Experience Is Overrated — Arguments for Hiring Talented Individuals Without Perfect Credentials

by Dr. John Sullivan and Trena Luong Sep 8, 2014

Orville Wright did not have a pilot’s license — slogan used at Facebook to warn hiring managers not to overly focus on credentials

I, the lead author, have 40 years of experience working in the talent space. But given that experience, I still don’t understand why recruiters and hiring managers place such an unwavering emphasis on hiring only individuals with “direct experience” (i.e. experience working with the specific job title that they’ve applied for). So despite my extensive personal experience and education, I agree with the conclusion reached by Google, Facebook, and most startups that many of the best hires are those whose education, experience, and other credentials are not a perfect “fit” for a job opening.

The Track Record of Those With No Direct Experience or Weak Credentials Is Impressive

There is obvious evidence showing that people without direct experience in a particular job title can succeed, because it happens every day … like when firms promote employees into a new position, when any employee is made a manager, when they place or hire an individual into a brand new job created by technology, and when they hire recent college grads with no direct experience. In a similar light, every new hire who starts at your company begins with zero experience at your firm, but somehow they learn, adapt, and succeed.

Perhaps the best example of success without “direct experience” is when firms select CEOs, most of whom have never held the title before. You need to look no further than Mark Zuckerberg, Steve Jobs, and Bill Gates to find individuals who have been wildly successful without an ideal education or previous direct experience.

Firms like Southwest Airlines, Ritz-Carlton, and Zappos have had tremendous success by using a non-credential based approach known as “hire for attitude and train for skill.” Finally, if you need further evidence of the low predictive value of formal credentials, simply look at those who win the anonymous technical contests like TopCoder, WizardHunt.net, and Code Jam. Firms that recruit the winners like Google, Yahoo, and Microsoft have found that quite frequently the winners don’t have anything close to ideal formal credentials.

An Ugly Example of How Not to Do It

As the lead author, I raise the topic of credentials now because recently a startup-like tech firm considered hiring one of my protégés into a technical recruiting job. And although everyone from the CEO down loved her knowledge, capability, and passion, the recruiting staff vacillated. Why? Because even though she had sufficient recruiting experience and knowledge of the technology space, it froze, because she never actually had “the title” of a technical recruiter. It never directly tested her capabilities; it simply assumed that not having the perfect matching title made her too high of a risk (ironic since startup leaders are supposed to be risk-takers).
Well, it blew it big time, because she is destined to become a superstar in the recruiting field and they will eventually learn that once she has achieved the title of technical recruiter, she would never again consider working at such a risk-averse firm.

The lesson that recruiters and hiring managers need to learn from this example is that there are many reasons to hire individuals without “experience in the same exact job.”

Working together, we have researched and identified the 20 best arguments supporting a lowered emphasis on credentials. They are listed below, where they are split into four categories.

The Many Advantages of Hiring Those With Lesser Credentials

Many hiring managers and almost all recruiters have failed to fully assess the advantages and the positive business impacts resulting from hiring those without direct experience and ideal credentials. Even though there might be a small risk involved in hiring them, we have found that their ROI and the returns that they produce more than justify taking a small perceived risk.

• **A lack of direct experience may be an asset** – the new hires’ lack of direct experience may actually serve as an asset, because with less history to cloud their vision, they may see problems in a new way and from a fresh perspective. This fresh perspective may result in them generating many new ideas and innovations. Less-experienced new hires may be willing to take more risks because they haven’t developed the fear level that often comes with extensive corporate experience. A fresh perspective will also undoubtedly result in new hires questioning existing practices, and these inquiries may result in new approaches, ideas, and innovations. Because their lack of credentials in previous jobs may have increased the pressure on them to continually prove themselves, these lower-experienced new hires may have been forced to excel in other important areas including building relationships, creating stronger support networks, learning how to work harder, and how to bring a “find-a-way” approach to their work.

• **Diversity really does matter** – we know that having a diverse team, especially in the areas of product design and customer contact, can have a positive impact on business results. However, if you broaden your definition of diversity to include people with lower levels of credentials, it makes sense to expect that their presence will also shake things up and provide diverse perspectives.

• **Hiring a relative unknown may be an opportunity to get a superstar**— taking a chance on an “unknown quantity” (because of the limited credentials) may be your firm’s opportunity to acquire a superstar. This hidden-talent opportunity is revealed regularly in professional sports when lower draft picks and the undrafted (those with weak credentials) surprise almost everyone by becoming superstars. When you hire someone with experience (unknown quantity), you probably already know that they aren’t a superstar. However, when you hire someone with no direct experience, there is a reasonable chance that you may be actually acquiring a “diamond in the rough” who may quickly become a superstar.

• **They are easier to hire and they are cheaper** – the fierce competition for talented prospects with perfect credentials is well known. However, when you recruit someone who doesn’t appear on the surface to be a perfect fit, there will be fewer recruiters attempting to land them. Because they are in less demand, people with weaker formal credentials are almost always willing to work for less money than someone with perfect credentials.
At lesser-known firms, your only chance to hire them may be when they don’t have the right credentials – if your firm is a startup, a little-known firm, or one with a weak employer branding reputation, you may not be able to attract proven talent, so your best option might be to consider the under-credentialled. Because of your limited image, targeting them when their credentials are weak (or when they are fresh out of school) may be your only chance of landing them. This is because once they establish their formal credentials, they will be in high demand and it’s unlikely that they will at that point even consider your firm.

Those with weak credentials are likely to stay longer – when you hire an individual with weak credentials they will likely be grateful that you took a chance on them and gave them an exciting opportunity when others wouldn’t. That loyalty, coupled with the fact that they will likely have learned so much, may cause them to stay longer. And because they don’t have ideal credentials, recruiters from other firms will likely pass them by.

Experience may actually be a detriment – in fast-moving industries, firms often find that when they hire someone with a great deal of experience, the experiences, those learned patterns, and habits have to be “unlearned” first, before they can succeed under a brand new approach. In addition, more experience may bring with it burnout, and the “I-know-it-all already” attitude. Well-experienced hires may only be able to fix existing things, rather than the more desirable capability of being able to create new things from scratch. If you are at a startup or a smaller firm, be aware that an experienced individual who comes from a larger firm with great support systems may simply fail in your environment, where that support is nonexistent.

“It took 18 months for me to undo all of my Andersen Consulting experience to allow me to become an entrepreneur” – Legendary Inventor James Dyson

Eliminate the Uncertainty by Simply Testing Them

Instead of speculating or relying on an interview to assess the capability of a less-than-perfectly credentialed candidate, directly assess their work capability using one of the following approaches.

Give them a technical problem – identify a technical problem that only a member of your staff with the required amount of experience can solve. Write it up and give it to the top candidate with the perfect credentials and the top candidate with everything but the required credentials. Keep their solutions anonymous. Then have someone on your staff select the best solution and hire whichever candidate came up with it. Alternatively, you can also give the under-credentialled candidate one of your broken processes and ask them to identify the weak points. Finally, you can simply require them to provide a solution to a relevant problem as a precondition to receiving a job offer.

Use online assessment tools – if the job is in a technical or customer service field, you will find that there are many online assessment tools available. Use them at least to assess an under-credentialled candidate’s technical capabilities and skills. Eventually, firms will have access to virtual reality simulations for candidate assessment (the U.S. Army has led the way in this area).

Source candidates using a contest – if you source prospects using an anonymous online technical contest, you can be assured that the winners have the ability to do the technical aspects of the job, regardless of their credentials.
• **Hire them as a temp** — the ultimate test of someone’s capability is how well he or she does on the actual job. So why not give them an extremely brief technical assignment that they can do over one or two evenings and assess them on their solution? Alternatively, consider hiring them as a temp, contractor, consultant, or bring them in for a weekend assignment. This approach also allows you to judge their teamwork capabilities.

• **Look for unbroken patterns of success** — in the case of the previously mentioned protégé, the hiring organization failed to note that she had a long continuous history of being successful in numerous positions where she had no direct experience. Failing to recognize that pattern was a mistake. Because a long unbroken track record of achievement and exceptional results that is achieved by learning quickly, successfully adapting to a variety of new situations and producing exceptional results each time is actually a more predictive hiring criteria than formal credentials.

### Check Your Own Staff to See if Credentials Predict Success

Hiring managers routinely select an unrealistic set of credentials for their job openings. You can find out if the credential requirements are excessive by using one of the following approaches.

• **Check your own staff’s level of credentials** — many hiring managers are shocked to learn that they themselves and many key members of their team wouldn’t qualify for hiring under the credentials that they propose for a new job. Hiring managers should identify the percentage of their current team that started with credentials that were lower than the required amount. If they find that the percentage exceeds 40 percent of their team, they should lower the level of credentials required for that job.

• **Check for a correlation** — you can also statistically calculate the correlation between the percentage of credentials that a member of your staff had (when they were hired) and their on-the-job performance. Don’t be surprised when the statistics indicate that there is little connection between job performance and formal credentials.

• **Check for transferable experience that has shown to predict success** — as a result of numerous layoffs, mergers, and internal promotion/transfer systems, it is quite common these days for individuals to shift careers. Obviously, if you’re considering hiring someone who is shifting careers, you already know that it is extremely unlikely for them to have the perfect credentials. But if you analyze past successful career shifts and inter-department transfers, you may find that in some functional areas, the skills and experiences are directly transferable. That’s true even in HR, where many have successfully shifted internally from sales to recruiting, from engineer to technical recruiter, from finance to HR metrics, and from marketing to employer branding. If you find a success pattern between functional areas either inside or outside your organization, alter your job requirements so that they accept these alternative credentials and skill sets.

• **Realize that in some jobs you must start without credentials** — in fields like technical recruiting, because you simply can’t get a college degree in it, everyone has no choice but to start without “previously having held the title of technical recruiter.”

### Experience and Education “Ain’t What They Used to be”
Everything’s changing so quickly and dramatically that what you did or learned yesterday may be of little value in today’s environment. And faster the world changes, the more important it becomes that you at least consider “discounting the value” of experience and education in a candidate.

- **Experience, knowledge, and answers now rapidly become obsolete** – recruiters and hiring managers need to learn that they can no longer rely on the old adage that “more experience is better” in an applicant. This is because products and processes now change at Internet speed. As a result, “the established way” loses value so fast that approaches that were effective as little as 12 months ago can quickly become obsolete. And continuing to use them may actually cost the firm money.

- **Education also rapidly becomes obsolete** – because information, research, and tools change so rapidly these days, academic degrees also now have a rapidly diminishing shelf life. This means that recruiters need to look at the “age” of college degrees because the knowledge gained in some degree programs may be obsolete in as few as four years.

- **Experience varies in importance, depending on several factors** – experience is not the same thing as performance, because you can do something for a long period of time without doing it well. You can also do the same thing year after year over a three-year period, but the reality is you will still only have the equivalent of one year of actual experience. The firm where you obtained your experience is also important because not every firm utilizes the most effective approaches.

- **There may be capabilities that are superior to experience** – when it comes to fast-changing fields like recruiting, medicine, and technology, experience may have less value than the ability to learn, adapt, and to change. Since all experience is historic, a focus on the future, which may involve thinking about the future, forecasting, and planning, may be more valuable traits (“you can’t have experience in the future”). In a similar light, experience may not be relevant in brand-new innovative fields, simply because by definition, innovation is brand-new.

**Final Thoughts**

When we write this type of article we call it a “think piece,” because it is designed to force the reader to rethink a traditional “sacred concept” in recruiting. We have reached the conclusion that experience is overrated because despite our work with firms and our extensive research, we have not been able to find a single firm that has successfully correlated a specific type of work experience with on-the-job success. We have however been able to find academic studies that demonstrate the low predictive value of experience; for example, Schmidt and Hunter in the *Psychological Bulletin* found that the number of years of experience ranked number 9 out of 12 in predicting on-the-job performance, and years of education was ranked dead last.

So our final recommendation is that we urge recruiters and hiring managers alike to reassess the value of credentials that have not been statistically validated. And instead, to give a second look at those candidates who have everything else ... but perfect credentials!