# Skill-Based Hiring: The New Standard In Recruitment

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HR Software

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# 1 Do you recognize the potential in your candidates?

Today's labour market requires a fundamentally different approach to recruitment. In addition to digitalization, increased attention to diversity and employer branding, the focus is shifting from diplomas and job titles to specific skills to attract a broader and more diverse talent pool. What skills does someone really have?

Skill-based hiring offers organizations the opportunity to recruit in a more objective, inclusive and future-oriented way. By focusing on what skills candidates really have and looking at their growth potential, you increase the talent pool, stimulate diversity and reduce the mismatch between supply and demand. All plus points.

This whitepaper offers you several practical tools for implementing a skill-based hiring strategy. Go for growth potential and strengthen your recruiting strategy!

# 2 Trends and developments in recruitment

Before we tell you all about skill-based hiring, let's take a look at the current state of recruitment. In recent years there have been a lot of developments in the field – and understandably so. The world is changing at an ever-increasing pace, and the job market is evolving right along with it. Let's take a closer look at today's key trends.

### Digitization and AI
Efficiency gains and cost savings are of all times. But with the extensive digitization of processes and the use of AI, things have been moving very fast lately. Management of personnel files and the scheduling of application and performance interviews, for example, can all be done automatically. But you can also use AI to predict staffing needs or devise strategies to bind employees to your organization.

### Focus on diversity, equality and inclusion
Not all voices are heard equally in the job market. To counter this, there is more focus on equal opportunities for all in the recruitment process. For example, by anonymising resumes. Also, employers think more in terms of possibilities than impossibilities when it comes to physical or mental limitations.

### Employer branding and candidate experience
The days of dozens of applicants responding to a single job posting are long gone. Today, it's up to you to prove that your organization is worth applying to. That starts with employer branding: how does your organization present itself to the candidates you want to attract? What do you communicate on your website and social media about your core values? What added value do you offer beyond standard employment terms? When you get this right, you earn your candidates' time and attention.

**The rise of internal mobility and 'hire for potential'**

Of course, you can post a vacancy for a (management) position and hope the right candidate applies. But you can also look internally. Someone who already has the right skills, understands your organization's DNA, and can build on that in a new role. You might even hire someone now based on their future growth potential. With some additional experience and deeper knowledge of your organization, they could become the perfect fit for a future role. The question is: do you dare to take that approach?

**From job-oriented to skills-oriented recruiting**

Finally, we're talking about the trend this whitepaper is about: skill-based hiring. You're no longer looking for a sales manager, you're looking for someone who is good with people. And instead of a communications officer, you're looking for someone who can write well. By thinking in terms of skills, you increase the possibilities for your organization and for the candidate.
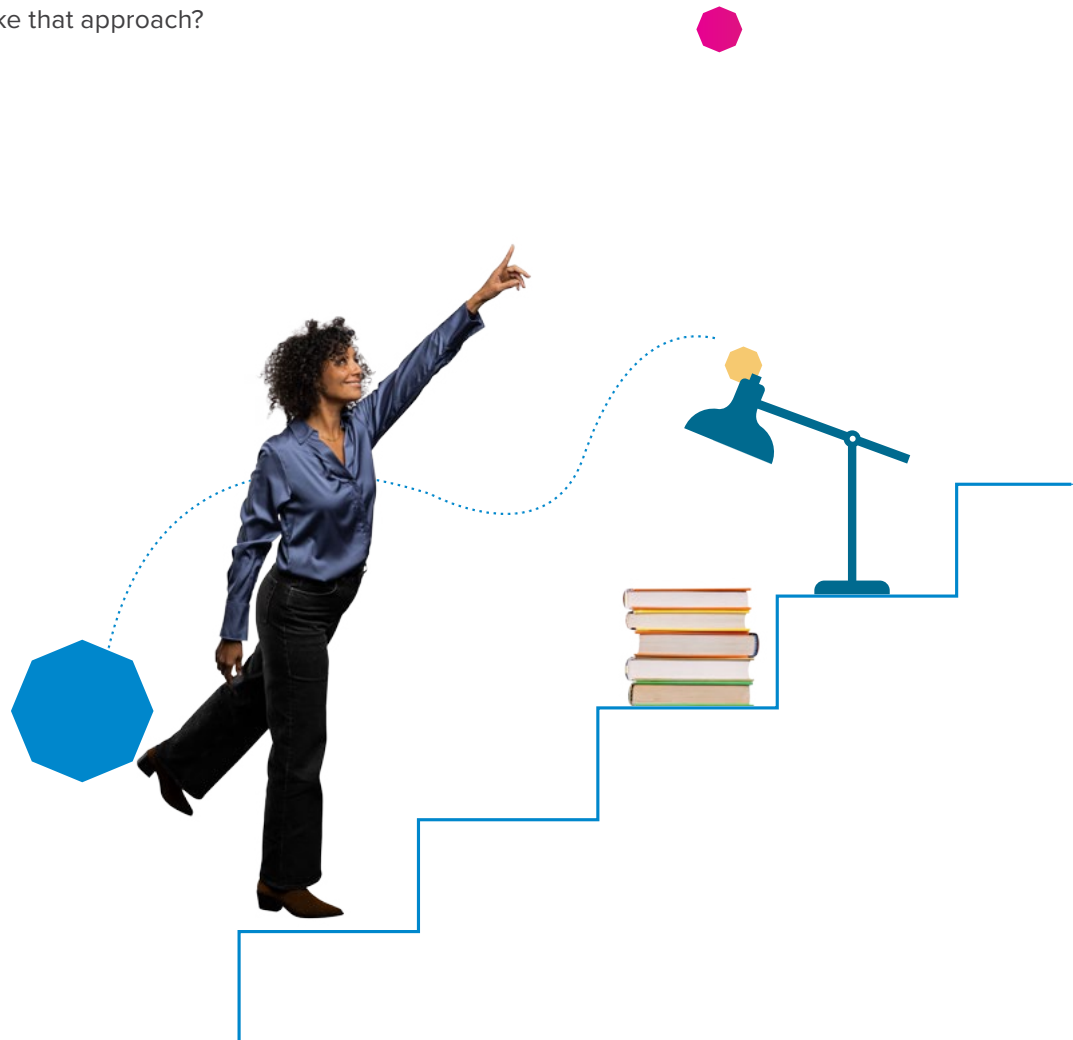
# 3 A closer look at the new recruitment process

Recruitment is much more than a job interview: it's an experience that begins with the job posting, and continues through (and even beyond) the first day of work. The recruitment process is closely tied to the overall employee journey, because a candidate's first experience with your organization shapes their perception. That's why it's worth critically examining your recruitment process: where are the bottlenecks? How well does it align with candidate expectations? And what does a well-designed candidate journey actually look like?

### Arrange a 'mystery candidate' in your own recruitment process

Curious about how candidates experience your recruitment process? The best way to find out is to have someone outside your organization go through it. How do they perceive your recruitment approach? Are you present on the right platforms? How is your job posting received? Is the application process accessible and user-friendly? There are plenty of aspects you can have critically reviewed to gain valuable insights.



Once invited to an interview, the candidate experience really takes off. How warm is the welcome? How many interviews are conducted during the process, what is the content and format of these interviews, and is follow-up well managed? You can only really make improvements here if you let someone go through the process with a critical eye. Do this regularly. That way you can also see what improvements can be noticed after a while!

### What do candidates actually want?

Quite a difficult question to answer, because to do so you have to listen to the wishes of your candidates. And what is important to one candidate, is of secondary importance to another. Ideally, you also want to know from the people who did not apply why they did not. Then you know what attracts them, or what holds them back.

In fact, this should always be at the heart of recruitment. Because if you know what candidates want, you can manage accordingly. This ranges from salary requirements to working hours and from training opportunities to a nice working atmosphere. For example, younger candidates generally value mental well-being and sustainability. Or maybe they would like to work hybrid. Also, when it comes to unrealistic wishes, explain why your organization won't go along with them.

More importantly, pay attention to all your candidates, including those who don't end up getting hired. You can work really hard on employer branding, but if the communication in the application process is poor, if you use vague selection criteria, or if people have to wait too long for an answer, your efforts will fall flat. And don't forget the standard rejection messages – those impersonal emails saying "we've chosen another profile".

Don't do that! Take the time to explain why a candidate wasn't selected. It gives both the candidate and the recruiter a more meaningful and constructive conclusion to the process.

**Onboarding is also part of the application process**
A strategic extension of the application process is the onboarding period. When done well, it creates a warm welcome that leaves new employees eager to share positive stories about your organization. Make sure no newcomer feels lost during those crucial first weeks. Pair them with an experienced colleague who can answer practical questions. Create videos or even e-learning modules to explain how things work within your organization. Every effort you make strengthens your employer brand, not only for retaining current employees, but also for attracting new ones. After all, people talk about their experiences, so make sure those experiences are positive.

If you take it a step further, a well-designed onboarding process can even become a key recruitment USP. For some candidates, it may be the reason they choose to apply. If your onboarding is strong, highlight it in your job postings. For example: "We offer a comprehensive onboarding program". Or emphasize other unique aspects of your onboarding experience.

**Beware: skill-based hiring is on the rise!**
At the same time, skill-based hiring is set to transform the recruitment process. The focus will shift from traditional credentials like degrees and years of experience to actual skills. This shift could fundamentally change the process - reducing costs and significantly expanding your potential talent pool. You'll read more about this later in the whitepaper.

# 4 Inclusive recruiting: how do you make diversity part of your recruiting process?

Embedding diversity and inclusion into your recruitment strategy is a process. It is not just a matter of creating new rules. Many organizations aim to recruit more diversely, but efforts often remain limited to isolated initiatives or vague statements. A clear strategy, linked to objectives and measurable KPIs, is a strong starting point. Just as important are leadership commitment and transparent communication with candidates. We'll share some practical tools to help you move forward.

**Good intentions are not enough**

Simply saying you want to change something doesn't make it a reality. Progress requires continuous effort. For example, try recruiting through new channels and methods to truly reach different target groups. Be aware that unconscious biases can influence candidate selection. Recognizing this is a crucial first step! By widening your approach, you'll engage with people who may not fit the profile of your typical employee. In doing so, you broaden your organization's horizons.

**Set clear goals to drive diversity and inclusion**

Setting clear and measurable goals is critical to ensuring compliance with diversity and inclusion best practices. Simplify your goals, make them SMART: Specific, Measurable, Acceptable, Realistic and Time-bound. This ensures that everyone in the organization understands the expectations and commitments around diversity and inclusion.

[ View best practices ]

Clear goals also make it easier to monitor progress using key performance indicators (KPIs). For example, you can track metrics such as the number of hires from different demographic groups. If your goal is to have 30% of management positions filled by women within five years, develop a strategic plan outlining how you will achieve it.

Ensure that the diversity data is presented through dashboards, charts and/or slideshows. In addition, by critically reviewing and evaluating data, it is possible to set new goals and objectives for continuous improvement and take action when there is room for improvement.

**The importance of leadership, accountability and transparent communication**

In almost every organization, a top-down approach is needed to implement change. Therefore, it is wise to start with diverse leadership. Inclusive hiring should be promoted from the top, with HR and recruitment held accountable for progress. Clear and transparent communication about diversity efforts is essential at every level of the organization.

And by communication, we don't mean a generic statement on your website like "We strive for an inclusive work environment." Show, don't just tell. Demonstrate to candidates from all backgrounds that they will belong in your organization. Use imagery that reflects diversity. Share employee stories that highlight your inclusive culture. This kind of authenticity convinces potential candidates to apply especially when you recruit based on skills rather than job titles or years of experience.

**Prevent positive discrimination**

Recruitment is still about finding the right person for the right role. Positive discrimination is not the goal of an inclusive and diverse hiring policy. By writing neutral job postings, and having transparent selection criteria, you reduce the risk of attracting or favouring candidates based on gender or background. Focus instead on the skills and qualities that truly matter.

# 5 Data-driven recruitment: what are you really measuring?

Recruitment performance is easy to measure, as long as you know which metrics to track. Traditional KPI's no longer provide enough insight. If you want to truly measure and improve the effectiveness of your recruitment process, consider the following KPI's:

## Time to Hire

**Meaning:** This measures the time between a candidate's application and their acceptance of your offer. Time to Hire reflects the efficiency of your internal recruitment process.

**Why Important:** A shorter Time to Hire indicates a more efficient hiring process and can help secure top candidates before competitors do.

**How to measure:**

- **Start:** Date of receipt of the first application from the candidate who is ultimately hired.
- **End:** Date the candidate accepts the offer and signs the contract.
- **Calculation:** The number of days between start and end for each hire, averaged over a given period.

## Time to Fill

**Meaning:** This measures the total time it takes to fill a vacancy, from the time the position is officially open (or the hiring manager submits the job request to HR) to the date the candidate accepts the offer.

**Why Important:** A lower Time to Fill means vacancies are filled faster. That provides more continuity, prevents lost sales and maintains productivity.

**How to measure:**

- **Start:** The date a vacancy was officially opened (e.g., after approval by finance or departure of an employee).
- **End:** Date a candidate accepts the job offer.
- **Calculation:** The days between the starting and ending points for each vacancy, averaged over a period of time.

## Quality of Hire

**Meaning:** This KPI provides insight into how new employees contribute to an organization's long-term success. It includes cultural fit, engagement and performance.

**Why Important:** Hiring quality employees leads to higher productivity, better performance, lower turnover and a more positive company culture.

**How to measure:** This is a more complex KPI that often includes a combination of:

- **Performance reviews:** How is the new employee performing after 3, 6 or 12 months (e.g., via annual evaluations or specific "new employee" assessments).
- **Retention:** Will the employee stay after a certain period of time (e.g., 1 year)?
- **Cultural fit:** Degree of integration into the team and organizational culture (via surveys, feedback from managers).

- **Productivity:** The extent to which the new employee achieves the goals set.
- **Formula (example)):**
  ((Performance+Retention+Cultural Fit)/Number of factors)×100%

## Cost per Hire

**Meaning:** The average cost your organization spends to recruit and hire new employees.

**Why Important:** Understanding the cost of recruiting helps HR and recruitment departments manage budgets effectively and identify where costs can be turned down without compromising the quality of hiring.

**How to measure:**

- **Calculation:** Total recruitment costs/ Total number of hires in the same period. Examples of recruitment costs are salaries of recruiters, external partners, advertising costs, ATS software, events, travel costs, assessments, etc.

## Candidate Satisfaction Score
### (aka Candidate Experience)

**Meaning:** Candidate Satisfaction measures the experience and satisfaction regardless of whether someone was hired or not.

**Why Important:** A positive candidate experience strengthens your employer brand, generates positive word-of-mouth, and can even encourage future applications. A negative experience, on the other hand, can damage your reputation and discourage potential talent.

**How to measure:**

- **Surveys:** Send short surveys to candidates after various stages of the process (after application, after interview, after rejection/hiring). Questions can be about communication, clarity of the process, professionalism, etc.
- **Net Promoter Score (NPS) for candidates:** Ask candidates how likely they would be to recommend your company as an employer on a scale of 0-10.
- **Feedback via Glassdoor, and other review platforms:** Monitor online reviews from (former) applicants.

## Candidate Source

**Meaning:** The channels or methods through which candidates discovered your vacancy or were approached about a job opening.

**Why Important:** Understanding which sources generate the highest quality and quantity of candidates allows you to optimize your recruitment strategy and allocate your budget more effectively.

**How to measure:**

- **During the application:** In the application form, ask candidates how they found the vacancy (e.g., via LinkedIn, company website, via-via, job board, recruiter).
- **ATS (Applicant Tracking System):** A good ATS can track and report all kinds of recruitment data automatically.
- **Analysis:** Analyse which sources lead to the most applications, the most interviews, the most hires and ultimately the highest Quality of Hire and retention.

## Use ATS software and deploy AI

An Applicant Tracking System (ATS) can automatically collect much of the data you need. By consistently tracking these KPIs, sharing real-time dashboards with management, and analysing the data, HR and recruitment teams can make proactive adjustments, optimize processes, and position themselves as strategic partners within the organization.

An ATS also enables you to track additional metrics, such as Applicants per Opening and Recruitment Funnel Effectiveness - measuring how successfully your process attracts, engages, and ultimately hires the right candidates. This allows you to analyse conversion rates at every stage of the recruitment funnel.

AI can help you analyse recruitment data. Not just from KPIs, but throughout the entire recruitment process. Advanced algorithms and data analytics tools can optimize your work-flows, automate repetitive tasks, and process large volumes of data. AI delivers insights that were previously out of reach, helping you make smarter, data-driven decisions throughout the hiring journey.
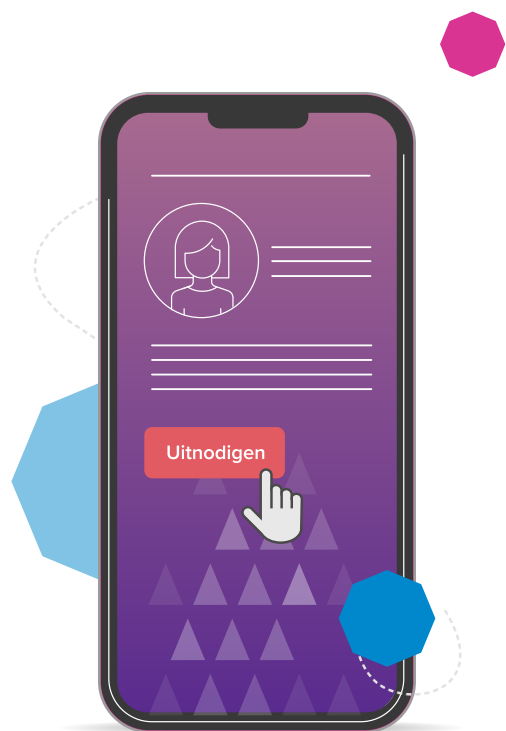
**For example::**
- **Resume screening:** AI systems scan resumes for relevant keywords (like skills) and rank candidates accordingly.
- **Candidate matching:** Tools identify candidates whose skills, experience, and personality align with the role requirements.
- **Job interview analysis:** AI evaluates non-verbal cues such as tone, facial expressions, and body language during video interviews.

# 6 Skill-based hiring as the new recruitment compass

According to LinkedIn's "Talent Trends in the Netherlands" survey, 50% of executives plan to prioritize hiring candidates with strong soft skills that are transferable across roles. This reflects a clear shift away from resume- and job title-based hiring towards a stronger focus on skills, competencies, and growth potential. In other words: say hello to skill-based hiring.

## Shifting Focus: From Credentials to Capabilities

Diplomas demonstrate a candidate's knowledge and way of thinking, but they are only one indicator of suitability for a role. There are many ways to build strong teams with diverse skills and backgrounds. Everyone has potential, not just those with formal higher education.

Skills like problem-solving, learning agility, adaptability, critical and creative thinking, collaboration, communication, and leadership are valuable across many roles. Young candidates who possess these skills can grow into new positions over time, even without a specific diploma. This approach promotes internal mobility and makes recruitment more objective, inclusive, and future-focused. A win for everyone.

View 'Talent Trends in the Netherlands'



**The benefits of skill-based hiring:**

- **More objective recruitment**
  Traditional recruitment methods often carry unconscious bias. By shifting the focus to skills, the recruitment process becomes more objective and measurable. This reduces bias, enables faster and better candidate matches, and ensures a more structured, consistent assessment.

- **More inclusive recruitment**
  A broader, and more diverse talent pool creates a more inclusive organization. By focusing on skills rather than backgrounds, you open doors for candidates who might otherwise be overlooked. Skill-based hiring offers equal opportunities for everyone and naturally leads to more diverse, balanced teams.

- **Future-oriented recruitment**
  In a rapidly changing job market, it is essential to recruit with the future in mind. By focusing more on adaptability and learning capacity, the organization becomes more flexible. This approach supports strategic workforce planning and better prepares your organization for what lies ahead.
- **Stronger teams**
  All of these factors contribute to building stronger teams. Skill-based hires tend to be more productive and successful, leading to better overall performance. They onboard faster, adapt more quickly, and deliver better results. Employees who are well-matched to their roles are more engaged and are less likely to leave. In addition, you create agile, innovative teams that are better equipped to seize new growth opportunities.

> In short, skill-based hiring is a powerful method for modernizing recruitment and preparing your organization for the future by focusing on what people can do, rather than just what they have done or where they come from.

## How to get started with skill-based hiring?

First, your organization needs internal buy-in to shift toward skill-based hiring. Start by analysing where your current recruitment approach falls short. Which positions remain unfilled? Have traditional recruitment methods reached their limits? If so, skill-based hiring is a logical next step. Identify the skills required for these roles and build your recruitment strategy around those skills, rather than focusing solely on job titles or formal qualifications. Positive results from initial pilot campaigns can help build further support across the organization.

Naturally, there may be some resistance, from managers, HR staff, or even existing employees – as they were hired based on diplomas and experience. Training sessions and team-building activities can help bridge this gap, allowing everyone to better understand and appreciate the diverse skills of (new) colleagues.

## Implementing Skill-Based Hiring

Ambitious people drive organizations forward. They are motivated to grow and develop. If you want to embrace skill-based hiring, start by reflecting that ambition in your job postings. Show candidates the possibilities your organization offers, and emphasize that personality and skills matter more than diplomas and previous job titles. Inspire them to become part of your organization's growth story.

During interviews, ask candidates questions such as: What skills have you developed this year? Which ones do you want to master next year? In today's fast-changing world, lifelong learning is essential to stay ahead of evolving technology and market demands. Create a set of skill-focused interview questions tailored to your organization, and integrate them into your hiring process. Invest in the right tools – a solid ATS is crucial – and encourage recruiters and HR professionals to experiment with skill-based hiring tactics.

## The benefits of an intuitive ATS

When it comes to ATS software: we know all about it at BCS. Because recruitment is much more than simply posting vacancies, our intuitive Applicant Tracking System (ATS) helps you streamline the entire process. From one integrated recruitment platform, you can post job openings, build talent pools, collaborate with colleagues and external partners, and strengthen your employer brand.

- Create your own branded careers site with customizable job pages that showcase your company culture.
- Make your vacancies stand out by adding videos, animations, and images to engage candidates.
- Publish job openings across major (inter)national job boards like Indeed and LinkedIn, with just a few clicks.

Curious?

## Examples of skill-based hiring in practice

Looking for inspiration for your own organization? Here are a few leading examples:

- **IBM works with the New Collar Approach**
  IBM has moved beyond the traditional distinction between blue-collar and white-collar jobs with its New Collar initiative. For over a decade, IBM has focused on skill-based recruitment, prioritizing candidates' skills over degrees or previous job experience.

View IBM New Collar

- **The Josh Bersin Company: A Transparent Journey**
  The Josh Bersin Company has openly documented its shift to skill-based hiring. Their approach follows three key steps: first, identifying the skills required across the organization; second, developing these skills through targeted training and recruitment; and finally, continuously updating and future-proofing skills to stay ahead of ongoing change.

View Josh Bersin Company

- **Accenture: Skills are the Core Asset**
  Accenture has positioned skills as the company's most valuable asset. Based on this vision, they have built a fully skill-based strategy that shapes every aspect of their organization.

View Accenture

# 7 BCS: Your Employee Journey, our HR software!

Every phase of the employee journey requires a targeted approach. BCS offers the solutions to fully support you at every step. From the first contact with a candidate to continuous development within your organization, our software evolves with your needs. We provide specialized solutions for recruitment, onboarding, HRM, payroll, learning and development, flexible benefits, and file and absence management.

Our solutions are user-friendly, flexible, and reliable. You can deploy them individually or seamlessly integrate them into a complete system. The result? A fully integrated 'all-in-one' approach that delivers real impact.

- Modular solutions that work independently or integrate seamlessly
- Flexible systems that scale with your organization's growth
- Transparent pricing with no hidden costs

Your HR approach starts with efficient software. With BCS, you have the tools you need to support skill-based hiring — and much more.

## HR software that truly makes a difference

BCS automates your HR processes. This way, you spend less time on administrative tasks and can focus on what HR is really about: strategic policy, a strong culture and developing talent based on their skills and future potential.

BCS automates your HR processes, reducing administrative workload and freeing up time for what truly matters: shaping future-proof HR strategies, building a culture people want to be part of, and developing talent based on real skills.

More about our HR software

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