

Hiring

Imagine a Hiring Process Without Resumes

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Illustration by Andrea Manzati

Summary. Business leaders are being pressed to increase inclusion and diversity in their companies. But typical hiring practices that require resumes, background checks, drug tests, and degrees often exclude many low-skill, entry-level individuals, including the formerly... [more](#)

Despite near record unemployment during the Covid-19 recession, plenty of employers will face major challenges in hiring low-skill, entry-level workers when economic conditions improve. This is, in

part, because the overall U.S. workforce will grow only 0.4% in the next several decades. A big part of the problem of finding low-skill workers is the barriers employers create when they focus on screening people out. Typical staffing processes are costly, time-consuming, and repeated endlessly. Businesses spend about \$4,100 per employee processing resumes, then conducting interviews, background checks, and drug tests.

Meanwhile, business leaders are being pressed to increase inclusion and diversity in their companies, whose typical hiring practices often exclude millions of people who are denied opportunities to make a living. They include the formerly incarcerated, the homeless, and those in recovery. What if there was a solution that not only meets workforce needs but also creates economic opportunities for those facing major barriers to employment?

While it may not be feasible for every business, the concept of “open hiring” is an innovative, counterintuitive strategy worth considering if your organization finds it difficult to recruit and retain dependable entry-level workers. This approach, which eschews resumes, interviews, and background checks, focuses solely on human potential and provides employment to anyone willing and able to work. Some of these requirements, like background checks, may be necessary in sectors such as education, government, healthcare, and finance. But for industries that rely heavily on front-line talent — manufacturing, distribution, retail, and food services, where candidates can be trained on the job — open hiring offers the opportunity for more diverse talent that would otherwise be passed over or ignored.

Open hiring shifts resources to invest in workers, rather than finding ways to exclude them. Most important, this approach allows companies to build more resilient businesses and address one of today’s greatest social challenges: providing economic opportunities for people often viewed as unemployable.

Since 1982, Greyston Bakery in Yonkers, New York, which produces millions of pounds of baked goods annually for customers like Ben & Jerry's and Whole Foods Market, has used this approach while building a successful business with 70 Open Hire employees. New hires are offered a position when their name comes up next on the list of people who have expressed interest in working at the bakery. No resume, job interview, background check, or drug test is required. As a result, the business has virtually no hiring costs.

Greyston then invests about \$1,900 in hard and soft skills training for new bakers, as well as providing access to extensive wraparound services. Understanding that a job is just the first step for many in achieving success, the bakery connects employees with health, housing, childcare, and transportation needs to resources that will help keep them employed. So, when a young baker starts consistently showing up late for work, a counselor intervenes and may discover the employee's childcare arrangements have fallen apart. The counselor then works with the employee to find a solution that benefits his family and the business.

This model has enabled Greyston to build a profitable business over its 38-year history, while also putting money back into the community of southwest Yonkers. Greyston recently calculated that it generates nearly \$7 million of local economic impact annually through public assistance savings, increased tax revenue, as well as reduced incarceration costs.

Greyston is now working to scale open hiring and guide other employers in adopting this innovative staffing approach through its Center for Open Hiring (one of us, Sara, is the director). About half a dozen businesses have successfully adapted this model to their operations.

One such company is The Body Shop, the international cosmetics company, which piloted open hiring in one of its distribution centers. The Body Shop typically hires 200 seasonal employees to handle the

holiday rush in its warehouse located in Raleigh, North Carolina. Adopting the open hiring approach in late 2019, recruiters asked people just three questions:

1. Are you legal to work in the U.S.?
2. Can you stand on your feet for eight hours?
3. Can you lift up to 50 pounds?

The results? Executives said they were able to quickly fill positions with fewer resources during the holiday rush. Turnover among the seasonal workers was down 60% over the previous year and warehouse productivity increased by 13%. Management reported the best hiring season in the distribution center in years. Due to this success, The Body Shop now is expanding this new hiring practice to other entry level positions in their retail stores.

While your company may not be able to adopt open hiring as broadly as Greyston Bakery, it is possible to apply parts of the practice — and philosophy — to ease your hiring challenges in specific departments or functions. Here are four keys that are essential for open hiring to succeed:

Tie Open Hiring to the Company's Mission

“You have to be passionate and persistent,” said Trish Patton, vice president of HR at The Body Shop. “I wasn’t going to drop this idea. It’s what we should be doing for our business and our communities, and it leads back to our purpose — that we exist to fight for a fairer more beautiful world.” As with any strategy, you must tie the benefits of open hiring back to your business needs and, once committed, successfully navigate any barriers to implementation. For instance, Patton reports, “We thought we had to roll out unconscious bias training to our managers before we could do this. But, instead, we said there’s never a good time to do this. We have to start sometime. You don’t have to have it perfect. Just try to make change a little bit at a time.”

Pursue Internal Buy-in

Bringing this approach into any organization may feel uncomfortable to managers and current employees. They may express concern about whether they'll be able to trust coworkers with troubled pasts. That's why Greyston found that having a dialogue with management and current employees about these concerns is vital.

To accomplish this at The Body Shop, sponsors of the open hiring initiative met with corporate leadership, managers at the distribution center, supervisors, and current employees to clearly communicate their plan and its anticipated benefits. Working with the Center for Open Hiring, they explained Greyston's experience, what the approach meant, and what it didn't mean.

The Body Shop's management also made sure existing employees understood that performance expectations and standards weren't going to change. Including the warehouse staff in the implementation process also connected them to the business's broader mission, which includes supporting local communities.

Reinforce Accountability

"Open hiring does not mean no accountability," says Joe Kenner, Greyston's CEO, "All we have gotten rid of are the interviews and background checks. Food, safety, and professional standards — all those must be met. This job is not a promise. It's an opportunity. We have strict standards we need to adhere to for customers like Ben & Jerry's, Unilever, and Whole Foods, and expect all employees to meet those standards. We're very strict about that."

To implement open hiring successfully, an organization must have a clear, consistent accountability system in place. But it must be used in a way that enables conversations about why an employee is having performance problems — for example, transportation, childcare, or mental health issues. Greyston's general manager, who has been

supervising bakery employees for decades, says that, in his experience, performance problems are usually driven by what is happening in an employee's life today, not by their past.

Create an Ecosystem that Supports the Whole Employee

Greyston's leaders know open hiring doesn't work unless there is an ecosystem set up to support employees' success at work. This means finding other partners who can help workers address barriers to successful employment. For example, the bakery partners with a local social service agency to fund a care coordinator who helps Greyston's workers find resources such as housing, childcare, substance abuse counseling, or whatever is needed to keep them on the job. The coordinator will also help the bakers with career planning or job searches when they want to move on. Though funded by Greyston, the coordinator works for the agency, independent of the bakery, to ensure employee confidentiality.

Although not for all businesses, open hiring can be a practical, profitable, and inspiring solution to what seem like two intractable problems: finding productive talent and creating good job opportunities for often-excluded individuals. For businesses that struggle to find and retain entry-level employees who can be trained on the job, the challenge is often knowing where to begin. Our advice is to start slowly. Maybe it is the solution for filling one position, or perhaps your first step is removing one barrier to employment, such as requiring a high school degree or a background check. Just start somewhere. The payoff will be worth it.

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