Hiring Professionals: Optimize Skills-Based Hiring with Data

An Exploration of Skills Availability by Region and Industry



SHL.

Experience is no longer the holy grail for employers.

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Gone are the days when a candidate needs experience to be hired. In today's rapidly evolving job market, employers are shifting their focus from credentials on paper to tangible skills and abilities a candidate can bring to the table. According to the Harvard Business Review, by the end of 2021, only 29% of postings for IT jobs at IBM contained a degree requirement¹. Forbes also reported that LinkedIn has seen a 21% increase in job postings advertising skills and responsibilities instead of qualifications in the US over the last year².

Indeed, skills-based hiring is on the rise, and is one of the top workplace trends of 2023². This comes as no surprise as the roles employers are hiring for keep on evolving, particularly for professionals, whose future jobs might not even exist yet.

At SHL, we have carried out extensive research to identify the key skills that lead to success in professional level individual contributor roles. By conducting extensive and thorough job analysis exercises spanning the Occupational Information Network (O*NET)³ database and engaging with multiple global partners, we were able to develop a state-of-the-art assessment that measures eleven key skills (Table 1) that are predictive of success in all professional roles.

- ¹ https://hbr.org/2022/02/skills-based-hiring-is-on-the-rise
- ² https://www.forbes.com/sites/carolinecastrillon/2023/02/12/why-skillsbased-hiring-is-on-the-rise/?sh=697019c224a9
- ³ National Center for O*NET Development, Occupational Information Network (2022). O*NET OnLine. Retrieved May 2023 from <u>www.onetonline.org</u>

Table 1: The Skills Measured by SHL's Professional Solution

Skill	Definition	$\supset \bigcirc$
Achievement	This component measures the tendency to set and accomplish challenging goals, while persisting in the face of significant obstacles. This trait is characterized by working hard, taking satisfaction and pride in producing high quality work, and being competitive.	
Willingness to Learn	This component measures the tendency to learn from experience. This trait is characterized by being open to new experiences, seeking both positive and negative feedback, looking back on past experiences, and considering alternate courses of action, and finding patterns and order in complex information.	
Maintains Good Working Relationships	This measures the extent to which the candidate puts effort into developing good relationships with others.	
Analyzes Information	This measures the extent to which the candidate identifies key factors and integrates information to understand data or situations.	
Learns Quickly	This measures the extent to which the candidate picks up new information and techniques easily.	
Generates New Ideas	This measures the extent to which the candidate creates innovative approaches.	
Uses Time Efficiently	This measures the extent to which the candidate manages their own time and delivers work on schedule.	
Works to High Quality Standards	This measures the extent to which the candidate completes every task with a high degree of quality.	
Adapts to Change	This measures the extent to which the candidate accepts and adapts to changes without difficulty.	
Copes with Uncertainty	This measures the extent to which the candidate can work productively when roles and situations are not clearly defined.	
Responsibility	This trait is a measure of a person's responsibility for their own actions and a commitment to performing assigned tasks. This trait is characterized by reliability, proactive involvement in work, and a dedication to complete even the most mundane tasks.	

A World of Data Unlocked

Figure 1. Sample Distribution by Region (n=44,254)







We set out to explore the availability of the eleven key skills for success in professional level roles across different geographical regions and industries. By leveraging data from SHL's Professional Solution that was completed by almost 45,000 candidates from across the world (Figure 1), we were able to identify the skills profile of candidates applying for professional level roles. Unlocking this world of data can help organizations adapt their hiring, onboarding, and development strategy to maximize effectiveness and productivity.

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Skills by Region

We investigated the strengths and areas for development of each region by looking at what skills candidates score the highest and lowest on. This allowed us to identify the **top three strengths** and the **top three areas for development** for each region.

On the whole, the top three most commonly found skills were similar across regions. **Willingness to Learn**, **Learns Quickly**, and **Works to High Quality Standards** were consistently identified as key strengths across regions. An exception to this comes from India and Europe, where **Adapts to Change** replaces **Works to High Quality Standards** as a key strength.

The picture is quite different when looking at the key areas for development. While the key strengths are almost uniform across regions, we see a variation in the areas for development across regions in comparison to the global profile (Figure 2). For example, candidates in Europe applying for professional level jobs are twice as likely to score on the lower end of the scale for **Responsibility** compared to applicants from North America. In addition, **Copes with Uncertainty** is an area for development for the Americas, but has not been identified as a major area for development in any other region.



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Takeaway

Areas of strength are more consistent across all regions compared to areas for development. Candidates applying for professional jobs from different regions may benefit from tailored development programs to bolster the skills they need help with once onboarded.

Figure 2. Comparing Skills by Region

Note: Shaded competencies in bold indicate competencies identified for a particular region but not globally.



Skills by Industry

To build on the findings revealed by the analysis of skills by region, we took a deeper look at the data segmented by industry to understand how professional skills profiles differ, and highlighted strengths and development areas that vary from the wider group. We found that the key strengths were relatively consistent across industries, but the areas for development were more varied. **Responsibility, Copes with Uncertainty**, and **Uses Time Efficiently** were identified as key areas for development in particular industries (Figure 3).

Figure 3. Comparing Key Skills by Industry



Takeaway

Given that the key strengths are consistent across industries, organizations can expand their talent pool by being more open to candidates from different backgrounds.

Four Steps to Optimize Your Skills-Based Hiring



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1. Embrace a Skills-Based Hiring Approach

Embracing a skills-based hiring approach expands your talent pool of eligible workers by up to **20 times**⁴. Focusing on what a candidate can do rather than factors like where someone went to school improves diversity and leads to a fairer process.

A skill-based hiring approach is a great way to make your workforce more resilient to constant changes in the world of work. By understanding what skills you have and what skills you need for achieving your business's goals, you can develop more targeted hiring, development, and mobility initiatives, and improve your retention rate by up to 34%⁵.

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2. Leverage New Talent Pools

Our results show that many industries and regions share key skills across their candidates. If you are struggling to fill gaps in your team, you may benefit from looking beyond your traditional talent pools and consider existing employees that may not have the years of experience but do have the skills you are after. You can also benefit from looking at candidates from outside your immediate region and industry. This can massively increase your chances of finding great candidates for your job posting.

⁴ https://economicgraph.linkedin.com/research/skills-first-report

⁵ https://www.linkedin.com/business/talent/blog/talent-strategy/ why-skills-based-hiring-starts-with-job-descriptions

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3. Make the Most Out of Talent Assessment Data

Hiring people with the right skills for your business is critical for success, but the best leaders leverage the valuable insights from the hiring process to make strategic decisions, help new hires get up to speed in their new role, and develop their skillset even further.

Unlocking the power of your assessment data for talent management will help you work with new hires to identify potential areas to develop, and focus on the areas that will provide the highest return on investment. This will help you to ensure that your new hires are set up for success in their roles and that they have the opportunity to grow and develop within your organization.

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4. Trust That Your New Hires Can Pick Things up Along the Way

Professional level candidates score highly on **Willingness to Learn, Learns Quickly**, and **Works to High Quality Standards**. As jobs continue to evolve and business requirements change, the knowledge and tools needed to perform jobs will also evolve. It is thus reassuring to know that professional contributors can pick up new skills and knowledge on the job and produce high-quality work.



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Why SHL

SHL's rich history of market-leading scientific research and innovation helps organizations better understand the talent they need to succeed in today's volatile market. We have helped thousands of organizations across the globe maximize the impact of their people decisions through powerful talent insights. With over 35 million assessments delivered each year, we have a vast database that keeps us informed of the latest skills trends, which will help you optimize your talent strategy.

Choose SHL's Professional Hiring Solution to deliver hiring impact that aligns to your business's goals.

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Identify skilled professionals with SHL.

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SHL brings powerful and transparent AI technology, data science, and objectivity to help companies attract, develop, and grow the workforce they need to succeed in the digital era.

We empower talent strategies to unlock the full potential of your greatest asset—people.

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