

HOW TO INTRODUCE VALUE-BASED HIRING AND INCREASED DIVERSITY INTO YOUR WORKPLACE



Prince's Trust



INTRODUCTION

Today's world is fast paced.

The technical skills that are important now, are unlikely to be the most important in ten years' time. Therefore, soft skills and values such as determination and willingness to learn should be considered just as important as technical skills.

This is a view that is becoming increasingly commonplace. A [recent report](#) from The Prince's Trust found that the majority of young people, teachers and workers think it is just as important to develop soft skills as it is to get good grades.

Today's world is competitive and international.

To stay ahead of the competition, your organisation needs to continuously innovate and achieve a deep understanding of the needs of your customer base, which is unlikely to be a homogenous group. How is this achieved? There are, of course, many factors, but one of the most important is a diverse workforce.

In this whitepaper, you'll discover:

- The key benefits of hiring based on mutual values between candidates and your company
- Why diversity in the workplace is so critical
- How to prepare your organisation for value-based recruitment and improve diversity.

CONTENTS

VALUE-BASED RECRUITMENT: PEOPLE OVER PAPER	4
How it works	5
What are values and soft skills	5
Case study: IKEA	6
<hr/>	
DIVERSITY IN THE WORKPLACE	7
Innovation	8
Customer insights	9
Case study: Mattel	9
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HOW TO IMPROVE DIVERSITY AND IMPLEMENT VALUE-BASED RECRUITMENT	10
Establish strong organisational values	11
Create an environment where diversity can flourish	12
Tap diverse, value-centric talent pools	12
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**VALUE-BASED
RECRUITMENT:
PEOPLE OVER PAPER**

Value-based hiring is about looking beyond the technical skills and experience listed in someone's CV.

It is about looking at the motivations and the potential of young people, to capture what might otherwise be missed, and to align with the expectations of a new generation of young people and how they prefer to engage.

Ultimately, it is an approach that enables you to identify candidates who will be the best fit for your organisation now and in the future; candidates who will not only do a job, but also live and breathe your organisation's values.

A [recent report](#) which looked at over 100 organisations found that using a value-based approach to recruitment and retention led to improved performance, stronger staff values, lower staff turnover and a return on investment of £1.23 for every £1 spent.

Through its revolutionary recruitment process, [Prince's Trust Get Hired](#) events have proven a CV-less approach to be effective for both young people and for employers.

WHAT ARE VALUES AND SOFT SKILLS?

Values are a set of principles that define and drive employees and organisations, such as teamwork and loyalty.

Soft skills are personal attributes, personality traits and interpersonal skills, such as the ability to communicate, listen and learn.

HOW DOES VALUE-BASED RECRUITMENT WORK?

Value-based recruitment (VBR) focuses on attracting and selecting employees whose personal values and behaviours are aligned with the workplace values of the hiring company, something that is not possible through a purely CV-based or competency-based approach.

With VBR, the process of shortlisting candidates might start by identifying those with the same self-declared values as your organisation. Then, at the interview stage, questions will primarily focus on asking candidates to talk about a time when they displayed a particular value or behaviour, and what the outcomes were. For instance, if the value was 'curiosity', the question might be: "Tell me something you have taught yourself in the last six months."

Of course, technical or 'hard' skills - such as proficiency in timber framing or computer programming - are still important for succeeding in a particular role. However, it's vital to recognise

that these skills:

- Are **teachable** and, therefore, can be learnt on the job
- Will **vary in importance** over time

Additionally, by focusing on technical skills and CV-based assessment, some young people are put at a disadvantage, and you could be overlooking the perfect candidate. By shifting the focus away from CVs, experience and academic credentials, you can significantly improve the diversity of your organisation, which we'll come to in the next section.

CASE STUDY: IKEA

For IKEA, the Swedish furniture retailer, their corporate culture is a significant part of their competitive edge. Their [values](#) - which include 'togetherness', 'cost-consciousness' and 'simplicity' - are reflected throughout their business, nowhere more so than in their recruitment process. This has long focused on values and cultural fit, downplaying skills, experience and academic credentials. Similarly, when employees are applying internally for leadership positions, values are front and centre.

Their motivation? A [study](#) published in the MIT Sloan Review put it down to "the assumption that formal qualifications are not always the best predictors of performance and retention, and that skills are easier to develop than personality traits, attitudes and values."



WHEN WE RECRUIT LEADERS, WE CHOOSE PEOPLE WHO HAVE INCLUSIVITY AND EMOTIONAL CONNECTION TO OUR VALUES.

- [PERNILLE HAGILD](#), HR MANAGER, IKEA UK/IE

It is an approach that is clearly working, with IKEA featuring in the top 10 of Indeed's "[Top-Rated UK Workplaces: Best Retailers](#)" list two years in a row (2018 and 2019) and sales [continuing to rise](#) for the world's biggest furnishing retailer.

IKEA is far from the only company to take notice of the significant benefits that can be gained from a value-based approach to recruitment. The same study referred to above found that "...a strong emphasis on cultural fit and values was common among successful global companies".



**DIVERSITY
IN THE WORKPLACE**

Put simply, diversity - whether gender, ethnicity or culture - is great for business.

There are endless statistics from research that confirm this:

- A [report](#) from Gartner found that having a diverse and inclusive workplace improves individual performance by 12%, intent to stay by 20% and team collaboration and commitment by about 50%.
- [McKinsey](#) looked at more than 1,000 companies across 12 countries, finding that companies with greater gender diversity were 21% more likely to experience above-average profitability. Companies with greater ethnic and cultural diversity were 33% more likely to experience higher earnings before interest and taxes (EBIT).
- A [survey](#) by Glassdoor found that 67% of job seekers consider a diverse workplace to be a critical factor in assessing potential employers and job offers.

The reasons for why diversity delivers such big returns are numerous: it can help you attract top talent, improve employee satisfaction and make better decisions. However, two of the biggest reasons are its impact on innovation and customer insight.



FOR EVERY 10 PER CENT IMPROVEMENT IN GENDER DIVERSITY, YOU'D SEE A 2-4 PER CENT INCREASE IN PROFITS.

- [VIVIAN HUN](#), MANAGING PARTNER, MCKINSEY UK

INNOVATION

A diverse workforce gives you a range of perspectives and life experiences - vital ingredients for driving innovation, eliciting new ideas and fostering creativity.

Ideas are intrinsically linked to our life experiences, and unless an organisation contains a diversity of life experiences, they will be stuck with a narrow spectrum of ideas, hindering the 'out-of-box' thinking critical for innovation and remaining competitive.

Furthermore, as author [Steven Johnson](#) and others have persuasively argued, the best products and innovations do not happen as the result of some breakthrough, 'eureka' moment. Instead they are refined and combined with other ideas over time, and this needs a fertile environment, full of a diverse range of ideas and perspectives.

In a [survey](#) conducted by Forbes, 56% of executives at large companies strongly agree that diversity drives innovation.

CUSTOMER INSIGHTS

Your customer base is very unlikely to be one homogenous group, particularly as organisations increasingly operate across borders. It is much more likely that your customer base is made up of a mix of different ages, genders and ethnicities.

By having a diverse workforce, you gain insights into the needs and motivations of your entire customer base, rather than just a small subsection. A [study](#) by Harvard Business Review found that “a team with a member who shares a client’s ethnicity is 152% likelier than another team to understand that client”.

CASE STUDY: MATTEL

When Mattel was launching a range of dolls that were to be marketed to African-American girls, the company [enlisted the support](#) of MAAF - Mattel’s African-American Employee Resource Group - to guide the product development and ensure the product was culturally sensitive.

Over several meetings, the group members helped determine the name of the range of dolls and asked direct questions about the look of the doll - “Was the skin tone right? What about the nose and the hair?”.

The resulting products - Mattel’s ‘So In Style’ range of Barbie dolls - are considered by industry experts to be [‘cultural gamechangers’](#).



DIVERSITY FOSTERS CREATIVITY. WE NEED TO GENERATE THE BEST IDEAS FROM OUR PEOPLE IN ALL LEVELS OF THE COMPANY AND INCORPORATE THEM INTO OUR BUSINESS PRACTICES.

- [FREDERIC ROZE](#), CEO, L’OREAL USA



DIVERSITY...ALLOWS US TO DEVELOP PRODUCTS THAT RESONATE WITH CONSUMERS IN DIFFERENT CULTURES.

[MATTEL INC.](#)



**HOW TO IMPROVE
DIVERSITY AND
IMPLEMENT
VALUE-BASED
RECRUITMENT**

The importance of workplace diversity, value-based recruitments and their benefits have been well documented. But how do you go about improving diversity and adopting VBR in your organisation?

ESTABLISH STRONG ORGANISATIONAL VALUES

Tony Hsieh, CEO of Zappos - an online shoe and clothing retailer that Amazon acquired for over \$1bn in 2009 - once remarked: “If I could go back and do Zappos all over again, I would actually come up with our values from day one.”

Developing your organisational values - and doing so early on - can have a major, long-term impact on your business, and is the first step towards VBR.

Typically, establishing values should be a bottom-up process that engages your entire team. Brainstorm ideas in groups, identify commonalities and discuss which are most important. Focus on values that your organisation or employees are already living and that you are willing to commit to. From the above section and examples on diversity, we have seen the significant impact that adhering to brand values can have on results. For most organisations, a manageable number of core values will be 5-10.



IF I COULD GO BACK AND DO ZAPPOS ALL OVER AGAIN, I WOULD ACTUALLY COME UP WITH OUR VALUES FROM DAY ONE.

- TONY HSIEH, CEO, ZAPPOS

Organisational values are not static. It is normal for them to evolve over time, and it is good practice to regularly discuss the values and how they are being interpreted - annually, perhaps.

The resulting set of values should then be used as part of your recruitment process. Have them front and centre when hiring, and make it clear to potential applicants that any successful candidate will need to share these values and have evidence of how they have applied them in practice.

CREATE AN ENVIRONMENT WHERE DIVERSITY CAN FLOURISH

Workplace diversity has become a must-have for any organisation looking to grow and compete. However, simply having a diverse workforce isn't enough; it needs to be accompanied by an

environment where all employees - regardless of gender, age or ethnicity - feel they can share ideas and are empowered to take them forward. Make sure everyone at your organisation fully understands the benefits and commits to championing a diverse workplace.

It is only when diversity is combined with strong values and corporate culture that the benefits can be fully realised. [Harvard Business Review](#) looked at 47 corporate boards in the US across a variety of industries and found that “diversity doesn’t guarantee a better performing board and firm; rather, the culture of the board is what can affect how well diverse boards perform their duties and oversee their firms”.

ACCESS DIVERSE, VALUE-CENTRIC TALENT

[Get Hired Jobs](#) and [Get Hired Live](#) are part of a revolutionary recruitment platform from [The Prince’s Trust](#) that brings business together with talented young people, without the need for a CV.

Get Hired Live is a dynamic event where you meet talented individuals face to face. You’ll pitch your company to a room of talented young people and then spend the rest of your afternoon speed interviewing interested candidates.

The way Get Hired Jobs works is simple. Instead of using a CV, the jobs board empowers candidates to show off their values and strengths by answering three questions set by employers. This means that you can see the real candidate behind the application.

As any HR professional will be able to attest to, CV sifting and application sorting is hugely time-consuming. By cutting out the CV altogether, we have been able to quickly and easily match some of the UK’s biggest businesses - including GAP, Monzo and WeWork - with perfect candidates.

To find out more about Get Hired Live and Jobs and sign up, visit [our website](#).



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**VISIT OUR WEBSITE AT
GETHIRED.ORG**

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