

Strengths Based Vs Competency Based Recruitment



Organisations are constantly seeking to increase their competitive advantage and business performance. They have long been searching for ways to spot authenticity, passion and commitment in applicants; strengths which are inextricably linked to high achievement and drive.

The well publicised strengths-based approach to recruitment (SBR), is an approach developed to seek out and maximise these natural talents. It focuses primarily on firstly understanding what makes a great performer in a specific organisation, detailing their strengths, and secondly, identifying individuals with the right motivation and values for the role in question. Crucially, SBR also relies on the capabilities of skilled interviewers to spot verbal and nonverbal indicators of engagement, interest and natural strength.

Competency based recruitment is the more traditional approach that involves profiling candidates via the skills and experience they can bring to a role. This is opposed to the passion and emotional engagement associated with strengths-based recruitment, where an arguably less 'competent' candidate may be preferred due to their inherent passion for the role or industry.

Back in 2008, EY announced they were moving from competency to strengths-based recruitment for their graduate intake. They felt, even then, that competency-based recruitment had become mechanical, and that good recruitment should match the strongest candidates to roles and allow graduates to make informed and authentic career choices. They felt that, too often, poor recruiting fails to identify the inherent talent in graduates whereas the design of the strengths-based approach "gets to the heart of a candidate".

Since then, SBR has become widely integrated into the corporate recruitment landscape, between 2020 and 2021, LinkedIn job postings which advertised for skills over qualifications increased by 21% [1]. PwC are another in the long list of large companies utilising SBR in 2023. They

describe their strategy as 'putting skills first' and have sought to shift from assessing their candidates on qualifications but by their innate capabilities [2]. The company values SBR due to the belief that it enables better understanding of individual potential and how it aligns to their company culture and role requirements, in doing so, getting the most out of their employee.

PwC value the ability to make more tailored hiring decisions but also foster a work environment where employees can maximize their talents through a fairer and more diverse hiring process. This sentiment is reciprocated by many candidates who prefer the SBR approach. Claiming to find it fairer, more transparent and levelling the playing field; an important component in the drive for improved social inclusion and diversity.

These candidate views are supported by research that indicates the SBR approach has proved successful in many environments, with advocates claiming impressive improvements in areas such as staff retention & engagement and customer satisfaction.

Studies have shown that the importance of employee 'purpose' has increased significantly as an indicator of career fulfilment in the modern business landscape [3]. Purpose has direct links to employee engagement and loyalty, SBR has shown evidence to be a more effective method to ensuring the candidate will derive purpose than competency based. There is a history of research and evidence to support the effectiveness of SBR. The AA, who brought in SBR towards the end of 2011, reported a conversion rate for job offers rise from 87% to 95% delivering a significant saving in both time and money (HRM Magazine 2014). While a 2023 hiring report revealed that there is an 89% increase to employee retention when utilising SBR [4].

With such strong evidence and many publicised successes, does this mean the traditional competency approach is no longer valid or is there a way of using both approaches in a mature recruitment and talent management strategy?

Asesoria's Comment

Getting the balance right:

Playing to someone's strengths appears to be sensible advice but this philosophy needs to be positioned within an overall talent management strategy. Equally, care must be taken to ensure that this does not become a simplistic response to a complex set of issues.

For many organisations, the inclusion of some elements of a strengths-based approach alongside more traditional approaches may prove to be the most satisfactory solution. This works by using strengths as the specific behavioural and motivational indicators for the role that sit under the more generic competency framework of the organisation.

There are, moreover, certain roles that require specific technical skills which may dictate the need for continued competency-based interview questions and organisations where skills transferability is paramount. In these circumstances the use of psychometric tools and management assessment centres may give a more detailed view of a candidate's abilities and potential.

SBR is likely to continue to be popular, particularly with organisations recruiting large numbers of graduates, apprentices and individuals with less employment experience. But, from our experience, switching over to any new recruitment approach cannot be rushed. We have found that the move to SBR does require a considerable amount of investment in terms of time and resources in order to fully maximise the opportunities it can offer.

The calibre and interviewing skills of internal recruiters, particularly line managers involved in graduate recruitment, may be inconsistent. Even where the tools and training required are implemented successfully, it is incumbent on recruiters to ensure that their internal stakeholders are engaged and sufficiently trained to spot often subtle non-verbal indicators of engagement in later face to face stages of the recruitment process. Line Managers can often appear reluctant to take part in what they perceive as a time-consuming and unfamiliar process.

However, the Covid pandemic permanently altered the landscape of recruitment. Video interviewing is ingrained into the process, leading to some amazing possibilities; the talent pool has never been bigger and more diverse. Increased accessibility has helped to ensure that candidates are not limited by geography or other factors in their applications.

But there are a significant number of negatives that have arisen from this shift to digital recruitment. As outlined earlier, SBR is reliant on the capabilities of skilled interviewers to spot indicators of engagement. Unfortunately, the level of personal connection established is limited in comparison to face-to-face interviews. Reduced engagement can occur due to reduction in body language cues, such as eye contact and a company cannot truly convey its culture without the candidate seeing it in person. Not to mention the technical challenges that inevitably occur, slow broadband or slightly worse webcams and lighting can contribute to an unconscious bias from the recruiter.

It is also worth discussing the sheer number of hoops that candidates now find themselves having to jump through in the modern recruitment process. Due to the increased accessibility of roles, recruiters seek to rapidly reduce the pool size of candidates, the utilisation of assessment centres and testing is becoming more common, these can be stressful and time-consuming for candidates.

Some of the recent negativity with competency-based recruitment has centred on a candidate's ability to prepare example responses against required competencies and the increase in coaching of candidates on these in advance of the interview. Likewise, as SBR has become more popular there is increasing advice on social media and from universities advising candidates on "how to prepare for your strengths-based interview".

Other influences that effect the process (regardless of the recruitment approach chosen) include unconscious bias where the less experienced interviewer may make quick judgements and assessment of a candidate without even realising it. Our advice for organisations would be that whichever recruitment approach you choose you provide the interviewers with the skills and training to allow them to garner the right evidence to assess a candidate fairly and accurately.

In summary, with an ever-tightening labour market, organisations must be willing to be flexible and use a range of interventions that both attract and identify recruits from a wide and diverse pool of potential resource. SBR is without doubt a successful way of identifying motivations and strengths for certain roles in an otherwise unskilled workforce or for entry level roles.

Flexibility is the key word for modern recruitment approaches. With candidate's desire for purpose in their job now a much larger influence on shaping their career paths, SBR can be effective in identifying the right candidates for high engagement and passion for the role. However, consideration must be given to the shift in the recruitment landscape resulting from the Covid pandemic. SBR's effectiveness will be tested by heavy reliance on video interviewing and the increase in 'coaching' that prepares candidates to answer less-authentically.

Therefore, focusing solely on one recruitment approach may leave organisations exposed further up the talent pipeline if leadership and management competencies are not included at certain levels in the process. Ultimately, what is important is that organisations challenge their existing recruitment processes to ensure they are appropriate to meet each and every business challenge and any emerging risks.

References:

1. Harvard Business Review, 'You Need a Skills-Based Approach to Hiring and Developing Talent', June 2021.
2. PwC, 'Putting Skills First: A Framework for Action', May 2023.
3. McKinsey & Company, 'Igniting individual purpose in times of crisis', August 2020.
4. Test Gorilla, 'The State of Skills-Based Hiring 2023', September 2023.