



CASE STUDY:

**Skills-based hiring reduces turnover by half for large hospitality employer.**

**Successful sourcing and screening strategies result in improved hiring and retention outcomes.**

**SkillSmart proves to be 2x more effective than others.**

## Objective

In early 2015, SkillSmart was commissioned by a large multi-national organization to assist in identifying, defining, and developing the workforce for its newest location, scheduled to open 18 months later in late 2016. SkillSmart was hired because the client had experienced suboptimal hiring outcomes in opening the company's two previous facilities.

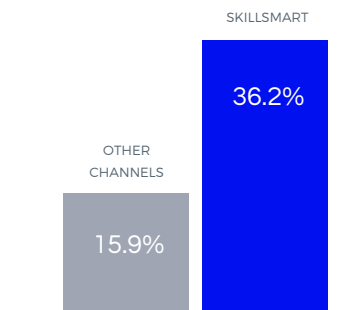
This multi-year project was designed to engage job seekers in the surrounding community and increase transparency regarding potential career opportunities. The company procured SkillSmart's technology to convey specific job information to the community and allow job seekers to understand how their skills fit specific jobs and discover options for training and education opportunities to better prepare for qualification and consideration.

The intended result was greater community engagement, a stronger applicant pool, a more efficient screening process, improved hiring outcomes, and increased retention.

### Impacting a Community Through Hiring

**SkillSmart was selected to help source, screen, and qualify nearly 4,000 potential employees for a large multi-national company in the DC Metro Region, with more than 50% of workers living in the county where the venue is located.**

**SkillSmart proved 2x more effective than other channels**



Applicants screened by SkillSmart have a hire rate more than double of those from other channels.



## Implementation

Nearly 4,000 new employees were to be hired for the location, with a commitment by the company to employ over 50% of workers from the county where the venue is located.

Even with corporate turnover rates that were less than half of the industry average, the organization expected, as with other similar projects, to see significant turnover during the first year of operation.

SkillSmart engaged with the client to first understand their primary objectives for the SkillSmart platform.

These were defined as:

1. Define the specific skills and prerequisites required for each potential position;
2. Provide a scalable web-based platform where members of the community could explore potential opportunities in either English or Spanish to see how their current skills fit;
3. Engage with local education partners to correlate course offerings on the SkillSmart platform with skills associated with each of the available positions, enabling job seekers to see a clear pathway to acquire the skills necessary for potential careers with the organization; and,
4. Provide data analytics regarding the characteristics and skills of the potential workforce in the region based on data collected via the SkillSmart platform.

**SkillSmart customized its platform for the client, defining 265 potential opportunities, over 200 unique skills, and 10 key prerequisites.**

SkillSmart then translated the entire platform into conversational Spanish, providing access to individuals who were native Spanish speakers instead of relying on online translation tools.



## Launch

This site launched in August 2015 and enrolled over 1,000 users in the first week. Prior to hiring commencing, SkillSmart, working with the client to engage the community in different ways, enrolled more than 15,000 individuals on the site with a significant number of all users (7.4%) identifying as a Veteran and 39% residing in the county where the facility is located.

### Smart Filtering

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**SkillSmart's skills-based screening mechanism facilitates targeted hiring, enabling companies to better identify key groups or demographics to enhance their hiring initiatives or commitments and increase positive outcomes.**

The project began large-scale hiring in Fall 2016, in anticipation of an early December opening. Sourcing of candidates involved multiple channels – including SkillSmart – which resulted in over 100,000 total applications from 64,000 individuals.

Channels included working with recruiting firms, large-scale advertising on radio, social media and other websites, and outreach through job boards.

Applicants were funneled through an applicant tracking system and qualified individuals were either invited to attend a hiring fair, participate in a group interview, or engage in an individual job interview.



## Results

When hiring commenced, SkillSmart provided targeted messaging and outreach to qualified individuals who had expressed interest in – and had strong skill fits for – the open opportunities. SkillSmart saw exceptional user engagement in response to its targeted outreach, with open rates in excess of 50% and click-thru rates of over 10% – five times the industry average.

While SkillSmart users expressed strong interest in potential opportunities, only 14% of users would ultimately apply for a job. By virtue of transparency provided by the SkillSmart Skill Score, a significant number of users/applicants opted not to apply, identifying themselves as not adequately qualified for a position.

Ultimately, this self-selection resulted in a smaller and better-qualified applicant pool – while only 7.8% of all applications were submitted by SkillSmart users, nearly 17% of all hires came through the SkillSmart platform.

### **Proprietary Algorithm**

**SkillSmart's proprietary scoring algorithm displays a numerical value that indicates how well a candidate's skills match the skills needed, providing an effective way for applicants to self-select.**

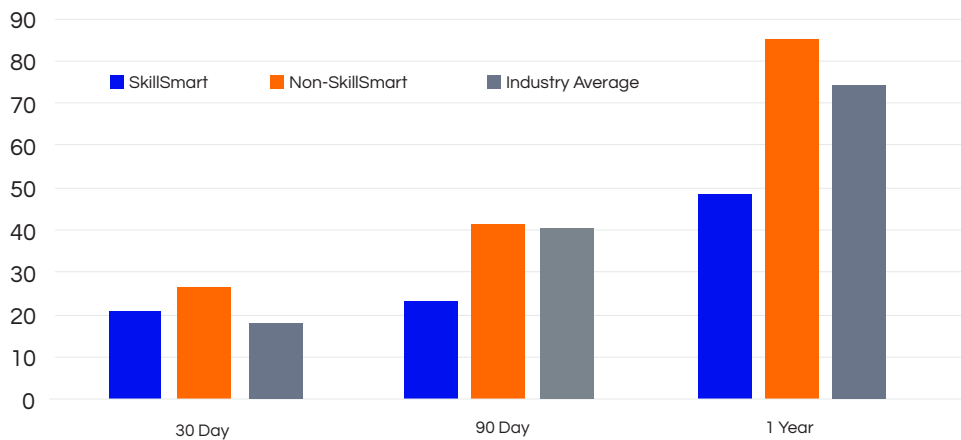
In addition, applicants from SkillSmart were more likely to make it through the first round of screening; and 36.2% of applicants from SkillSmart resulted in a hire while individuals sourced from other channels were hired at a rate of 15.9%.

**SkillSmart was over 2x more effective in producing a candidate who would ultimately be hired as compared to other channels.**



Further, hires sourced via SkillSmart were more likely to remain with the company and more likely to be promoted. Across 30-day, 90-day and 1-year benchmarks, employees hired using SkillSmart were retained at significantly higher rates than those sourced via other channels.

Comparing Turnover Rates (%) of SkillSmart Users vs. Non-SkillSmart Users – Pre-Open to 1 Year



**Over the course of the first year, SkillSmart saved the client over \$1.25 million in turnover costs with the potential to save over \$5.25 million in turnover costs should all applicants have come through SkillSmart.\***

#### Ongoing Partnership

**SkillSmart continues to partner with this organization to help potential job seekers in the community identify opportunities of interest, see how their skills match, and identify potential training opportunities to become better qualified.**

\* Turnover calculated as 2 months' salary at average salary of \$45,000 per year (low end of industry-standard estimate).



## About SkillSmart

SkillSmart develops technology that helps people, communities, and employers improve their lives. We make it easier for anyone interested in filling, getting or keeping a job by re-inventing the way employers interact with potential job seekers.

We use data to power our web-based platform and empower employers and industries to develop, grow, and nurture their employees and workforce.

Learn more about us and our technology product suite at [www.skillsmart.us](http://www.skillsmart.us).