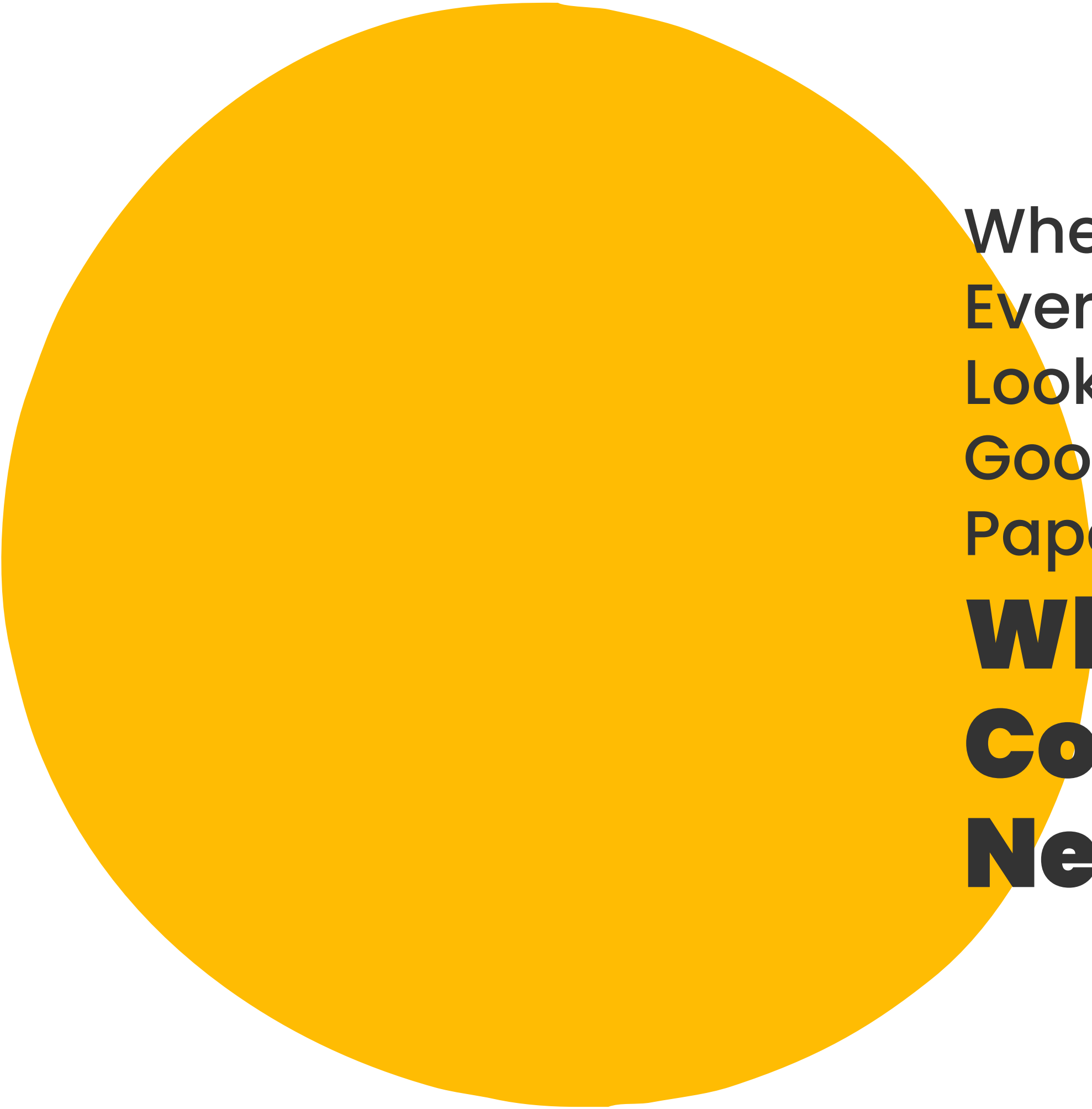




When
Everyone
Looks
Good on
Paper,
**What
Comes
Next?**

Why Hiring Is Moving Beyond Resumes Toward Observable Performance

Hiring has always relied on signals.

But the signals employers depend on are changing.

Application volumes are rising, hiring timelines are tighter, and AI-assisted tools now allow candidates to generate polished resumes and tailor applications in minutes.

These tools help candidates present their experience more clearly. But they also make it easier to optimize and overstate qualifications, resulting in applications that appear stronger on paper than they are in practice.

As a result, hiring teams increasingly face a difficult question:

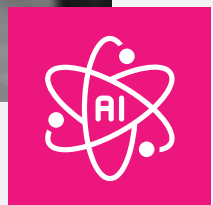


**When everyone looks strong on paper,
how do you know who can actually do the job?**

Recent data reflects this concern. In one survey, 86% of U.S. hiring managers said AI makes it easier for candidates to exaggerate or misrepresent skills on resumes¹.

This does not make resumes obsolete, but it does make them less reliable as a primary signal of capability.

As AI standardizes written applications, text-based signals are becoming less differentiating, shifting the advantage toward employers who can evaluate real performance.



86%

**of U.S. hiring managers said
AI makes it easier for candidates to
exaggerate or misrepresent skills**

The central idea is simple: Hiring decisions are becoming less about how candidates describe their abilities, and more about what they can demonstrate.

This paper explores:

- Why traditional text-based hiring signals are becoming less reliable
- How AI is accelerating this shift
- What “evidence” in hiring looks like in practice
- Why observable performance benefits both employers and candidates
- How virtual job simulations can help organizations gather stronger signals earlier in the hiring process

The Changing Reality of Hiring



Hiring has never been simple. But the dynamics have changed, and organizations are now dealing with three pressures at once:

01 Application volumes are rising

02 The pressure to fill roles quickly is increasing

03 And it is becoming harder to assess real job readiness

Digital job platforms and simplified application processes have dramatically expanded the candidate pool. Many organizations now receive hundreds (or even thousands) of applications for a single role, particularly in entry-level, frontline, and remote positions.

Hiring teams are also under pressure to move faster. Vacant roles affect productivity, customer experience, and operational continuity. Yet recruiters have limited time to evaluate each candidate. Recruiters spend an average of just 7 seconds reviewing a resume during an initial screen².

The result is a clear paradox: more candidates to review, but less time to review them.

To manage this volume, hiring teams often rely heavily on resumes and written applications to filter candidates quickly. But resumes were never designed to be primary indicators of job performance.

They are summaries, not evidence.

The Limits of Text-Based Hiring, and Why They Matter More Now

Resumes remain the most widely used signal in hiring. They are standardized, scalable, and easy to distribute. But they rely heavily on self-reported information and written presentation.

A resume can tell an employer what a candidate says they have done, what skills they believe they possess, and how they choose to present their experience.

What it cannot reliably show is how someone actually performs in real job situations.

This limitation is not new. Research in industrial-organizational psychology has long shown that resumes are relatively weak predictors of job performance. One of the most widely cited meta-analyses found that work sample tests significantly outperform resumes and unstructured interviews in predicting on-the-job success³.



Resumes tend to reflect writing ability, formatting, and self-presentation, along with a candidate's familiarity with hiring conventions. While these traits may matter in some roles, in many jobs they provide only indirect signals of job readiness.

As AI-assisted tools become more widely used, written materials are easier than ever to refine, optimize, and standardize. Candidates can now generate highly polished applications in minutes.

As a result, resume-based inputs are becoming increasingly commoditized, making it harder for employers to meaningfully differentiate between candidates based on written materials alone.

The issue is not that resumes have suddenly become flawed. It is that their existing limitations are now being amplified at scale. This shift reflects a change in signal quality.

As generative tools improve the consistency and polish of written applications, the variation between candidates on paper begins to compress. More candidates appear equally strong based on resumes alone, even when their underlying capabilities differ significantly.

This creates a downstream effect. When early-stage screening becomes less predictive, more candidates advance to later stages of the hiring process. This often results in more interviews, more stakeholders involved in evaluation, and longer decision cycles without a corresponding increase in confidence.

In effect, hiring processes become faster at handling volume, but not necessarily better at identifying the right candidates. Resumes are therefore becoming not just limited, but less reliable as a primary signal of capability.

The AI Paradox in Hiring

AI is improving many aspects of hiring. It enables faster application processing, more consistent formatting of candidate materials, and improved efficiency in screening workflows. For candidates, it can also improve clarity and accessibility.

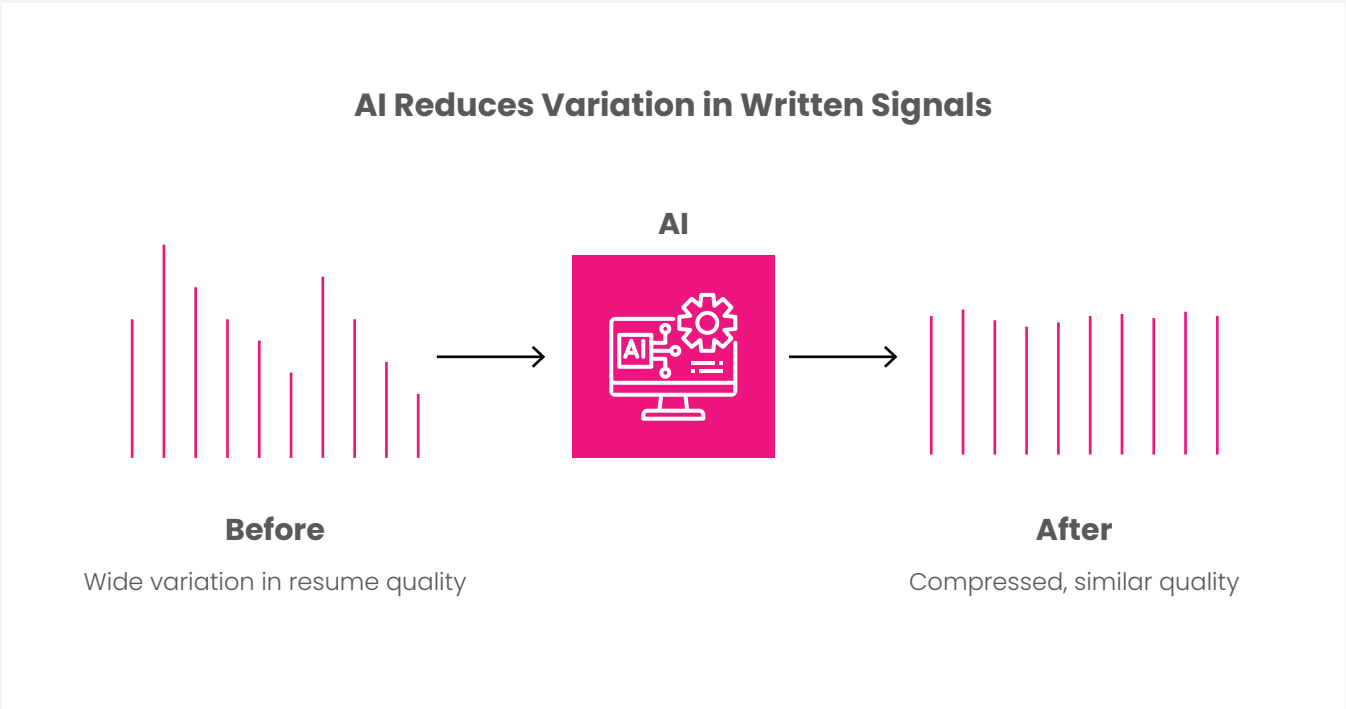
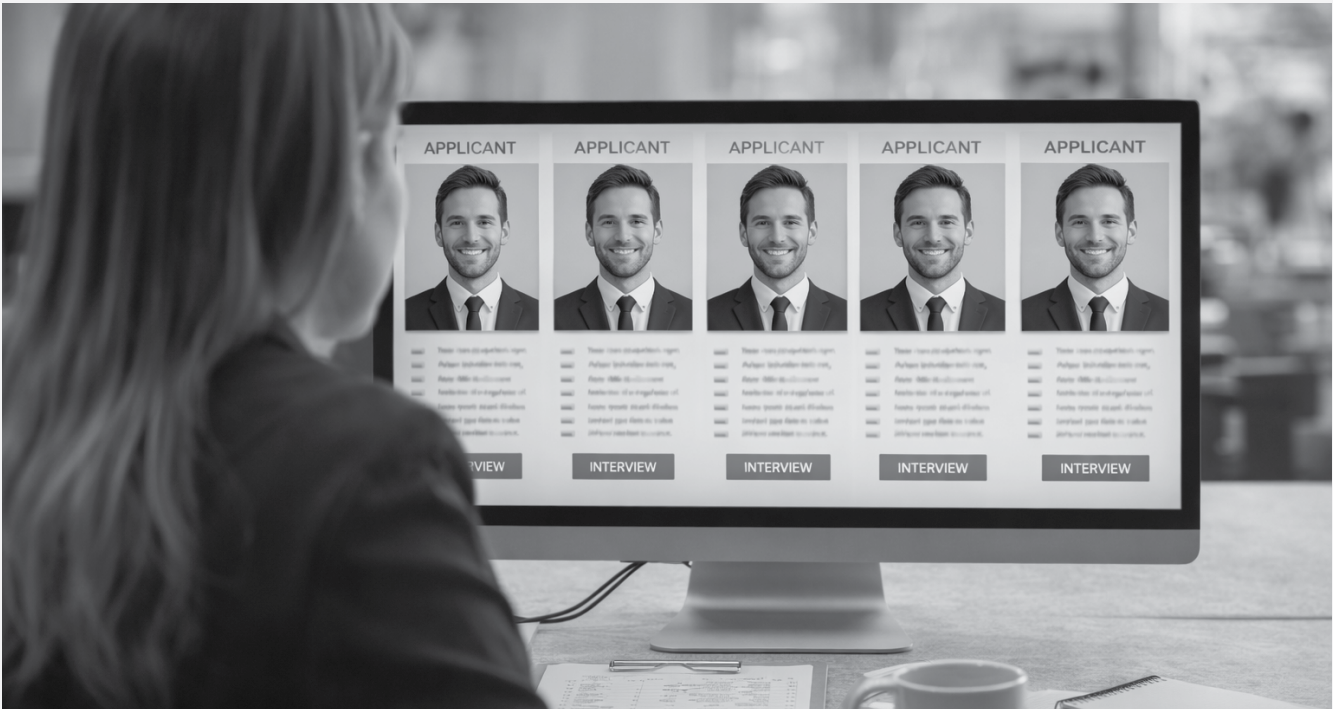
However, these benefits also introduce a new challenge.

As AI standardizes how experience is presented, it reduces the distinctiveness of written signals. Applications become easier to optimize, but not necessarily stronger. Candidates can produce polished, well-structured materials regardless of their experience.

This creates a subtle but important shift. As more applications reach a similar level of quality on paper, it becomes harder to differentiate between candidates based on written materials alone. The signal becomes more uniform, even when actual capability varies.

This can lead to increased reliance on downstream evaluation. More candidates appear qualified, which often results in more interviews, more stakeholders, and longer decision cycles. All this without a corresponding increase in confidence.

AI improves the speed and consistency of hiring inputs. It does not, on its own, improve the underlying quality or predictive value of those inputs.



From Skills-Based Hiring to Evidence-Based Hiring

This shift toward observable performance is supported by decades of research in personnel selection. Studies in industrial-organizational psychology have consistently found that structured, work-sample-based evaluations are among the strongest predictors of job performance, significantly outperforming unstructured interviews and resume-based screening¹.

These findings are not new. What is changing is the ability to apply them consistently and at scale in modern hiring environments.

Over the past decade, many organizations have begun shifting toward skills-based hiring.

Research from organizations such as Harvard Business Review, McKinsey, and the World Economic Forum highlights a clear trend: employers are placing less emphasis on traditional credentials and more emphasis on skills.

The goal is simple: evaluate candidates based on what they can do, not just where they studied or what job titles they held.

This shift is being driven by a combination of factors, including talent shortages and changing expectations around how skills are evaluated.

According to research cited by McKinsey and LinkedIn, 87% of organizations either face skill gaps today or expect them in the near future². At the same time, LinkedIn data shows that adopting a skills-based approach can expand the available talent pool by more than six times globally³.

But skills-based hiring raises an important question:

How do organizations reliably measure skills?

In many hiring processes, the answer remains unclear. Skills are often inferred from resumes or discussed in interviews rather than directly observed.

This evaluation is frequently based on things like screening questionnaires, subjective responses to application questions, and situational or behavioral interview prompts. Candidates may be asked how they would handle a scenario, describe past experiences, or self-assess their strengths.

While these approaches can provide useful context, they still rely heavily on self-reported information and interpretation. Hiring teams must evaluate how well a candidate explains their thinking, rather than observing how they actually perform.

As a result, hiring decisions continue to depend on interpretation rather than direct evidence of capability.

This is where a further shift is beginning to emerge, from skills-based hiring to evidence-based hiring.

Evidence-based hiring focuses on observable candidate behavior and demonstrated performance, rather than relying solely on descriptions of past experience.

Hiring is evolving across three distinct stages, from evaluating credentials, to assessing stated skills, to observing real-world performance.

	Credential-Based Hiring	Skills-Based Hiring	Evidence-Based Hiring
Primary signal	Degrees, titles	Stated skills	Observed performance
Source of data	Resume, credentials	Resume, interviews	Real task behavior
What is measured	Background	Claimed ability	Demonstrated ability
Level of prediction			
Key limitation	Proxy for ability	Still self-reported	Requires new methods

What “Evidence” Looks Like in Hiring

Evidence-based hiring does not require lengthy assessments or complex testing. It simply means observing how candidates engage with realistic, job-related tasks.

Rather than relying solely on written descriptions of past experience, employers can gather meaningful signals by seeing how candidates approach practical situations.

For example, how do they prioritize competing tasks? How do they interpret instructions? How clearly do they communicate when responding to a scenario that mirrors real work?

These behaviors often reveal far more about job readiness than a written resume.

For example, a resume may state that a candidate has “strong customer service skills,” but that phrase can mean very different things depending on the individual. Observable evidence allows employers to see how that skill actually appears in practice.

The same pattern applies across many commonly listed skills. A practical task can quickly reveal whether instructions are followed carefully, how decisions are made, and how effectively candidates communicate.

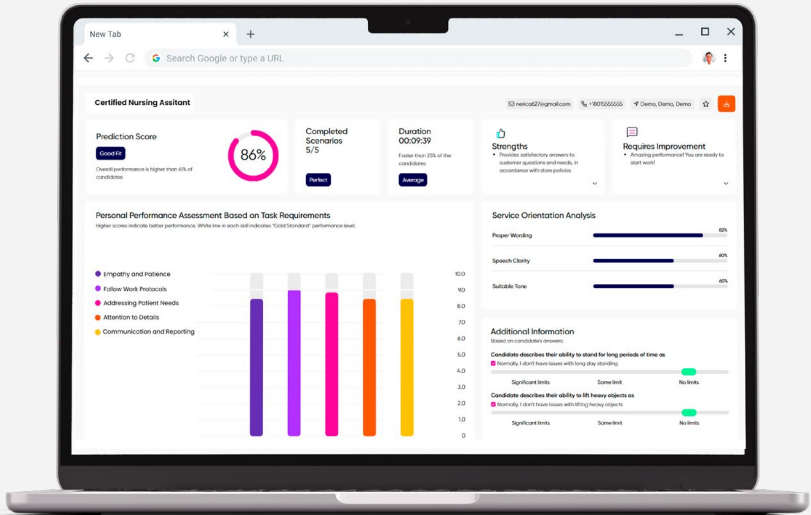
Those behaviors provide far richer insight than a line on a resume.

Evidence does not replace experience, but it can help employers answer a more meaningful question: does the candidate’s experience translate into real-world performance?

The gap between what candidates claim and what they demonstrate becomes clearer when viewed side by side:

Common Resume Claim	What It Means on Paper	What Observable Evidence Reveals
Strong customer service	Candidate states they are customer-focused	How they respond to an upset customer, tone, clarity, empathy vs efficiency
Attention to detail	Claims accuracy and thoroughness	Whether instructions are followed correctly, errors avoided, key details captured
Strong communication skills	Indicates ability to communicate effectively	Clarity of responses, structure of message, ability to adapt tone to context
Ability to multitask	Suggests handling multiple priorities	How tasks are prioritized, what gets attention first, what is missed or delayed
Problem-solving skills	Claims ability to resolve issues	How the candidate approaches ambiguity, decision-making under pressure
Team player	Indicates collaboration and interpersonal skills	How they respond in collaborative or service-oriented scenarios

Example of TaTiO’s performance-based hiring report



Why Evidence Matters for Employers



Stronger hiring evidence produces clear and measurable business benefits.

When hiring decisions rely primarily on resumes and interviews, employers are often making judgments based on interpretation rather than observation. Hiring managers must infer capability from written descriptions of past experience, which introduces uncertainty into the process.

The cost of low-signal hiring is not always visible, but it is cumulative.

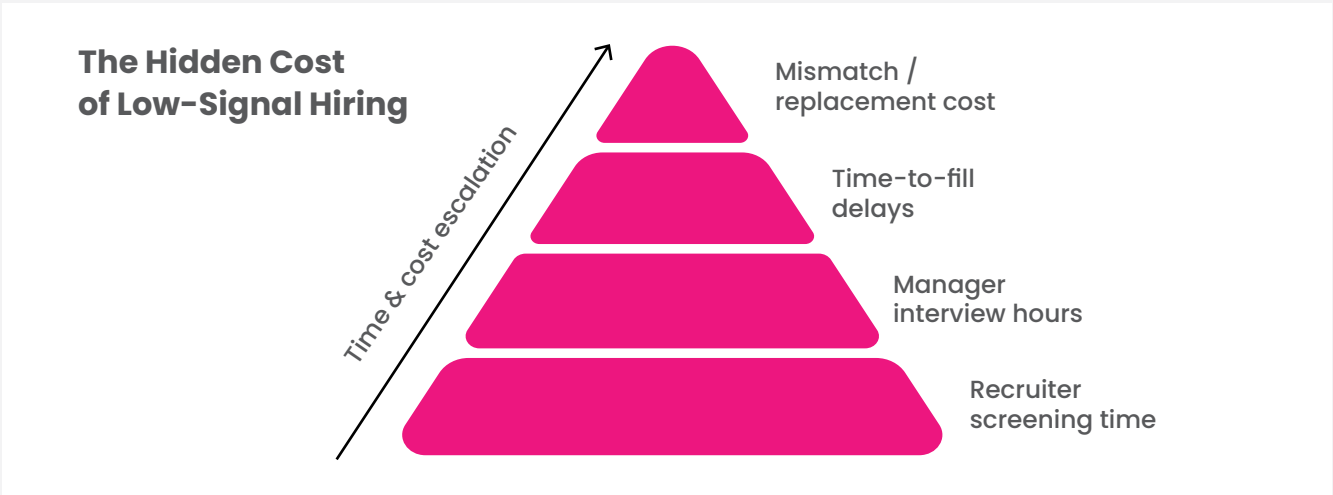
Key cost drivers include:

- 01 Additional recruiter screening time due to high application volume**
- 02 Increased manager interview hours across multiple candidates**
- 03 Longer time-to-fill, delaying productivity and operational output**
- 04 Higher likelihood of mismatch, leading to replacement and retraining costs**

For example, extending a hiring process by even one to two weeks for a critical role can have measurable operational impact, particularly in customer-facing or revenue-generating functions.

When early-stage signals are weak, organizations often compensate by adding more evaluation layers including additional interviews, more stakeholders, and longer decision cycles. This increases the time and cost required to reach a hiring decision without necessarily improving its accuracy.

Stronger early-stage evidence helps reduce these costs by improving qualification earlier in the process.



When candidates engage with realistic tasks, employers can see how they prioritize work, interpret instructions, communicate, and solve problems. These signals provide a clearer and more reliable picture of how someone is likely to perform in the role.

This leads to more qualified hires. Instead of advancing candidates based on how well they present themselves, employers can focus on how effectively they perform.

It can also improve speed. With clearer signals earlier in the process, hiring teams can identify strong candidates more quickly, reducing time-to-fill and minimizing the need for repeated screening and interviews.

Stronger evidence also reduces hiring risk. In high-volume environments, even small improvements in candidate quality can have a meaningful impact on operational efficiency, retention, and overall hiring outcomes. Research from the Society for Human Resource Management (SHRM) suggests that a bad hire can cost up to 30% of an employee’s annual salary⁴.

Over time, evidence-based hiring also creates a more valuable data foundation.

As organizations collect structured performance data across candidates, they can begin to identify patterns, refine benchmarks, and make more consistent, data-informed decisions.

This improves not only individual hiring outcomes, but the overall hiring system.

Ultimately, evidence-based hiring helps organizations move from guessing about potential to building a repeatable, evidence-driven approach to decision-making.

Evidence-based hiring is particularly valuable in high-volume and frontline roles, where resumes often provide limited insight into day-to-day performance.

In these environments, success depends less on how experience is described and more on how individuals handle real situations, whether that’s responding to a customer inquiry, prioritizing tasks under time pressure, or communicating clearly in fast-moving interactions.

Even short, role-relevant scenarios can reveal meaningful signals about how candidates think, communicate, and make decisions.

Why Evidence Matters for Candidates

Traditional hiring processes often reward people who are strong at resume writing, networking, or interview performance. But many capable individuals may not excel at presenting themselves in these formats.

This can disadvantage early-career candidates, career switchers, people from nontraditional backgrounds, or candidates whose first language is not English.

Observable performance helps level that playing field.

When candidates are given the opportunity to engage with realistic tasks, they can demonstrate how they think, communicate, and approach problems, rather than relying solely on written narratives about their past experience.

This also creates a more engaging and transparent hiring experience. Candidates gain a clearer understanding of what the role actually involves and how they will be evaluated, rather than trying to interpret expectations from a job description alone.

Candidate expectations are also shifting. Recent data shows that 89% of candidates prefer hiring processes that include skills-based assessments, and 95% favor assessments that reflect real-world scenarios⁵.

Beyond fairness, evidence-based hiring also provides practical advantages for candidates.

It creates greater clarity around what the role actually involves, allowing candidates to better understand expectations before accepting a position. It also enables earlier self-selection, helping candidates determine whether a role is a good fit.

For candidates who may not excel at self-presentation, this approach provides an alternative path to demonstrate readiness through action rather than description.

In practice, this can lead to:

- 01

Clearer understanding of job expectations
- 02

More engaging and relevant hiring experiences
- 03

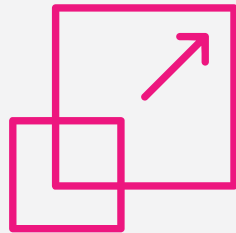
Reduced risk of mismatch after hiring
- 04

Greater opportunity for capable candidates to stand out based on performance
- 05

Better/stronger employer branding



Virtual Job Simulations as an Evidence Tool



This shift toward observable performance raises an important question: how can organizations gather this type of evidence at scale?

One approach organizations are increasingly exploring is the use of virtual job simulations.

Virtual job simulations present candidates with structured, role-relevant scenarios that mirror situations they are likely to encounter in the role. Instead of relying only on written descriptions of past experience, employers can observe how candidates engage with realistic tasks.

Unlike traditional assessments, simulations are designed to replicate actual job interactions. This makes the signals they produce more directly connected to real job performance. In many ways, simulations function as a “test drive” of the role, allowing employers to observe how candidates perform before making a hiring decision.

For candidates, simulations provide a clearer preview of the role and its expectations.

For employers, they provide observable evidence of readiness.

Simulations introduce a different type of input into the hiring process. One with structured, observable performance data that can complement or improve traditional screening methods.

How Performance-Based Hiring Works in Practice

Performance-based hiring is easy to understand in theory. The challenge is making it work in real hiring environments, where roles differ, hiring volumes vary, and teams need to make decisions quickly.

For this approach to be effective, it needs to be applied consistently and it needs to reflect the realities of the role.

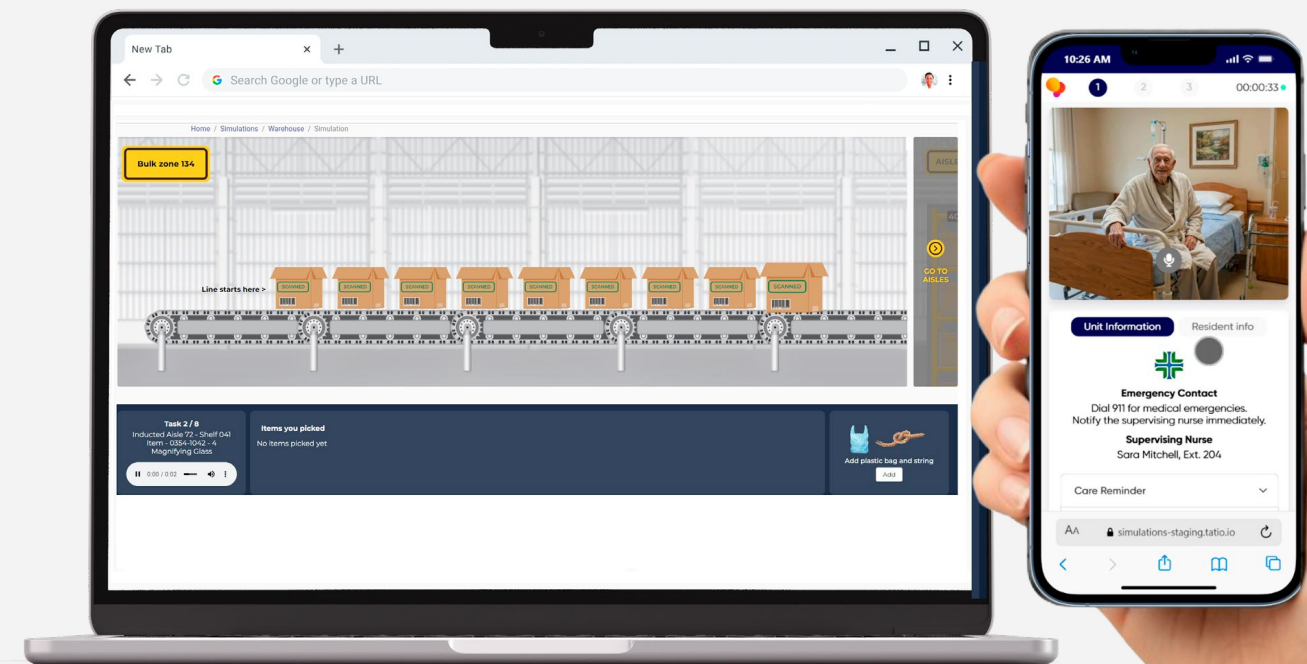
That’s where customization becomes important.

Role-specific scenarios allow organizations to evaluate candidates based on the kinds of situations they will actually face, rather than relying on generic assessments that may not translate into real performance.

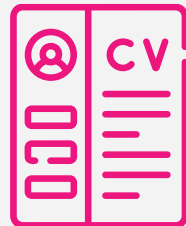
This also makes the results more meaningful. When the tasks reflect real work, the signals are easier to interpret, compare, and trust.

Platforms such as TaTiO provide one example of how this can be put into practice. By enabling organizations to design and deliver tailored simulations early in the hiring process, they help turn performance-based hiring from an idea into something teams can actually use.

Virtual job simulations



The Future of Hiring: From Wording to Evidence



Hiring has always relied on signals.

For decades, those signals were primarily written: resumes, cover letters, and application materials that describe a candidate's background and experience.

As written materials become easier to optimize and standardize, organizations are beginning to look for stronger forms of evidence. This shift does not mean abandoning resumes or interviews. Rather, it reflects a growing recognition that observable performance provides a more reliable foundation for hiring decisions.

When employers can see how candidates approach realistic tasks, they gain clearer insight into readiness, greater confidence in their decisions, and a lower risk of costly hiring mismatches.

Candidates benefit as well. Evidence-based hiring gives individuals a fairer opportunity to demonstrate their abilities, rather than relying solely on how well they present themselves on paper.

As hiring continues to evolve, the focus is shifting from what candidates say they can do to what they can demonstrate in practice.

Five Key Takeaways

- 01 Written signals are becoming less differentiating.**
As AI standardizes resumes and applications, written materials alone provide limited insight into real capability.
- 02 Hiring is moving from inference to observation.**
Organizations are shifting away from interpreting past experience toward directly evaluating real-world performance.
- 03 Stronger evidence improves business outcomes.**
Better signals lead to higher quality hires, faster time-to-fill, and reduced hiring risk.
- 04 Candidates benefit from more transparent and fair evaluation.**
Observable tasks give individuals a clearer opportunity to demonstrate their strengths and understand role expectations.
- 05 Performance data is becoming a strategic advantage.**
Organizations that capture and learn from real hiring data will build more consistent, scalable, and defensible hiring systems.