



Rethink hiring for a shrinking talent market



The science behind
a new world of work

A checklist for nonprofit HR teams



As McKinsey's
Bryan Hancock put it:

"If you have the skills, no matter where you learned them...you should be able to do the work."

Great people aren't skipping your jobs. They're getting stopped at the start. Rigid job requirements. Long, outdated applications. Processes that prioritize pedigree over potential. For nonprofits facing rising vacancies and tight budgets, this kind of friction turns mission-critical roles into missed opportunities.

And in today's climate, that friction hits harder.

According to the National Council of Nonprofits, nearly 75% of nonprofits reported job vacancies in 2024, with over half saying they're worse off than before the pandemic. Lean HR teams are stretched thin — managing rising costs, complex structures and a tight labor market.

This isn't a job board problem. It's a strategy problem.

Rethinking your hiring practices

The traditional hiring playbook isn't working - especially for nonprofits feeling the pressure to do more with less. When talent is scarce and time is tight, it's tempting to stick with familiar hiring filters. But pedigree-based job requirements and outdated application processes often exclude capable, mission-aligned candidates before they even have a shot. What's needed isn't just more job posts - it's a fundamental shift in how we define "qualified." That's where skills-first hiring comes in.

Hiring practices shape more than just your team — they shape who even gets a chance. A skills-first model changes that. It emphasizes what candidates can do, not where they've been. This shift expands the talent pool, supports diversity and gives your hiring team a clearer picture of who's ready to contribute and grow - even if they come from unexpected paths.

Why skills-first hiring works

Resumes don't tell the full story. Skills do.

A skills-first model opens doors. It shifts the focus from pedigree to potential — from checking boxes to finding people who can actually do the work. That's how you build stronger, more inclusive teams.

The checklist

So how do you actually put skills-first hiring into action?

Start with this checklist that breaks down the key elements of a capability-focused hiring approach, giving you a clear path to identify strengths, spot gaps and start making meaningful improvements.

1. Define roles by skills, not resumes

Who gets ruled out before they even apply?

Too often, it's people who could thrive in your organization — filtered out by outdated job requirements or rigid “must-have” credentials. If you're defaulting to years of experience or specific degrees, you might be missing candidates with the right skills and mindset to grow with your team.

A skills-first mindset expands your talent pool and supports more equitable hiring — especially critical when resources are tight and impact matters most.

- ☐ Our job descriptions focus on outcomes and core capabilities – not pedigree
- ☐ We assess candidates based on transferable skills, even if they come from outside the nonprofit sector
- ☐ We use a competency framework to define roles clearly and support internal mobility

Changes to how you frame roles can unlock a wider, more capable candidate pool — without lowering the bar. When you focus on skills, you focus on what truly drives impact.

Key question: Are your job descriptions helping the right candidates see themselves in the role or screening them out before they even try?





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2. Design a human-centered candidate experience

A broken application process says more about your organization than you think.

Long applications, clunky instructions and impersonal follow-ups can turn great prospects away — fast. These friction points don't just slow things down; they send a message about what your organization values. And in mission-driven environments, every touchpoint counts.

Inclusivity isn't just about who applies — it's also about who sticks around long enough to finish the process.

- ☐ Our application process is mobile-friendly and takes just minutes to complete
- ☐ We offer self-service features like job alerts, saved applications and real-time status updates
- ☐ We've reviewed our job ads to remove jargon, bias or insider-only language
- ☐ We gather candidate feedback through surveys or formal follow-ups to improve the process

Even subtle changes to your application flow can increase conversion rates — and help candidates feel like they belong before they even join your team.

Key question: Does your candidate experience show respect for people's time, access needs and potential?



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3. Reach further to hire better

Are you casting a wide enough net or just fishing where it's familiar?

It's easy to fall back on the same job boards or referral networks. But when your outreach stays narrow, so does your talent pool. New voices, fresh ideas and stronger alignment come from looking beyond the usual sources; especially in a sector built on inclusivity and impact.

Broadening your reach is more than a sourcing strategy. It's a commitment to building teams that reflect your mission and the communities you serve.

- ☐ We recruit outside the usual job boards and nonprofit channels
- ☐ We maintain relationships with community groups and DEI-focused partners
- ☐ Our referral and internal mobility programs follow a clear process not just word of mouth

Smart outreach doesn't just increase applications, it improves fit, fosters belonging and helps you build the kind of organization people want to join.

Key question: Is your sourcing strategy helping you build the team you need or just the team you've always had?



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4. Remove hidden barriers in the process

Are the right candidates falling through the cracks without you even knowing it?

A strong resume and relevant skills aren't always enough to get someone through a hiring process. Subtle friction — like vague scoring, untrained interviewers or over-reliance on resume keywords — can quietly push out the very people you're trying to reach.

When your process lacks structure, decisions default to instinct. And instinct, no matter how well-meaning, often reinforces the status quo.

- ☐ We don't rely solely on resume or keyword scans to screen applicants
- ☐ Our interview panels follow structured guides and receive bias training
- ☐ We use a consistent scoring system during pre-screens and interviews

Removing barriers doesn't mean lowering the bar. It means giving every qualified candidate a fair shot.

Key question: Is your hiring process built to identify talent or just to screen candidates out?



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5. Let data do the heavy lifting

Do you know where your hiring process actually breaks down or are you guessing?

When decisions rely on gut instinct alone, it's easy to miss what's really working (and what's not). Without clear data, bias creeps in, bottlenecks go unnoticed and opportunities to improve get lost in the shuffle.

Real insights help you refine your process, measure equity and make smarter decisions with confidence - not assumptions.

- ☐ We track where candidates exit the process and look for patterns
- ☐ Our data includes diversity benchmarks, time-to-fill and candidate sentiment
- ☐ We use hiring insights to adjust job scopes, screening steps and interview design

You can't fix what you can't see. Tracking the right metrics turns your hiring process into a learning process - one that gets better every cycle.

Key question: Are you defining hiring processes based on evidence or intuition?



Rethink the process – not just the pipeline

A checklist for nonprofit HR teams

Hiring isn't just hard because the market is tight. It's hard because the process is often stuck in the past. A skills-first approach cuts the clutter, cuts the bias and lets real talent rise.

A skills-first approach helps you reach more candidates and build teams that reflect your values and mission. By zeroing in on capability — not credentials — you focus on what truly matters: the ability to do the work and grow with your organization.

People First powers a skills-first hiring strategy

If you're rethinking your hiring practices to focus on skills, People First by MHR gives you the tools to make it real.

From crafting inclusive, skills-based job descriptions to streamlining candidate experiences and surfacing real-time insights, our HCM platform simplifies the complexity that slows hiring down.

With People First, you can:

- Automate and standardize hiring workflows
- Evaluate candidates based on skills and potential, not just pedigree
- Track hiring metrics to uncover blind spots and improve equity
- Reduce manual admin so you can focus on strategy — not paperwork

Small changes in how you define and find talent can open doors to the mission-driven people your organization needs most.

See how our technology can help you build a skills-based hiring process that works for your mission. Book a demo today.



About MHR

MHR has been driving innovation across the HRIS space for over 40 years. We don't just meet the industry standard, we exceed it. Engineered by the latest SaaS technology, our product, People First enables increased employee productivity and organizational growth with a demonstrable return on investment.

People First is guided by what our customers and the market demand in a rapidly changing world.

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