether monetary or internal kudos, can boost employee participation considerably. Executive and manager participation is a must — it's crucial for us to lead by example. Even putting the most recent course you watched below your email signature signals to employees that it's a priority for you.

Shift to a skills-based approach when hiring

In the past year, LinkedIn has seen a 21% increase in job postings advertising skills and responsibilities instead of qualifications and requirements in the U.S., and the number of positions that don't require a degree increased by nearly 40% in 2020 compared to 2019.

Taken together, we can see companies are starting to be more intentional about hiring for a candidate's future potential, not their past history. But it'll be a long road. Our traditional recruiting processes still place an emphasis on certain types of education, experience, or personal referrals that can lead to a homogenous workforce.

Start by rethinking your job descriptions. Focus on the results you'd like to see, rather than the type of qualifications that you think could deliver them. Highlighting the desired skills — the candidate's ability to perform certain tasks — gets to the same results without creating an unnecessary barrier to entry, like a requirement for a four-year degree.

Of course, the job post is one of the earliest steps in your hiring process. Once you've removed unnecessary barriers to entry, you'll still need a skills-based way to assess candidates and find your finalists. If you're looking beyond education and experience, what should you evaluate?

Stay focused on skills — and the assessments that can measure them. From hard skill evaluations like coding tests, to innovative soft skill assessments, to “job auditions,” there are plenty of ways to gauge a candidate's ability to perform without relying on their education or experience as proxies. Even asking unexpected interview questions can let you see how a candidate processes information and problem-solves in real time. It's also never too early to discuss learning commitments during interviews with candidates — it may even make you more attractive as an employer.

The payoff? A wider, more diverse talent pool and perhaps stronger retention: Employees without a traditional four-year degree stay at companies 34% longer than those with such a degree, according to LinkedIn data. While this could be a sign that it's more difficult for them to find their next job, it could also be a sign that they're simply more engaged and feel like the company is betting on their success.

As LinkedIn's 2018 Workplace Learning Report showed, 94% of employees said they would stay at a company longer if it invested in their career.

By taking a skills-based approach to the hiring process, diplomas and titles can sit alongside assessments, certifications, endorsements, and other alternate methods for determining the capability and fit of a candidate. What's more, by focusing on skills, employers can increase the size of their talent pools, allowing them to pinpoint quality applicants for hard-to-fill roles. Once you've hired them, keep your employees engaged and your company ready to adapt to changing demands by creating a culture of learning. It's how we'll start hiring and developing talent for the future, not the past.

Ryan Roslansky is the CEO of LinkedIn, the world's largest and most powerful network of professionals. Ryan joined the company in May 2009 and has since held leadership roles in every part of LinkedIn's business. He led the evolution of LinkedIn's products into a single, holistic, global ecosystem of 756 million members, 57 million companies, 120 thousand schools, and 38 thousand skills. Under his leadership, LinkedIn has also seen record levels of engagement on the platform and accelerated growth across the company.