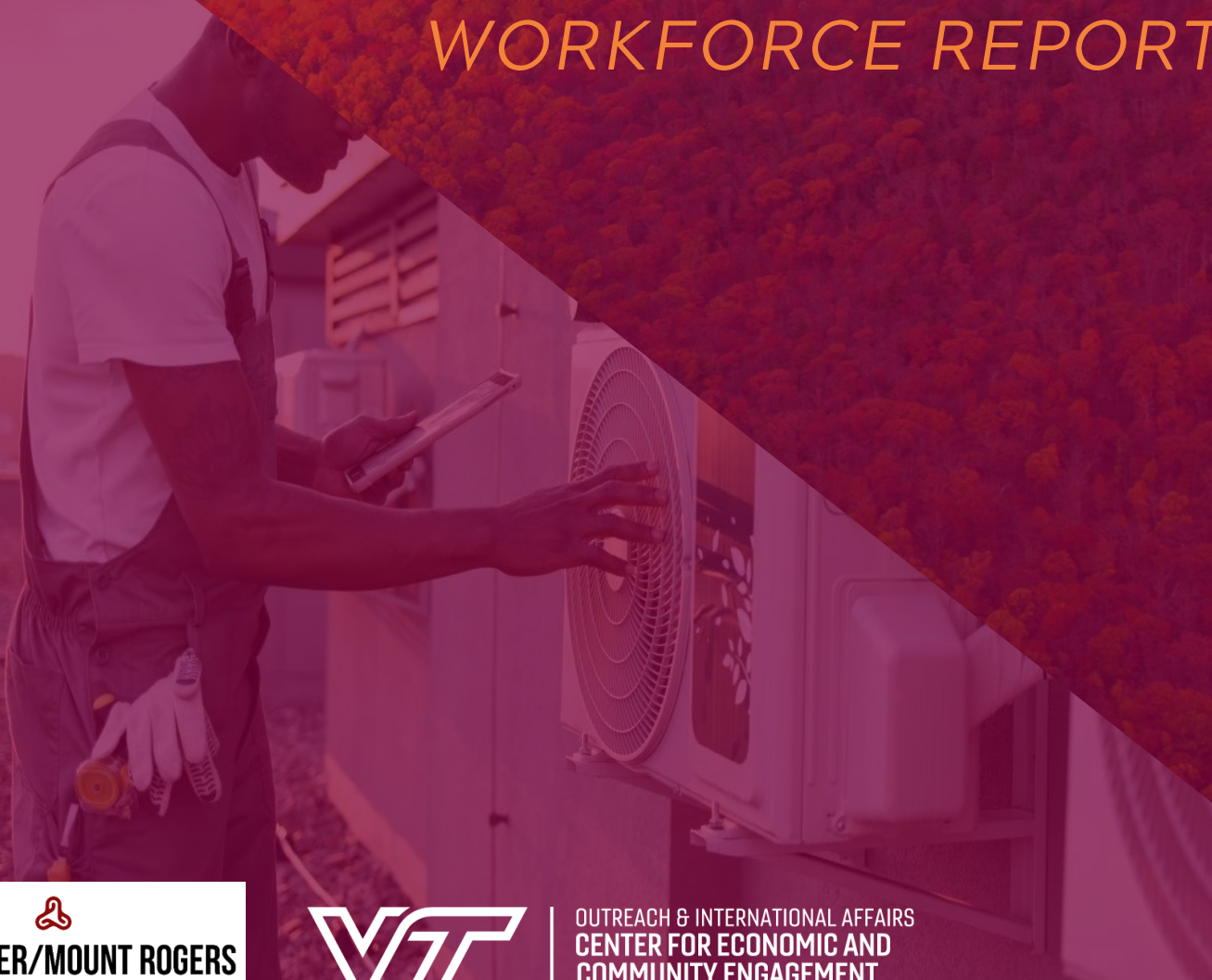


New River/Mount Rogers Workforce Development Region

*2025 Q4 QUARTERLY
WORKFORCE REPORT*



**NEW RIVER/MOUNT ROGERS
WORKFORCE DEVELOPMENT BOARD**

CULTIVATING TALENT FOR THE REGION



OUTREACH & INTERNATIONAL AFFAIRS
CENTER FOR ECONOMIC AND
COMMUNITY ENGAGEMENT
VIRGINIA TECH.

Introduction

Welcome to the Quarter 4 2025 Workforce Report.

This quarter's workforce report focuses on skills-based hiring, both on a national level and locally in Region II. Skills-based hiring refers to hiring or promotion practices that prioritize worker skills over educational background. As the country and region face declining college enrollment rates and workforce skills gaps, employer emphasis on skills-based hiring may support companies in the region in attracting and retaining skilled workers.

Skills-based hiring can expand opportunity for older adults and other workers who may face barriers to completing additional formal education due to cost, health, caregiving responsibilities, or transportation. Skills-based hiring also increases overall applicant pool size, allowing employers in the region to identify the strongest candidate possible when hiring for a particular role. The New River/Mount Rogers Workforce Development Board encourages employers in the region to explore skills-based hiring to increase job opportunities available to Region II residents.

Fast Facts

Skills-based hiring is already common in Region II. Between December 2024 and December 2025, 57% of job postings listed no educational requirement, indicating employers are prioritizing skills and experience.

Skills-based hiring helps address workforce pressures in Region II. As the workforce ages and hiring challenges persist, this approach expands the candidate pool and improves alignment between skills and job needs.

Region II has strong pathways for rapid skill development. Programs such as YouthBuild, ARC Ready, community college FastForward, and K–12 CTE support short-term credentials and job-ready skills for in-demand careers.



Skills-Based Hiring

What is skills-based hiring?

In 2022, the Department of Labor announced the Good Jobs Initiative to outline key elements of strong jobs, like fair wages, job security, and advancement opportunities.

As part of the initiative, the Department of Labor also supported skills-based or skills-first hiring, which hires or promotes workers based around the demonstrated skills or abilities of workers, regardless of how these skills were obtained or a worker's educational background.



Of employers use some form of skills-based hiring

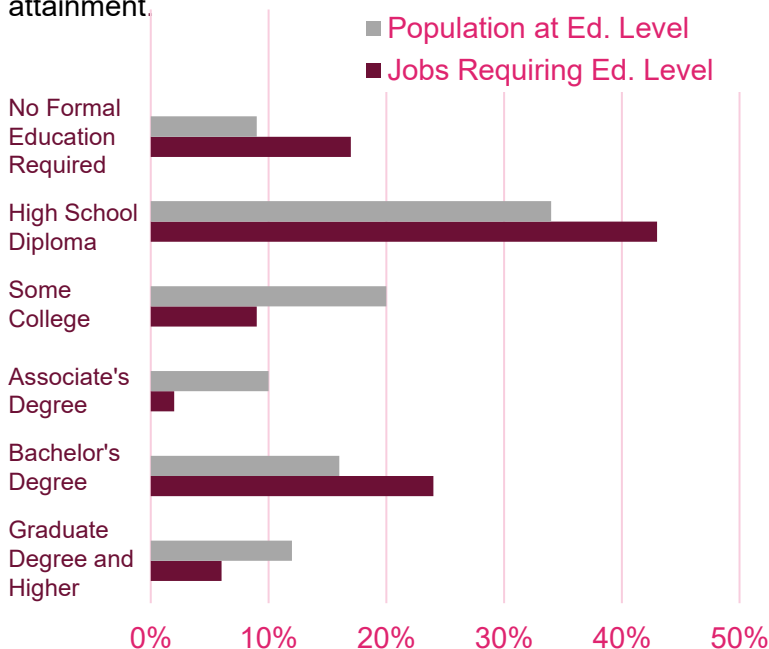
The majority of employers (72%) now practice some form of skills-based hiring, with 45% of employers eliminating degree requirements from some roles between 2022 to 2023. National trends indicate that small to medium-sized businesses were more likely to eliminate degree requirements than large companies.

Practicing skills-based hiring may also help address gaps in soft skills or other personal effectiveness skills. Employers report the most common skill gaps include time management, professionalism, and critical thinking.

Why skills-based hiring matters for Region II

Region II faces an aging workforce, with the percentage of the regional workforce over age 55 increasing by 4.49% from 2019 to 2024. The percentage for those over age 65 is even greater, with a 14.91% increase in the same time frame.

From 2019 to 2024, the region saw a notable increase in the overall percentage of the population over age 25 holding a Bachelor's degree or higher, from approximately 25% of the total population in 2019 to 28% by 2024. While a notable increase, the region still faces a gap in demand compared to actual degree attainment.



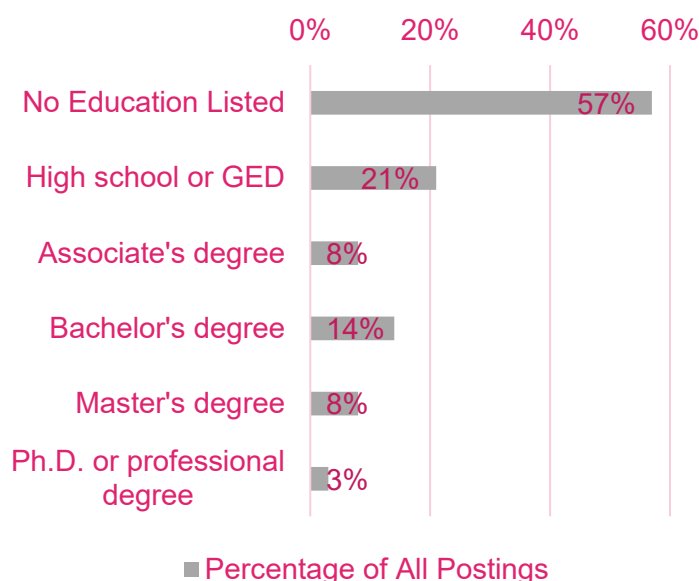
Data currently indicates a mismatch between the regional population with a Bachelor's degree and the number of jobs currently requiring a Bachelor's degree. While these jobs may be fulfilled by the population with a graduate degree, skills-based hiring offers an additional opportunity to reduce this gap.

Furthermore, adopting skills-based hiring may accommodate the aging workforce. In 2023, 24.4% of the regional population over age 65 held a Bachelor's degree or higher, compared to 25.8% of those 45-64, 32.5% of those 35 to 44, and 31.7% of those 25 to 34.

Job Qualifications

Education Requirements

From December 2024 to December 2025, most job postings in the region did not have any educational requirement specified, signaling that the region may already have strong skills-based hiring practices. "No education listed" may also indicate posting where education requirements are informal or communicated later in the hiring process.



These educational requirements are less stringent compared to national requirements; during the same period, 24% of all national job postings required a Bachelor's degree. Education requirements for other degree levels remained approximately equivalent between Region II and the nation.

This difference may reflect that employers in the region already practice skills-based hiring to a greater extent than the nation. It may also reflect that the nation has a higher proportion of technical or traditionally 'professional' occupations.

Skills Requirements in Job Postings

The following are the most in-demand skills for job postings in Region II from December 2024 to 2025.

Specialized Skills

- Nursing
- Merchandising
- Lifting Ability
- Food Safety and Sanitation
- Restaurant Operation

Common Skills

- Communication
- Customer Service
- Management
- Operations
- Sales

Certain skills such as lifting ability, food safety and sanitation, or restaurant operation are not traditionally associated with education or degree requirements. However, these jobs typically have fewer formal barriers to entry. Other specialized skills may require formal credentials through licensing boards (such as nursing) but may still emphasize demonstrated competency over explicit degree or educational background.

Skills-based hiring may be practical for industries that do not require occupational licensures or are able to provide on-the-job assistance to obtain licensure when applicable.

Skills-Based Hiring in Practice

Several industries have adopted skills-based hiring to increase applicant pool diversity. This hiring may be most appropriate where there is a preference for, rather than a legal requirement of, a particular degree, especially in these industries:



Retail/
Hospitality



Health
Services



Public
Sector/
Non-profit



Technology

How does Skills-Based Hiring Work?

1. Identify the Job Requirements

Once an employer determines that skills-based hiring is appropriate for a given role, the next step is to break down the position into its core skill components. These four questions can help identify the necessary skills and assess their relative importance to the role:

- 1. What is the purpose of the job?** Describe the key actions and outcomes that define success in this position.
- 2. What skills are required for success?** Identify and list all relevant skills and competencies associated with the role.
- 3. How critical is each skill?** Distinguish between essential skills and those that are beneficial but not required.
- 4. Which skills must be in place on day one, and which can be developed on the job?** Clarify expectations for initial readiness versus on-the-job learning.

Sample Scoring Tool: Manager Position

Skills	Assessments		
	Behavioral Interview	Applied Skills Test	Scores
People Skills			
Interaction			
Problem Solving			
Decision-Making			

The top in-demand occupations from job postings from Dec. 2024 to Dec. 2025 in the region are listed below, excluding occupations that require specific credentials. These roles could be useful contenders for a skills-based hiring approach.

Occupation	Unique Postings from Dec 2024 - Dec 2025
Retail Salespersons	1,405
Supervisors of Retail Workers	875
Food Service Managers	741
Cashiers	618
Stockers and Order Fillers	618
Fast Food Workers	612
Home Health Care Aides	584
Merchandise Displayers	514
Customer Service Reps	510

2. Build a Scoring Tool

Using the list of identified skills, an employer can create a scoring tool to grade a candidate's skills.

- 1. Settle on the list of skills to evaluate.** This means breaking down the skills to essential and "nice-to-have." The core skills are vital to a candidate's success.
- 2. Design assessments that can test for these skills.** These will vary based on the individual requirements of the job. Examples are hands-on demonstrations, simulated customer interactions, or behavioral interviews.
- 3. Create a rubric** that scores each interviewee on essential and "nice-to-have" skills.

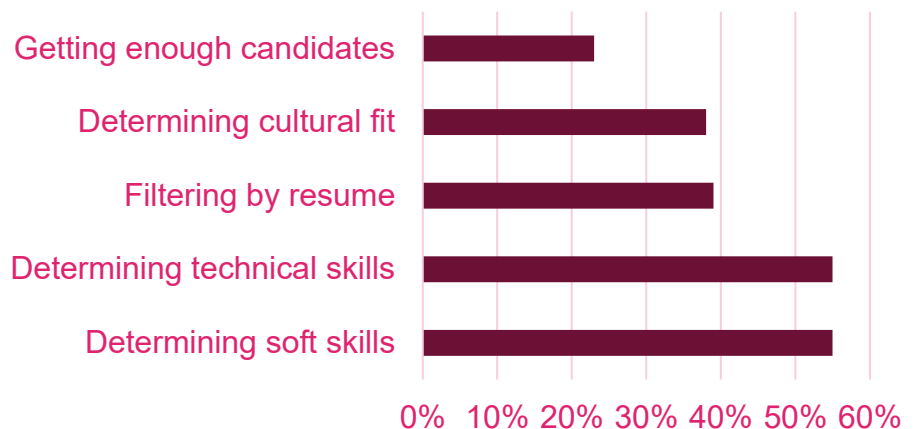
Employer Trends

According to Harvard Business School, employees without degrees perform as well as those with degrees, but they stay in their jobs longer and are more engaged. Many companies nationally and internationally have started using skills-based hiring to increase their candidate pool. Even the Commonwealth of Virginia has joined the movement after Gov. Glenn Youngkin signed SB1014, a bipartisan legislation ensuring that college degree requirements will no longer be a barrier to hiring public sector roles.

A recent survey found that employers are experiencing many challenges with hiring that could be improved with skills-based hiring.

While 63% of employers said it's harder to find great talent, about 70% of job seekers said it's harder to find a job. However, 4 out of 5 employers say they are happy with recent hires, indicating that the issue is matching the right candidates with the right jobs.

Challenges in Hiring



As AI transforms hiring processes, employers may benefit from shifting job descriptions from listing traditional qualifications to identifying the specific skills each role requires.

Skills-Based Hiring Benefits

Saving Time

- 81% of employers reduced time to hire

Saving Money

- 78% of employers reduced cost in hiring

Employee Retention

- 91% of employers improved retention

The survey also found that employers using skills-based hiring were seeing benefits in saving time, saving money and improving employee retention after changing their hiring processes to find skills, not qualifications.

The Department of Labor has emphasized that skills-based hiring can specifically benefit people in rural areas with less access to traditional education and veterans who have a variety of non-traditional experiences.

Education & Training Pathways that Support Skills-Building

Workers can often gain the necessary skills for a job through short-term trainings and certifications. The New River / Mount Rogers region offers FastForward – a short-term workforce training program run by Virginia's community colleges. The program helps Virginians earn industry credentials and certifications for in-demand jobs. Students enrolled in FastForward programs may be eligible for FANTIC – Financial Aid for Noncredit Training Leading to Industry Credentials.



New River Community College

NRCC FastForward program offerings help prepare students for careers in truck driving, manufacturing technology, medical assisting, nurse aide, pharmacy technician, as well as Lean Six Sigma Green and Yellow Belt.

NRCC also offers ways to advance a career over time. A student starting out as a Certified Nurse Aide (CNA) can follow an educational pathway to become a Licensed Professional Nurse (LPN) or a Registered Nurse (RN).



Contact NRCC:
(540) 674-3613; wfdtraining@nr.edu

Wytheville Community College

WCC offers FastForward programs as short-term training that fast-track a student into a career. Course lengths vary from a few weeks to 12 months depending on the field.

Wytheville Program Offerings:

- Automotive Technology
- Welding
- Industrial Maintenance
- Commercial Truck Driving
- Power Line Worker
- Underground Power
- Heavy Equipment Operator
- Off-Road Diesel Tech



WYTHEVILLE
COMMUNITY COLLEGE

Contact WCC:
Lisa Lowe, Workforce Coach
(276) 223-4717; Lowe@wvc.vccs.edu

Virginia Highland Community College

VHCC FastForward programs include fast-track trainings in OSHA safety, ServSafe, medicine, trucking, construction, trades, photovoltaics, phlebotomy, and manufacturing technology.

VHCC also offers professional skills courses online through ed2go, including classes on medical terminology, Microsoft Excel, and digital literacy. These short-term classes can help students quickly build skills needed for their careers.



Contact VHCC:
(276) 739-2430

Education & Training Pathways that Support Skills-Building

YouthBuild

The YouthBuild Program helps young people between the ages of 16 and 24 gain training in three career fields: Construction/Skilled Trades, Certified Nursing Assistant/Medication Aide, and Production Technician.



New River Mount Rogers WDB:
(540) 320-1908; CareerHelp@vcwnrnmr.com

Workforce Ready

Workforce Ready supports urban, rural, and economically distressed communities across Southwest Virginia by addressing persistent workforce and resource challenges through financial capacity building, operational efficiency, and comprehensive community engagement—strengthening the long-term sustainability of the Foundation’s workforce development arm.



New River Mount Rogers WDB:
(540) 320-1908; CareerHelp@vcwnrnmr.com

Career and Technical Education (CTE)

Virginia public schools offer Career and Technical Education opportunities to grades 6-12, helping young people become well-trained and industry-certified technical workers. In the 2024-2025 school year, 7,348 students completed a CTE course and 5,763 students earned a CTE credential in the New River/ Mount Rogers region.

In Montgomery County, students can start earning credentials in construction, health and biosciences, manufacturing, engineering, and technology, and transportation technologies.

Top 7 CTE Credentials in Virginia:

1. WISE Financial Literacy Certification
2. Workplace Readiness Skills
3. Customer Service and Sales Certification
4. MOS PowerPoint
5. MOS Word
6. National Career Readiness Certificate
7. MOS Excel

Future Outlook: Strengthening the Skills-Based Pipeline

For skills-based hiring to work, employers need to do more than rewrite job postings without degree requirements. Companies need a cultural shift away from the "paper ceiling," the barrier workers without a bachelor's degree face to upward mobility in the workplace. Here are some ideas for companies to get started:

1. Empower hiring managers to recruit workers from nontraditional backgrounds.

Often hiring managers may gravitate toward the "safe candidate" i.e. the one with a college degree. This tendency to stick with conventional evaluation methods can impede a skills-based hiring policy. Research indicates that non-degree holders perform just as well as their credentialed counterparts, and in fact tend to stay in their jobs longer and are more engaged. Companies should train hiring managers to adopt a new paradigm for evaluating job seekers and reject old mental shortcuts that equate a candidate's potential with their alma mater.



The "paper ceiling" is the invisible barrier for workers without a bachelor's degree.

2. Provide support for new hires.



Hiring workers from nontraditional backgrounds may require a shift in policies, programs, and attitudes within a company, especially if the existing support has been tailored towards a recent college graduate. Companies should think about the best way to accommodate a range of life experiences and differences in skill acquisition between degree and nondegree holders alike.

3. Create internal advancement tracks and promote from within.



Don't overlook internal candidates. Research shows that 80 percent of role moves involve an employee moving from one employer to another. Skills-based hiring can also include existing employees who may not have the formal education for a promotion but have the work experience to succeed. Employers can develop internal advancement tracks that help employees grow over time and stay motivated for promotion.

For information on credentialing opportunities and programs that support Skills-Based Hiring contact the New River/Mount Rogers Workforce Development Board - [New River/Mount Rogers Workforce Development Board](http://NewRiver/MountRogersWorkforceDevelopmentBoard) (vcwnewrivermtrogers.com)



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