



skills-based hiring:

attracting  
future-ready talent.

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## skills-based hiring: what it is and why employers should use it?

Many people often find themselves relying on the traditional professional journey narrative – one that suggests a linear progression from certification to an entry-level position, gradually climbing the career ladder.

However, this narrative is rapidly growing outdated.

In the midst of global economic instability, rapid technological advancements, and evolving professional expectations, many workers are now experiencing a different reality. They switch companies and industries, invest in upskilling and retraining, take on multiple short-term assignments, and embrace new responsibilities.<sup>1</sup>

The talent of today is adaptable, with multifaceted skill sets and a willingness to take on new challenges. For the [61 percent of employers that struggle to find the right candidate](#), that means finding a narrative about their ideal candidate that's more in line with what's happening on the ground.<sup>2</sup>



# what is skills-based hiring?

In an evolving workforce where talent scarcity poses a real challenge for employers, revisiting recruitment strategies becomes crucial. This is where skills-based hiring comes into play. By emphasizing skills over experience, companies can boost the number and quality of applicants, leading to better matches between job roles and candidates. This shift is especially relevant for blue-collar operational managers, where specific skills often outweigh formal degrees.

Opting for a skills-based recruitment strategy ensures hiring the best fit, enhancing productivity, reducing turnover, and fostering a harmonious workplace. Instead of focusing on past experience or certifications, forward-thinking companies are increasingly zeroing in on skills in the hiring process in order to attract and retain top talent.<sup>3</sup> With skills-based hiring, employers can:

## widen the talent pool

LinkedIn reports that a skills-first approach can widen the talent pool 9.4x on average.<sup>4</sup>

## diversify their workforce

Over 70 percent of Black, Hispanic, and rural workers don't have four-year degrees – but they do have valuable skill sets that get overlooked due to “the paper ceiling” that prevents them from doing their best work.<sup>5,6</sup>

## retain top talent

Workplace upskilling programs can help employers retain talent for twice as long as they would without internal mobility paths in place.<sup>7</sup>

## reduce time-to-hire

Basic skills tests can replace multiple rounds of interviews, significantly reducing the time to hire.

## address the great attrition

The current workforce landscape has high turnover rates. Employers can attract the right talent and improve retention by focusing on skills. Skills-based hiring has been more predictive of job performance than education or work experience alone. Employees without college degrees have been found to stay in jobs for up to 34 percent longer.<sup>8</sup>

## build an agile workforce

In the face of economic uncertainties, a skills-based approach provides a roadmap for workers to progress within their current companies. It allows employers to create deliberate pathways based on existing skills and bridge any skill gaps for future roles.

# how to use our guide.

As a true partner for talent, Randstad understands that defining workers solely by past experience and certifications falls short. Instead, we recognize them for their skills, ability to upskill, and readiness to embrace new opportunities. That is why we have crafted this comprehensive report on skills-based hiring. In the face of a growing skills shortage, skills-based hiring isn't just a passing trend—it's a transformative approach to talent acquisition. It empowers employers to cast a wider net, tap into fresh talent pools, reduce time-to-hire, promote diversity, and retain top talent.

Drawing on our specialized, sector-specific recruitment expertise, we have pinpointed the skills that forward-thinking hiring managers can target to assemble a rockstar workforce for today and tomorrow. We hope this encourages you to explore skills-based hiring as a potent solution for talent shortages.

To delve even deeper into analysis, we've compiled insights on over 70 roles across key sectors. For each role, we've pinpointed [the essential skills, salary range, time required to fill the position, and relevant interview questions](#) aimed at uncovering top talent. This comprehensive skills inventory serves as an invaluable resource to inform your talent acquisition strategies. [Explore it with your Randstad recruitment expert for further discussion!](#)

Remote work, digital transformation, and diversity, equity, and inclusion initiatives are reshaping the workplace.

Request our skills-based hiring guide dedicated to finance and accounting, administrative support, customer experience, human resources, sales, and healthcare.



# skills-based hiring: how to approach it.

Skills-based hiring involves a shift toward emphasizing specific competencies rather than solely relying on traditional qualifications and diplomas. Here are some strategies on how to approach skills-based hiring.

## identify key skills

Clearly define the specific skills and competencies necessary for each role within your organization. Focus on both technical and soft skills that are essential for success in the position.

## use skills assessments

Implement skills assessments or tests to evaluate candidates' abilities in relevant areas. These assessments can provide valuable insights into candidates' actual skills, helping you make more informed hiring decisions.

## interview for skills

Structure interviews to assess candidates' skills. Use behavioral questions and situational scenarios to gauge their practical skills and problem-solving abilities. Encourage candidates to provide examples from their previous experiences.

## consider transferable skills

Don't overlook transferable skills—abilities that candidates have acquired in different contexts but can be applied effectively to the job at hand. Assess how these skills align with the requirements of the role.

## customize job descriptions

Tailor your job descriptions to emphasize the skills and abilities you are seeking in candidates. Be specific about the skills required, and consider using skill assessments or tests during the application process.

## promote upskilling

Be open to candidates who may not possess all the required skills but demonstrate a willingness and aptitude for learning. Offer training programs or opportunities for upskilling to bridge the gap between their existing skills and the job requirements.

## diversify recruitment sources

Look beyond traditional recruitment channels. Explore platforms, communities, and organizations that cater to individuals with specific skills. This diversification can help you tap into a broader talent pool.

## collaborate with educational institutions

Partner with educational institutions, vocational schools, or online learning platforms to identify and nurture talent. Consider internship programs or apprenticeships to assess candidates' skills in real-world scenarios.

## involve current employees

Encourage your current employees to refer candidates who possess the skills your organization values. Employee referrals often yield candidates who fit well culturally and possess the necessary skills.

## continuously evaluate your process

Regularly evaluate the effectiveness of your skills-based hiring process. Analyze the performance of employees hired based on skills and adjust your approach as needed to ensure continuous improvement.



# hiring skilled trades and industrial management talent.

## sector overview: empowering the next generation of skilled workers.

The skilled trades sector stands at a transformative juncture as AI and automation redefine the traditional skill sets needed for these roles. A diverse talent pool, bolstered by immigration, is enriching the field with a blend of experience and fresh perspectives. However, workforce shortages remain, driving employers to rethink their recruitment strategies.

This evolution has its challenges, but best practices are starting to emerge.<sup>9</sup> Most employers know they should focus on skills over diplomas or past experience, but up to 52 percent lean on degree programs because it is less risky.<sup>10</sup> In this dynamic environment, skills-based hiring emerges as a forward-thinking approach, focusing on the competencies and potential of candidates rather than just their credentials.

## hiring challenges: tackling an ongoing shortage.

Modernization, diversity, and shifting workforce dynamics will all pose challenges for hiring in the skilled trades sector. As seasoned professionals retire, they will take with them vital expertise that creates a skills gap for new entrants. Increased automation will also transform roles, requiring workers to be adept at handling automated systems. But while continuous learning and upskilling will become the norm, Randstad has found that only 41 percent of blue collar men and 38 percent of

blue collar women are happy with the skill development their employers offer.<sup>11</sup>

Companies must invest in comprehensive training and mentorship programs to ensure their workforce can handle technological advancements. Increased investment in diversity and inclusion training is also key as more immigrant newcomers and women enter the skilled trades.



Clear growth pathways will also help companies retain talent, which will become a more significant hurdle as workers seek competitive compensation driven by industry demand.

- a Randstad talent expert in skilled trades

## essential qualities for skilled workers: resourceful, adaptable and proactive.

Automation, AI, and robotics are transforming skilled trades jobs. Over the next 5-10 years, manual tasks will be increasingly automated, meaning that skills in mechanics and electronics will become more specialized. Skilled trades workers should brace for a future where their roles are deeply integrated with AI and robotics.<sup>12</sup>

Industrial management will see an even greater use of AI for everything from resource allocation to quality control to predictive analytics for machinery maintenance.<sup>13</sup> For those in the skilled trades, embracing the technological changes and upskilling to stay relevant will be essential. Depending on the specific role, this might involve training in AI, robotics, or advanced electronics.



## a closer look at key skills.

### soft skills.

#### adaptability to new tools and equipment

Skilled trades continually evolve with new technologies and machinery. Quickly learning how to use these new tools and adapting to them is essential.

#### communication

Beyond just technical know-how, practical communication skills are essential. Whether it's conveying complex technical information or simply coordinating with a team, clear communication is key.

#### respect

In today's diverse workforce, valuing and promoting a respectful work environment requires key skills, including understanding and considering cultural differences to ensure everyone feels valued and heard.

#### teamwork

The dynamic nature of skilled trades requires collaboration and cooperation. Being a team player ensures projects are completed efficiently and to the highest standard.

#### people skills

Building relationships, understanding team dynamics, and fostering a positive work environment are all underpinned by solid people skills.



### technical skills.

#### electrical expertise

Fundamental for roles such as electricians and electronics technicians, this skill encompasses the ability to install, troubleshoot, and maintain electrical systems, ensuring the safety and efficiency of operations.

#### programming

With the advent of Industry 4.0 and increasing automation of various processes, coding familiarity has become more relevant, especially for electricians and automation technicians. This includes programming PLCs, robotics, and other automated systems.

#### preventative maintenance

Proactive equipment maintenance is important to prevent unexpected breakdowns, ensure operations continuity, and extend the machinery's lifespan.

#### hydraulics and pneumatics

A deep understanding of hydraulic and pneumatic systems is crucial, especially for roles that deal with machinery and equipment that utilize these systems for operations.

#### industrial management skills

Supervisory roles like forepersons and production supervisors will need industrial management skills that encompass a range of competencies. These include training and development of staff leadership and change management to ensure smooth transitions during shifts in processes.

# hiring industrial support talent.

## sector overview: navigating automation.

Traditionally rooted in hands-on tasks and physical processes, the industrial support sector is on the brink of transformation. Automation and AI technologies are reshaping these roles and processes, and an increased immigration is creating an employer-centric market. Yet integrating digital tools and systems in industrial processes requires candidates who are proficient with computers, automation systems, and, in some cases, specialized software, creating hiring challenges in finding the right skill sets.

Compounding these complexities are economic considerations: companies are strategically merging roles to achieve cost efficiencies, creating a pressing need to adjust pay rates to account for new responsibilities and inflation.

## hiring challenges: building a pipeline of agile workers.

The main challenge in hiring industrial support workers lies in identifying candidates who can work effectively with new technologies. Major employers like Walmart have started to eliminate degree requirements to place more of an emphasis on skills as these roles evolve.<sup>14</sup> Hiring processes should also incorporate assessments that gauge a candidate's ability to learn new things

and work effectively with teams as job components inevitably change.<sup>15</sup>

Employers may need to invest in training programs or collaborate with educational institutions to ensure a steady influx of tech-savvy candidates.



As flexibility and soft skills become increasingly important, employers may also need to nurture attributes like punctuality, team cohesion, and alignment with management values.

- a Randstad talent expert in industrial support

## essential qualities for industrial support: efficiency-oriented, quality-focused, collaborative.

Rapid technological change means static skill sets will quickly become obsolete, creating more demand for workers that can stay agile, curious, and adaptable. Current professionals find that computer literacy is no longer a mere advantage but an essential competency as digital tools and systems become integral to operations.

Looking ahead, the landscape of future roles in industrial support will demand a perfect blend of technical understanding and invaluable soft skills. Teamwork, adaptability, and an innate eagerness to learn will be as crucial as proficiency in specific tools or platforms.

## a closer look at key skills.

### soft skills.

#### eagerness to learn

In a rapidly evolving landscape, professionals who are genuinely eager to learn will be better equipped to adapt to new tools, technologies, and methodologies, ensuring they remain relevant and valuable.

#### inclusivity

With diverse teams becoming the norm, inclusivity is paramount. Recognizing, valuing, and promoting diversity ensures a more prosperous work environment and fosters innovation.

#### punctuality

Time is a critical resource in industrial settings. Punctuality reflects an individual's commitment and ensures that processes run smoothly and efficiently.

#### personality fit

Beyond skills and experience, aligning an individual's personality with the team and organizational culture can determine long-term success. A good personality fit ensures better communication, collaboration, and overall job satisfaction.

#### adaptability

Change is a constant in the industrial world. Adaptable professionals can easily navigate shifts in processes, tools, or team dynamics, ensuring continuity and efficiency.

#### open-mindedness

Openness to new ideas, methodologies, and perspectives is crucial. An open-minded individual is more likely to embrace innovations, contributing to the growth and evolution of the organization.

#### teamwork

Industrial support often involves collaborative efforts. The ability to work harmoniously within a team, understanding and respecting each member's role, is essential for project success.

### technical skills.

#### specialized skills for specific roles

Tangible skills for specific roles will ensure the precise execution of tasks and the smooth operation of processes. Below are examples of specialized skills for a few key roles in industrial support:

- forklift operation: Maneuvering and operating forklifts safely and efficiently, understanding load capacities, and adhering to safety protocols.
- machine operation: Proficiency in operating specific machinery, understanding its mechanics, and ensuring its maintenance.
- powertool operation: Mastery of various power tools and understanding their functions, safety protocols, and maintenance needs.

#### computer skills

Computer literacy becomes indispensable as the industrial sector increasingly embraces automation. Understanding software specific to machinery, basic troubleshooting, and even some level of programming will become essential for more advanced roles.

#### physical fitness

Many industrial support roles demand physical stamina and strength. Lifting heavy objects, standing for extended periods, or maneuvering through tight spaces are all physical requirements.

#### industry know-how

A broad understanding of the industry's workings, safety standards, best practices, and regulatory guidelines is crucial. This foundational knowledge ensures that professionals can make informed decisions and adhere to industry standards.





# hiring engineering talent.

## sector overview: designing the future of a connected world.

The engineering sector lies at the heart of technological transformation. AI and deep learning are enhancing efficiency, precision, and innovation, from design simulations to predictive maintenance. This shift necessitates engineers who are not only technically adept but also proficient in AI-driven tools and methodologies. To keep up with the pace of change, today's engineers must be agile, ready to update their skill sets in line with industry shifts. This continuous learning mindset is becoming an essential factor.

## hiring challenges: nurturing an adaptable mindset.

Cutting-edge engineering technologies of today might be obsolete tomorrow, posing challenges for employers seeking adept engineers. To adapt, hiring practices should shift from pure technical evaluations to assessing adaptability, problem-solving skills, and a hunger for learning. Emerging fields like renewable energy and machine learning suffer talent shortages, prompting collaboration between hiring managers and educational institutions to bridge the gap.

Beyond traditional pools, candidates with hybrid skills encompassing AI, automation, and machine learning should be considered.<sup>16</sup> Cross-training programs for engineers in AI and machine learning will be essential. Moreover, hiring managers must grasp evolving tech demands while evaluating cultural and soft skills, necessitating ongoing training and tools to assess these traits effectively.



Employers must prioritize adaptability, continuous learning and professional development, ensuring their engineers are always at the forefront of technological knowledge.

- a Randstad talent expert in engineering

## essential qualities for engineers: innovative, adaptable and visionary.

In this context of constant evolution, engineers are redefining their role. The concept of monolithic engineering now belongs to the past, making room for a diversity of cultures and experiences among professionals. While the traditional foundations remain relevant, new domains are emerging.

Engineers are therefore expected to rethink the world we live in and harness the possibilities of AI in various spheres of everyday life, such as transportation or healthcare. This ability to integrate AI reflects the increasing adaptability of these professionals and their pivotal role in contemporary society.

## a closer look at key skills.

### soft skills.

#### adaptability

An engineer's ability to adapt to rapid technological advancements and evolving methodologies, embracing new tools and approaches, ensures they remain relevant and can contribute effectively to projects.

#### teamwork

Engineering projects often involve multidisciplinary teams. Working harmoniously with colleagues from various backgrounds and valuing each member's contribution are crucial for success.

#### flexibility

Flexibility allows engineers to navigate unforeseen challenges and changes in project parameters, finding alternative solutions or approaches without compromising the project's integrity.

#### communication

Effective communication is pivotal in engineering. Whether conveying complex technical concepts to non-engineers, presenting findings to stakeholders, or simply coordinating with a team, clear and concise communication ensures that ideas are understood and objectives are met.

#### inclusivity and diversity awareness

The global nature of engineering means professionals often collaborate with teams from diverse cultural, ethnic, and gender backgrounds. An awareness and appreciation of this diversity and an inclusive mindset ensures a richer work environment.



### technical skills.

#### proficiency with software tools

Modern engineering heavily relies on software tools for design, simulation, and analysis. Proficiency in tools like AutoCAD, SolidWorks, MATLAB, or industry-specific software is crucial.<sup>17</sup>

#### technical engineering skills

Fundamental to any STEM job, technical skills encompass a deep understanding of principles like thermodynamics, mechanics, electronics, and material science, and others to ensure that engineers can design, analyze, and troubleshoot effectively.

#### adaptability to new tools

The engineering field is ever-evolving, with new tools and technologies emerging regularly. An engineer's ability to quickly learn and adapt to these tools, ensuring they remain at the cutting edge of their profession, is invaluable.

#### understanding AI and automation

Engineers must be well-versed in AI and automation, including understanding machine learning algorithms, robotic systems, and the nuances of automated processes.<sup>18</sup>

#### market research and data analysis

Skills in market research and data analysis ensure that engineering solutions are technically sound, commercially viable, and aligned with market needs. This includes understanding data analytics tools, statistical analysis, and market trend prediction.





# adopting forward-thinking skills-based hiring strategies.

Skills-based hiring emerged and got its first mainstream trial run during the pandemic as employers in certain fields struggled to address specific shortages.<sup>19</sup>

By focusing on the competencies and potential of candidates rather than just on their credentials, employers can build a workforce that's agile, adaptable, and aligned with the organization's goals.



# talent attraction and recruitment.

## assess skills in the application process

There's a good reason why 79 percent of HR professionals give equal or more weight to skills assessments than experience or education.<sup>20</sup> These assessments can give you direct information about candidate skill sets with specific tools they need to succeed in the environment you're hiring for.

## leverage temporary and contingency staff

Temporary and contingency staff offer a flexible solution to address immediate skill gaps. They can be brought on board for specific projects, allowing employers to assess their skills in real time. This approach provides a low-risk avenue to evaluate potential permanent hires based on their performance, ensuring a better fit for long-term roles.

## attract a large and diverse talent pool

Diversity brings more perspectives, experiences, and problem-solving approaches. Employers can tap into a rich reservoir of skills by broadening recruitment strategies to attract a diverse talent pool. Studies have shown it can increase the proportion of women in the talent pool by up to 24 percent.<sup>21</sup> A diverse workforce fosters innovation, enhances problem-solving capabilities, and creates a more inclusive work environment.

## implement flexible work arrangements

Employers can attract a broader range of candidates by offering flexible staffing solutions, such as part-time roles, remote work, or flexible hours. Flexible staffing widens the talent pool and enhances employee satisfaction, leading to better retention rates.<sup>22</sup>

# talent development and engagement.

## upskill for transformation

As industries evolve, so do the skills required. Investing in training programs to upskill existing employees ensures the workforce remains relevant and equipped to handle new challenges. Upskilling bridges skill gaps and boosts employee morale, fostering continuous learning and growth.

## empower a mixed range of talent

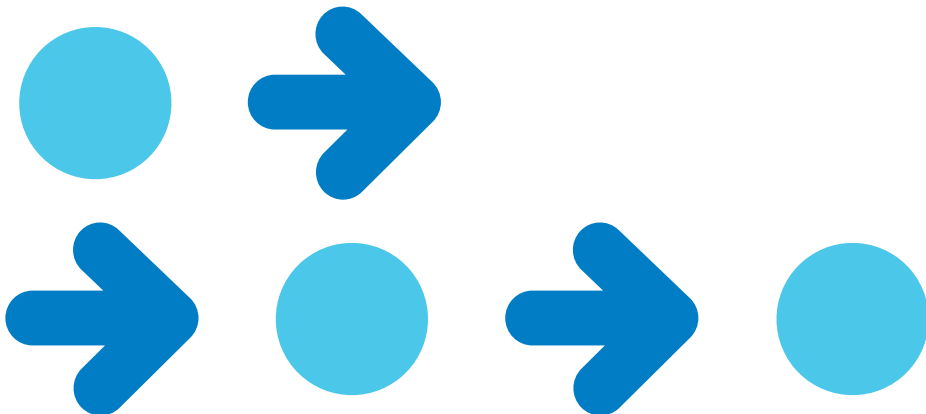
To build a truly inclusive and dynamic workforce, it's vital to offer opportunities to individuals from various backgrounds. Embrace newcomers, youth, indigenous people, and other underrepresented groups. By assessing skills in the application process and providing mentorship or training programs, you can help these individuals bridge any gaps and thrive in your organization. Creating a supportive environment that welcomes diverse perspectives and experiences not only fosters a more inclusive culture but also enriches your talent pool with a wide array of skills and fresh insights. This approach not only fulfills your commitment to diversity and equity but also helps to shape a workforce that reflects the multifaceted nature of your community and the world at large.

## invest in employee well-being

A happy and healthy employee is engaged and productive. Employers can ensure that their workforce remains motivated and committed by investing in well-being initiatives. Well-being initiatives reduce absenteeism, enhance productivity, and promote a positive organizational culture.

## build resilient teams

In challenging times, resilience is a key trait for a more robust workforce. You can build resilient teams by providing emotional support, mental health resources, and listening to your team. An organization-wide growth mindset that fosters learning from setbacks and adapting to change will help your employees take on the challenge of learning new things without fear of failure.





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# hire for skills: future proof your workforce.

The workplaces of the future can't rely on assumptions from the past. A fresh, open mindset regarding the skills your new hires might possess and the skills your long-term workers might develop can help your company, and your workforce, keep up with the pace of change.

At Randstad, we're here to assist you in expanding your talent pool, enhancing the quality of your new hires, and boosting retention rates. As your trusted advisor in recruitment and talent acquisition, we can partner with you to develop your skills-based hiring strategy for a future-proof workforce. Contact us today.





# about randstad.

Randstad is the world's largest talent company and a partner of choice to clients. We are committed to providing equitable opportunities to people from all backgrounds and helping them remain relevant in the rapidly changing world of work. We have a deep understanding of the labor market and help our clients to create the high-quality, diverse and agile workforces they need to succeed. Our 46,000 employees around the world make a positive impact on society by helping people to realize their true potential throughout their working life.

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