Effectively Engaging Employers to Shift their DEI Practices

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About Us

V2I is an immigrant-led nonprofit that uses human-centered design to solve complex challenges, working to alleviate poverty by closing the skills gap and digital divide present both nationally and globally.

SWB is an immigrant-led company that connects Canadian employers requiring new talent with skilled newcomers to Canada seeking meaningful employment in their field.

The WES Mariam Assefa Fund supports leaders and organizations working to build inclusive economies and to ensure that all immigrants and refugees can achieve their goals and thrive.
Open Call – Employer Practices

The WES Mariam Assefa Fund had 2 rounds of calls, in 2021 and 2022, around inclusive employer practices.

Venture 2 Impact (V2I) in partnership with Scale Without Borders received a grant from WES MAF to design and implement a human-centered program to reduce employment barriers to skilled newcomers in the tech sector.
Funding Employer Practices

Type of Solutions: Leadership & Worker Power, Inclusive Communities

Type of Solutions: Employer Practices, Decent Work

Type of Solutions: Career Pathways

Type of Solutions: Work-Integrated-Learning (WIL)
V2I's Process

Using human-centered design to define the challenge and participant needs

**Discover**
- Conducted interviews and focus groups with Canadian employers and skilled newcomers to learn about barriers to sustainable employment
- Identified the traditional hiring process as a main hurdle for newcomers to overcome

**Ideate**
- Co-created concepts with employers and newcomers to shift employer hiring practices to be more inclusive to skilled newcomers
- Identified skilled-based hiring as a promising framework to reducing barriers to skilled newcomers

**Test**
- Connected with large employers to test our skills-based hiring concept with vetted and upskilled newcomers
- Employers have been reluctant to test this concept, despite initial excitement from the discover phase and our employer contacts
The Result: Future Link

Our Challenge:
How might we support Canadian tech employers to meaningfully recruit, engage, and retain the diverse talent of refugees, newcomers, and immigrants?

Newcomer Leadership & Tech Training
Training for newcomers on applying their skills in a Canadian context and succeeding in Canada’s job market

Skills-Based Hiring for Employers (Ability Auditions)
Create systems change in hiring practices by shifting the focus to evaluating skills and abilities instead of titles, keywords, and education

The Impact
Canadian tech employers are connected to a global pool of professionals, and newcomers to Canada are embraced by globally-minded employers
“Skills-based hiring” means evaluating applicants by their ability to apply skills and solve specific problems related to the role, instead of just looking at credentials and previous employers.

Skills-Based Hiring Framework

- Newcomers face challenges in the Canadian job market due to their international education and experience, different cultural expectations, and lack of familiarity with the Canadian landscape.

- We aimed to mitigate these challenges by pivoting the focus of employers’ hiring practices from resumes and unstructured interviews to aptitudes and abilities: we called this concept "Ability Auditions”.

- Ability Auditions was piloted with skilled newcomers who have completed our tech and leadership program.

The Research

- 78% of HR professionals say the quality of their hires has improved due to using skills-based hiring (source).
- 23% of HR professionals said the diversity of their hires has improved due to skills-based hiring (source).
- Hiring based on skills is five times more predictive of future performance than hiring for education and 2.5 times more predictive than hiring for work experience (source).
- After implementing skills-based hiring, 92.5% of companies have seen a reduction in their mis-hire rate, with 44% reporting a decrease of more than 25% (source).
Our Challenges

In implementing Ability Auditions

- Finding employers who were both open to testing and hiring in the areas we upskilled.
  Most employers had varied hiring needs and timelines that didn’t align with our program.

- Getting feedback on the viability of Ability Auditions from employers.
  Our employer contacts were resistant to providing feedback on the framework.

Today’s Discussion

01 Challenges during the design phase
02 Challenges with the broader economic context
03 Challenges with employer perspectives
04 Challenges with bureaucracy business to business
Challenge: HCD Experience

The Challenge
- Participants lacked time and motivation to review content and expectations prior to the co-creation sessions
- More time than expected was spent explaining the activities, answering questions, and troubleshooting
- Co-creation sessions could have been more productive

What did we learn?

The Lesson
- Seeking out initial participants with background in design and innovation
- Providing some short and simple options to learn about design thinking techniques to participants far in advance
- Build time to discuss design techniques into the co-creation sessions
Challenge: Economic Context

The Challenge
- Employer excitement during concept building & ideation
- Sector-side restructuring initiatives resulted in many of our employer contacts losing their jobs
- New contacts were unclear on the process and framework

What did we learn?

The Lesson
- Multi-sectoral focus will help such approaches be less vulnerable to market fluctuations and employment demand
- Working with employers who are struggling to find talent will likely increase their drive to engage
Challenge: Employer Perspectives

The Challenge

- Some employers were defensive at the implication that their current DEI practices were inadequate or unhelpful
- Employers were unable to see the value they would gain through participating

What did we learn?

The Lesson

- Framing the issue as a systemic issue instead of an issue with any specific employer or practice can encourage employer buy in
- Positioning the engagement as getting their expert opinion on the feasibility and viability of our solution made employers more open to engaging
Challenge: Red Tape

The Challenge
- Despite their enthusiasm, our contacts were unable to get the required leadership buy-in to pilot Ability Auditions
- Most employers already had specific hiring plans and events laid out for the year that didn’t align with our project

The Lesson
- Building custom projects with each employer on their own timeline may increase success
- Smaller employers tend to be more agile and open to testing new ideas
- It’s easier to connect with leadership and get their buy-in at small employers

What did we learn?
Overall Takeaways

Broad learnings from our experiences

01 Working with the same employers throughout the design process can increase both understanding and ownership of the chosen concept, resulting in greater testing success.

All employers who participated in the design process were very satisfied with their involvement.

02 Larger employers tend to move slower than SMEs, and will likely require customized engagement and extended timelines to participate.

Most large employers we engaged were interested, but were unable to participate according to our timeline of activities.

03 Leadership buy-in is essential to making these initiatives a priority for employers; having multiple champions on staff, particularly in leadership, can ensure the initiative keeps moving forward.

Having multiple employer contacts also creates redundancy in case of layoffs.
Questions?

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Appendix
In the 1950s-80s, American orchestras began implementing blind hiring, where applicants auditioned behind a screen to hide their identity from the hiring committee; the number of women in orchestras rose dramatically as a result.

Claudia Goldin and Cecilia Rouse conducted a study on this practice, and found that blind auditions increased the chances of female musicians being hired by 50%.

This demonstrates a clear gender bias in the hiring committee, that they mitigated by removing all knowledge of an applicant's gender and focusing solely on their skills and ability.

"Blind hiring" or "Skills-based hiring" refers to the general concept and practice.

"Ability Auditions" refers to this specific project and the skills tests.

Blind Hiring History

- In the 1950s-80s, American orchestras began implementing blind hiring, where applicants auditioned behind a screen to hide their identity from the hiring committee; the number of women in orchestras rose dramatically as a result.

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Skills Tests Examples

- Describing how to approach and solve a specific scenario that could arise in the role.

- Developing material for a hypothetical project.

- Giving a short presentation in a similar manner to what would be expected of the role.

- Creating example social posts or content that would be expected of the role.
The State of Skilled Newcomers

Immigrants, Refugees, and Newcomers in Canada

- In 2021, 23% of Canada’s population were or had been an immigrant or permanent resident (source). By 2036 they are projected to make up over 30% of the population (source).

- Immigration accounts for almost 100% of Canada’s labour force growth. Roughly 75% of Canada’s population growth comes from immigration, mostly in the economic category (source).

- Around 40% of newcomers in Canada are underemployed, costing Canada an estimated $50 billion of untapped potential GDP (source).
A 2021 study found that 79% of companies have implemented SBH approaches. Countries with large populations like India and China have implemented SBH to effectively and efficiently conduct high-volume hiring, using data and skills tests to determine candidates’ abilities. Some countries, like Malaysia and India, have begun government-sponsored programs to increase skill development in their populations.

**United Kingdom**
- Discriminatory hiring practices are still somewhat common in the UK, resulting in some industries being almost entirely men and/or white.
- Brexit caused a shortage of over 300,000 workers in the UK.
- Many organizations have chosen to remove resumes from their hiring process entirely in an effort to “blind” the hiring process.

**USA**
- A long history of inequalities has led to unconscious bias in hiring, as well as a lack of higher education in historically underserved communities.
- Every year more companies are removing college requirements from job postings, making it accessible to the millions of diverse Americans without formal college education.

**Asia-Pacific (APAC)**
- A 2021 study found that 79% of companies have implemented SBH approaches.
- Countries with large populations like India and China have implemented SBH to effectively and efficiently conduct high-volume hiring, using data and skills tests to determine candidates’ abilities.
- Some countries, like Malaysia and India, have begun government-sponsored programs to increase skill development in their populations.

Source: TestGorilla