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Skills for Chicago

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STATE OF THE WORKFORCE:

Data-backed, Actionable
Perspectives on Hiring and
Recruitment

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EXECUTIVE SUMMARY

Skills for Chicago has spent the last 14 years working closely with employers and talent acquisition experts. During that time, and especially in recent years, we have noticed challenges that keep employers from finding and hiring great candidates. Even tools meant to reduce bias in hiring can create unanticipated barriers. This paper identifies the most pressing obstacles we've observed and offers proven solutions that our employer partners have implemented to overcome them.

Artificial intelligence, applicant tracking systems (ATS), assessments, screening tools, and increasingly complex hiring processes have all been introduced with good intentions. Many of these tools were designed to solve real issues, helping organizations process large applicant volumes, maintain compliance, and make faster decisions. Yet, many have become less effective or even counterproductive in some contexts.

Requirements that once served as quality control can become arbitrary roadblocks and unnecessary delays. Technologies designed to reduce bias can unintentionally screen out qualified candidates before they are ever reviewed by a human being. The result is that many employers are squandering their workforce's potential.

This paper explores four areas where evolving hiring practices are creating unintended barriers to employment:

- Technology and artificial intelligence
- Hiring process design
- Human review bias and skills-based hiring
- Background check practices

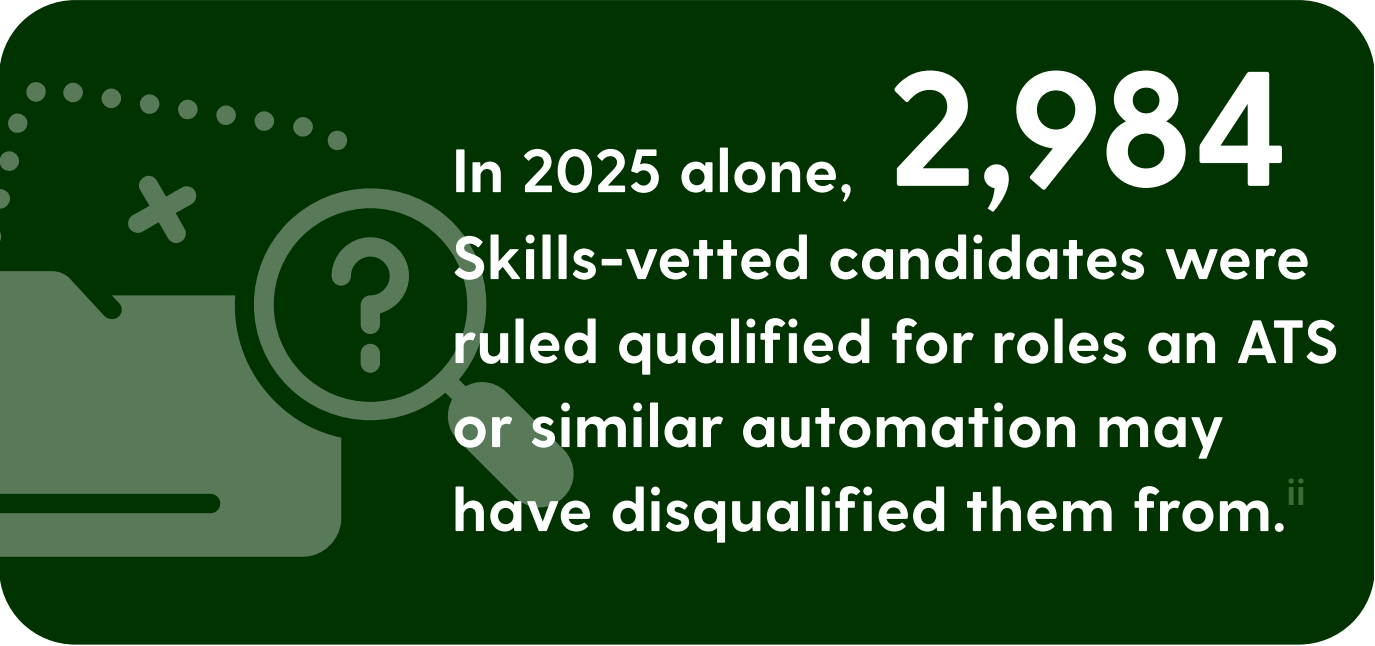
Employers in every industry continue to report difficulty finding qualified talent. At the same time, millions of capable job seekers struggle to gain traction in the hiring process.¹ Our experience helping more than 14,000 individuals secure employment across industries including healthcare, finance, retail, manufacturing, transportation, and hospitality uniquely positions us to analyze firsthand how hiring practices affect candidate outcomes in real time. The insights and suggestions that follow are designed to help evaluate which hiring practices build the strongest workforces.

TECHNOLOGY:

EFFICIENCY VS. EXCLUSION

It's undeniable that technology has transformed hiring, especially with the introduction of AI. Combined with applicant tracking systems, automated filtering tools, and the near-total shift to online applications, organizations have been able to manage hiring at a scale that is unmatched in history. Each tool provides clear benefits, but they also introduce new risks.

Technology is not a magic bullet. It acts more like an amplifier, meaning that just as much as it can reduce barriers, in many cases, it magnifies them.



In 2025 alone, **2,984**
Skills-vetted candidates were
ruled qualified for roles an ATS
or similar automation may
have disqualified them from.ⁱⁱ

Candidates may be filtered out because of missing keywords, nontraditional career paths, employment gaps, or experience that does not fit predefined criteria. Before the Great Recession, about half of companies used applicant tracking systems (ATS).ⁱⁱⁱ Today, almost every company uses some variation of it, not only to advertise positions and recruit candidates but also to sift through applicants. The inherent disconnect arises because applicants articulating their real-life experiences are not the developers defining which terms or search results are acceptable, and candidates can only guess at the rubric they're being graded against.

Thankfully, the best solutions start with best practices. Carefully consider the core problem you want a certain technology to solve. Start by asking targeted questions like “Can we remove arbitrary yet biased data from being considered, like names, ZIP codes, and alma mater?” Or even “Are our salaries and wages competitive?” These are useful points for AI to improve hiring outcomes so long as human guardrails are in place. In many workflows, relying solely on humans for each recruitment step is inefficient. Conversely, unchecked reliance on automation leads to blind spots in areas like user experience and the nuanced act of identifying transferable skills. Our history with financial industry partners has shown that candidates with strong retail sales and customer service backgrounds often have skills that prove directly applicable in retail banking, consistently leading to successful hires and retention from a conventionally overlooked demographic. Tools should help your hiring process, but never be the decision-maker.^{iv} For example, **Career Highways** is an AI-driven platform that can parse skills from job descriptions, saving time and money while moving companies to a skills-based approach almost overnight.

To ensure successful implementation, it’s crucial to regularly audit processes and tools, particularly when shifting to new technology. Being diligent about reviewing ATS platforms from the user experience ensures that questions are easy to understand and that the application process itself is easy to navigate, including on a mobile device, which is the increasingly popular and accessible choice for today’s workforce.

CASE STUDY

Amiracle had no degree, but had drive, talent, and a clear vision for her future. After being rejected from an apprenticeship program that required an associate’s degree, Skills recognized her potential and connected her to a similar apprenticeship with **Aon**, where she could gain hands-on experience and pursue her education at the same time. She has been promoted twice since then, demonstrating that she already had the capacity for the role and the qualities to be a top-performing hire. All she needed was a closer look.



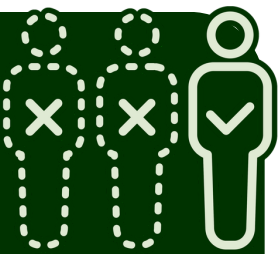
HIRING PROCESS DESIGN:

HIDDEN FRICTION

Every step in the hiring process is a decision point for both employers and candidates.

Lengthy timelines, superficial assessments, inconsistent communication, and drawn-out onboarding can all reduce the flow of qualified candidates who remain engaged. While each step is reasonable in isolation, together they can create significant friction. Organizations that create clear, candidate-centered experiences consistently outperform those that do not. For example, lengthy application procedures often result in applicant disengagement and increased drop-off rates of up to 92%. Streamlining the process to five minutes or less can boost completion rates by as much as 365%, underscoring the critical impact of time efficiency on candidate retention.^v

In our own experience, we've seen time-to-fill bottlenecks result in nearly half of one employer's target hires being lost. Limiting the overall hiring process (application to start date) to under 30 days maintains the strongest and most qualified pipeline of potential hires. Any longer, and companies risk missing out on motivated talent.



40%
Applicant loss
for one healthcare
partner due
to prolonged
onboarding and
delayed start dates
in 2025.ⁱⁱ

CASE STUDY



Our partner **Navy Pier** boasts an exceptionally strong submit-to-hire ratio (The number of vetted candidates ultimately hired)

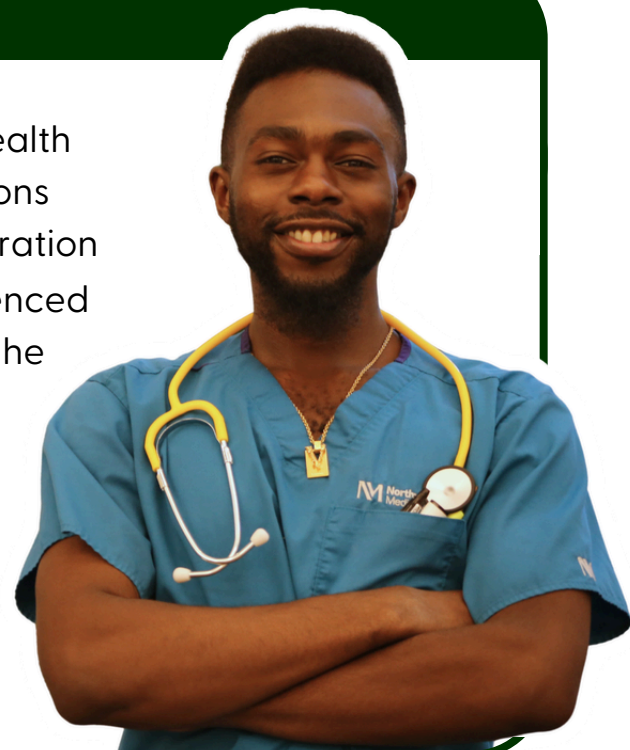
by maintaining a **30-day time-to-fill**. By condensing their onboarding and drug screening process with interviews, **they further increased this ratio by 6% from 2025 to 2026.**ⁱⁱ

Additionally, ideal hires may live outside of ideal locations. When possible, remote and hybrid opportunities can significantly widen the talent pool by reducing the logistical friction that often prevents qualified candidates from applying, accepting offers, or remaining in a role long-term. Flexible work models are no longer simply employee perks—they provide valuable workforce security for employers. Since our partner BlueCross BlueShield began transitioning to more fully remote roles following onboarding, the shift has already boosted applicant interest and expanded their access to talent that would have otherwise been lost to location constraints.

It's crucial to remember that a healthy company culture begins long before an employee's first day. In the current climate, where applicants must explore multiple opportunities simultaneously, even small acts of empathy go a long way. Sharing expectations, timeframes, and ensuring hiring managers prioritize human interviews can make all the difference in maintaining candidate confidence in your organization. Consider viewing candidate loyalty through the same lens of customer loyalty. Viewing processes from a candidate perspective and treating them like clients ensures not only a happier screening process, but happier hires.

CASE STUDY

Keevon held a common concern: roles at major health care institutions are so competitive that applications seem to disappear into a void. Yet, due to collaboration between our team and **Northwestern**, he experienced positive communication and always knew where he stood in the interview process. He respected that clarity so much that, when hired, he shared he was excited to join a team that treated him compassionately from the start. Now, he's nearly two years into his role as a Patient Care Tech, climbing toward Registered Nurse status.



HUMAN REVIEW BIAS & SKILLS-BASED HIRING

Most hiring requirements were created as practical tools to narrow applicant pools. Over time, however, some requirements have become proxies for capability rather than predictors of performance.

Degrees, location mandates, employment continuity, and narrowly defined experience requirements can all serve as barriers when applied too rigidly. The question employers should ask is not whether a candidate followed a perfect career path, but whether they can successfully perform the work.

This distinction is increasingly important as industries face workforce shortages, changing skill demands, and growing competition for talent. Unconscious bias, like assuming a candidate's ability to make it to work on time based on their geographic markers, creates barriers that overlook strong talent.^{vi}

For example, when we met Aisha, she had an 18-month employment gap, often seen as unreliability or a lack of work ethic. Thoughtful interviewing revealed she was serving as a caregiver, work that demanded more than any paid position she previously held. Recognizing such dedication as one of the qualities employers value most, we connected her with a remote role at Caredon Medical Benefits Management. 12 years later, she's been recommended for multiple promotions and stands as proof that human-centered hiring drives retention.



Skills' 2025 data reveals candidates without a high school diploma or GED show 5% higher retention than those with secondary degrees.ⁱⁱ

“Team members that come to us from Skills are great at learning our processes and systems. We have a higher retention rate with Skills hires. They provide great service to our callers, and their quality scores are amazing.”

Cliff Houde, Staff Vice President of Operations, Caredon Benefits Management

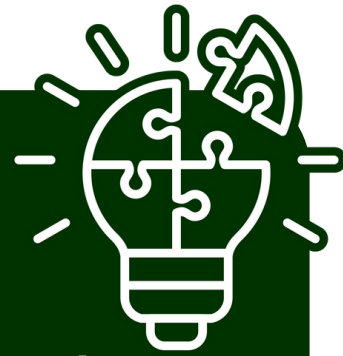
One solution for mitigating bias? Shifting to skills-based hiring. Simply put, skills-based hiring is the practice of screening for specific skills or understandings required for a role, rather than relying strictly on measures like degree credentials.^{vii}

In addition to skills-based hiring, many of our most successful hiring partners consider a combination of apprenticeships, mentoring, career paths, or other versions of on the job training. With a declining labor force, companies can't always hire their way out of talent shortages. By creating internal training and talent pipelines, companies can train talent the way they want and are not at the mercy of training providers.

Skills-based

assessments,

reveal talent that traditional criteria can miss, from self-taught programmers to native bilingual speakers. Identify strong hires regardless of how they gained their expertise.



CASE STUDY

Facing growing demand for emergency medical professionals, **Superior Ambulance** invested in building its own talent pipeline through the Life Support Training Institute (LSTI). By helping employees pursue additional education while remaining employed, the organization expands access to career advancement while strengthening the general talent pool and guaranteeing its future workforce.



They show the value of a broader hiring approach. Companies that bring in overlooked talent via credentialing programs, tuition reimbursement, apprenticeships, or similar avenues protect their future while serving job seekers' career interests.

BACKGROUND CHECKS:

RISK VS. LOSS

Background screening and security measures play a key role in protecting organizations, employees, and customers. However, when applied rigidly or without context, these tools can overlook great, but justice-involved talent.

Effective organizations distinguish between essential requirements and those that persist solely because they have always existed. With 1 in 4 Americans having a criminal record,^{viii} dismissing such a substantial swath of the workforce is impractical. While companies may claim to review backgrounds on a “case-by-case” basis, such decisions often lack context or mitigation, especially if done by a third party, leading to prolonged hiring processes that also constrict hiring managers’ discretion.

85% of HR professionals and 81% of business leaders report that individuals with criminal records perform the same as, or better than, employees without.^{viii}

Evaluating backgrounds sensitively and at scale is a challenge, but solutions exist. Partners like Freedman Seating and Fillmore Linens excel here by eliminating strict screens or providing clear yes-no guidelines of the exact statutes they grade by. This streamlines their intake process and simplifies decision-making for applicants, building mutual assurance while stabilizing pipelines and retention for both companies.

Alternatively, partnering with Community-Based Organizations that specialize in professional development for job seekers with backgrounds greatly improves a company’s ability to vet talent reliably, maximize opportunity, and thoughtfully minimize risk. By doing so, employers can better assess candidates before final decisions are made.

CONCLUSION

TAKEAWAYS

- Evaluating assessments for bias ensures they do not create inadvertent barriers.
- Limiting the overall hiring process to under 30 days minimizes the loss of potential hires.
- Clearly sharing expectations, disqualifying factors, and timeframes builds candidates' confidence in the interview process and lays a strong foundation for lasting hires.
- Assessing recruitment tools and automations from the job seeker perspective promotes applications that are easy to understand and complete, including on mobile devices.
- Coaching talent acquisition and hiring managers to interview with empathy can reveal talents developed during employment gaps or short tenures.
- Reviewing job descriptions with education requirements ensures they align with the tangible skills required and appropriate compensation, rather than narrowing the field.
- AI can be a helpful tool against potential bias by anonymizing applicant identifiers, so long as thoughtful human guardrails are established.
- Community-based organizations can help companies responsibly practice fair chance hiring, maximizing recruitment opportunities for individuals with criminal records.

CONCLUSION

Legitimate business challenges and executive-level agendas spurred today's hiring practices. Yet these same practices, when applied indiscriminately, introduce alarming oversights.

The organizations that succeed in the years ahead will not be those with the most restrictive hiring processes. They will be those that most effectively distinguish which strategies protect business outcomes and which limit their access to growth.

To be clear, this is not a call to lower standards. It's a chance to deliberately evaluate whether the existing standards are producing the intended outcomes. As our data and 14 years of on-the-ground experience show, these goals, intentions, and outcomes are often misaligned. Our intervention serves as one approach to drive the magnitude of results described here. The nationwide need to correct the disconnect between employers and job seekers suffers when mischaracterized as charity or a superficial act of inclusion. It is the workforce strategy our collective future demands.

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ii. Skills for Chicago (2025) 'Skills for Chicago Internal Collected Labor Data'. Chicago, IL: USA.

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iv. Sloyan, T. (2025) How to combat AI bias in your hiring process, Fast Company. Available at: <https://www.fastcompany.com/91395258/how-to-combat-ai-bias-in-your-hiring-process>.

v. Crist, C. (2025) Nearly 6 in 10 candidates have quit an application before finishing, HR Dive. Available at: <https://www.hrdive.com/news/candidates-have-quit-job-applications-before-finishing/758796>.

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vii. Opportunity@Work et al. (2021) 'The Words of the Workforce: A Field Guide to the Terms and Ideas Shaping the World of Work'. Los Angeles, CA: Structural Unemployment, LLC., dba WorkingNation.

viii. Opportunity@Work et al. (2021) 'The Words of the Workforce: A Field Guide to the Terms and Ideas Shaping the World of Work'. Los Angeles, CA: Structural Unemployment, LLC., dba WorkingNation.