CV Wallet: Creating a Web3 Hiring Ecosystem

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Introduction

“ Welcome to the CV Wallet whitepaper.

We all accept that the traditional hiring process is now badly outdated, inefficient and untrusted.

The industry finds itself at a unique juncture in time, where a new wave of technology driven by AI and Web 3 presents two very different approaches to radically improve and reimagine how we go about hiring.

First of all, AI technology, becoming increasingly advanced, offers significant automation and efficiency benefits to the existing system, but also exacerbates mistrust, taking the hiring decision-making power away from people, and passing it to the machines.

Web 3, on the other hand, whilst also providing increased automation, does so within a very different hiring ecosystem. A system built on verified trust, that enables skill based hiring at scale, and removes the need for referencing - the quintessence of that mistrust.

Finally we introduce CV Wallet. We have taken all the elements of Web 3, including blockchain, decentralisation, digital identities, and verifiable credentials, to create the world's first Web3 hiring ecosystem based on what we believe the future should look like.

For jobseekers: an upgraded Smart CV held securely in a decentralised app-based wallet.

For employers: an open skills based hiring platform, built on trust.

We believe that by building such a system, we are creating a fairer, more trusted way of hiring that's not just fit for today, but also for the future world of work. ”

Richard Collins, Co-Founder CV Wallet

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Today's hiring landscape...

Our hiring processes are increasingly outdated when compared to today's world of work, a problem made even more acute from the Covid years which have accelerated trends such as remote working, Gigs etc.

The problem is made more difficult to solve as we battle with legacy processes and technology.

We only need look at the components of the hiring process and we can quickly see the scale of the problem:

The CV has barely changed since Leonardo da Vinci's first attempt some 400 years ago. Today, jobseeker information is held in centralised databases, at risk of hacks and identity theft. Over 50% of CVs contain misinformation, and the average employer spends just 5-7 seconds looking at a candidate's CV.

Job adverts: Recruiters engage in spray and pray activity in the hope that the right candidates might apply. Ads are badly written, and either don't attract enough interest to hire from, or so many responses that it becomes an administrative nightmare.

Application process: Two thirds of candidates report a poor job seeking experience, with most not even designed to handle mobile applications. A lengthy recruitment process then follows, typically taking between 1-4 months, and often only ends in ghosting from the employer.

Traditional interview process: A hotbed of bias and subjective hires by the employer, based more on "cultural fit" than having the right skills for the job.

Referencing: this slow and expensive process only exists because of the frequency of candidates to provide inaccurate information on their CV. In being the final step in the hiring process, any candidate that fails the check forces the employer to restart their search all over again.

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Today's hiring landscape...

- Even when an employer manages to successfully hire, the process is so flawed that a third of those hired leave within ninety days
- The result:Heads of TA building increasingly complex recruitment technology stacks, with their employers having to invest billions of dollars in HR Tech solutions and automation tools
- In light of all of this, it is not difficult to see why the traditional hiring process needs to change. No amount of sticking plasters will ever properly fix such a broken and outdated system
- It is clear a shift away from traditional hiring is needed, and, with the advent of two new technologies, we might finally have the opportunity to do so

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The emergence of a new major wave of technology

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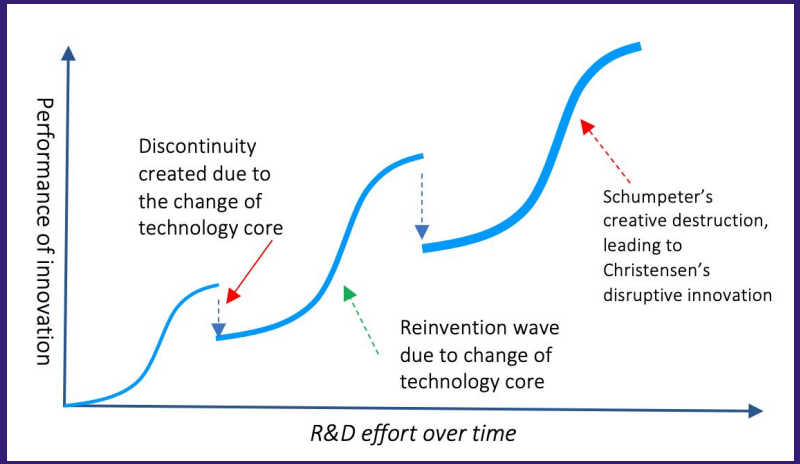
Web2.0 → Web3.0

We have already seen across industries such as financial services, healthcare, and advertising, that a huge disruptive technology revolution is underway. The adoption of AI and Web 3 technologies has dominated: including blockchain, decentralisation, digital identities and verifiable credentials.

Those same technologies are now beginning to emerge in the recruitment space, and provide an interesting battleground for which HR Tech budgets will be fought over the next 2 decades.

Whilst AI might be first out of the gate, Web 3 could yet end up the winner with its promise of a new hiring ecosystem.

…Let's take a look at both to see which performs best in the recruitment world.



Web 1.0 (Wave 1: 1995-2015) Digitising of the existing systems with the advent of the Internet. Duration based advertising.

Web 2.0 (Wave 2: 2010-2030) Dynamic content, user experience, automation, Social recruiting etc. Performance based advertising.

Web 3.0 (Wave 3: 2020-2040) AI, Web3 and Blockchain.

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AI vs. Blockchain technologies

AI

…tackles the industry's problems with automation and inferred learning, the machines replacing increasing amounts of human actions

Blockchain technology

…looks to recreate the recruitment ecosystem using a trust-based system, putting data back in the hands of its owners.

The battle to dominate the industry…

AI and Blockchain are the two distinct, leading, technologies with the potential to create the most change within the sector, as already seen in other industries.

Whilst the two can, and do, exist side-by-side, they present very different approaches to change.

As such, we see a battle emerging as to which will dominate the industry:

The machines (Terminator) versus the humans (Ironman)... or less hollywood… perhaps Beta max vs VHS.

AI

1950

The emergence of AI

Most are familiar with AI technology, having emerged in the second half of the 20th century, and grown increasingly sophisticated since

AI is the peak of efficiency and automation, initially built to help with high volumes of manual processes.

2010

AI for the recruitment industry

Not only is AI growing in importance across most major industries, we have seen adoption of the so-called “AI matching technology” bandwagon amongst HR technology vendors, with new applications launched seemingly weekly.

Within the recruitment industry, adoption sees AI carrying out more and more decisions about who gets hired, even determining what jobs people can see.

2018

Observed challenges for the industry

With a diversity and bias crisis already existing in the traditional hiring process, introducing non-thinking machines creates a propensity for trouble.

Bias rapidly, and embarrassingly, develops within these systems (Amazon and Microsoft being the most well known examples) and we find ourselves asking how much power this technology should ultimately be given.

2019

Regulatory response

A raft of legislation has emerged to control the use of AI technology in the industry. New York was the first to pass laws around it, with California close behind with its Workplace Technology Accountability Act. In 2021, the EU began drafting proposals to limit the use of AI in hiring.

We should expect to see more legislation, and bigger fines, over time.

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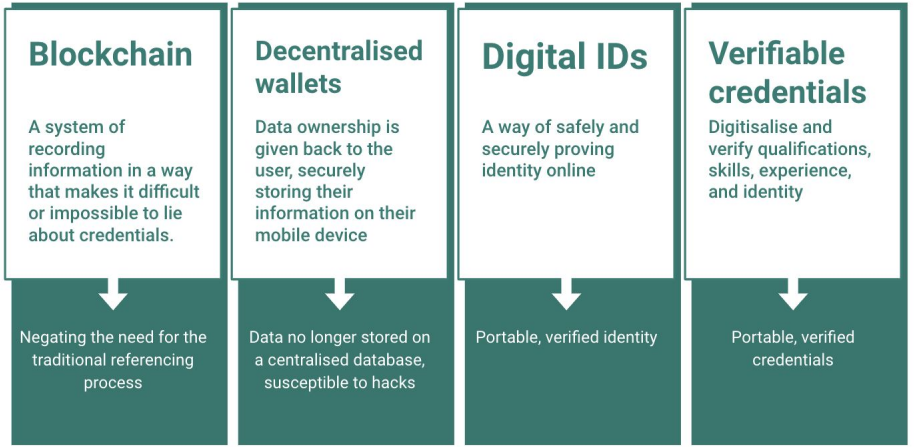
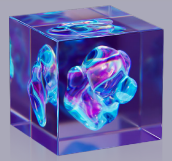
Web3 technologies and blockchain

Enter our protagonist: the technologies emerging with the global shift to web3:

Web3 creates the opportunity for a system with trust built-in: allowing for considerable automation, but also forcing us to *rethink* the hiring ecosystem, and challenge the traditional processes built from the CV, job advert, application process, interviews, referencing, and offer.





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Which technology will dominate?

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AI vs. Web3: Skill based hiring

Initially AI is likely to continue its rapid rise, driven largely by the problems within the traditional recruitment ecosystem that it is trying to solve.

However, not only do the advantages of web3 technologies outlined make it a future winner, it also has two killer applications: the ability to facilitate skill based hiring, and to solve the referencing problem.

Skill based hiring and web3

- ➔ Skill based hiring is built around testing and assessments which reduces bias, improves the size and diversity of the talent pool, and increases the likelihood of positive outcomes
- ➔ As a result, employers can hire candidates based on their ability to do the job, not just what school they went to
- ➔ In a world where we hire globally and remotely, this has never been more important.

Web3's technologies offer a way of replacing the traditional hiring processes with a better, fairer, more successful system. Not only does this technology enable skill based hiring at scale, it supports the uniquely human endeavour of finding meaningful work, and how each of us contributes to society.

AI matching technology, however, fails to address this, and instead replaces human decision making in the hiring process altogether.

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AI vs. Web3: The referencing problem

Traditional referencing is dead

Referencing should not exist. If every word on every CV was true, it wouldn't. But sadly that is not the case.

AI

…had been heralded as a solution to fix this outdated referencing process.

But what does that involve?

… Digging through hundreds of databases to find out every detail about a candidate's life: credit scores, social media posts, tax situation, education, any old convictions etc. Without regard for relevance to the job they are applying for, let alone privacy, this has resulted in significant overreach by those employers adopting AI in this context.

How do web3 technologies tackle the referencing problem?

Blockchain, unlike AI technology, takes on the burden of proof. Employers can be confident that the credentials claimed by candidates are true and have been verified by the relevant third party.

This trust based system effectively makes both the intrusive AI based system and the traditional post-offer referencing process extinct - allowing employers to hire faster and saving them money at the same time.

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CV Wallet: The world’s first web3 recruitment ecosystem

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Meet CV Wallet...

For jobseekers:

The introduction of a Smart CV: a decentralised wallet securely holding all of the candidate's professional data.

- ➔ Mobile-friendly and portable: a tool that grows alongside your career
- ➔ Easy to share your Smart CV with whom you choose, when you choose
- ➔ All data held securely on the mobile, not in a centralised database
- ➔ Ability to prove existing skills, qualifications, and experience
- ➔ Ownership of assessments returned to the jobseeker, and made portable
- ➔ Employers who are looking for your skills can easily find you

For employers:

For the first time, skills based sourcing is empowered at scale.

Job advertising → candidate sourcing:
Unlike with traditional job advertising, employers now only approach *relevant, verified* candidates. The hiring process is streamlined and rewarding for both the candidate and the employer, and the outdated post-offer referencing process becomes extinct.

Candidate sourcing at scale:
Sourcing (once headhunting) has existed for a long time, and has always been a time intensive task. With verified skills, a core Web3 technology, the sourcing process is automated, allowing employers to forge their efforts into selecting the perfect candidate from a pool of relevant, skilled, verified jobseekers.

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So how would employers find talent in this new ecosystem?

1. Simply search for candidates based on completed, verified, assessments. Whilst we have seen a movement towards this, it occurs only in isolation and it is not yet commonplace.

2. Approach, and make offers (subject to a chemistry meeting perhaps), to relevant jobseekers who met your criteria.

3. Once both parties have agreed, hiring would happen immediately, with no need for referencing, as employers are confident their candidate's credentials are verified using blockchain technology.

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Use case: A graduate seeking a role with a Big 4 Accountancy firm

The current hiring process:

All of the big 4 accountancy firms currently use the same skills assessment to hire their new graduates.

As such, candidates applying for the firms sit the same test multiple times, and are unable to claim ownership of their assessment. The process is unrewarding and time-consuming.

A revolutionised Web 3 hiring landscape:

- ➔ The skills assessment is available to anyone, globally, regardless of their background, or what university they went to
- ➔ Candidates take the skills assessment once, and claim their result in their mobile Wallet. This credential is then verified by the assessment provider using blockchain technology
- ➔ The candidates become part of an anonymous, diverse, fair talent pool with high aptitude for this line of work
- ➔ Big 4 firms can search for candidates based on the outcome of this assessment, and the hiring process is streamlined to a chemistry meeting and offer
- ➔ Candidates who have claimed this assessment are searchable by all accountancy firms - allowing all relevant employers to connect with the best jobseekers
- ➔ Referencing is made redundant - all employers are confident the candidate's credentials are verified and true
- ➔ A new revenue stream is created for assessment providers, taking a share of the fee paid by employers when recruiting someone who has taken their assessment.

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Welcome to CV Wallet

CV Wallet uses blockchain technology, decentralised wallets, digital identities and verifiable credentials to provide an open, skills based sourcing platform that can operate at scale.

Our platform demonstrates how revolutionising the hiring process not only works in practice, but truly can bring about the positive changes to the industry that are so desperately needed.

We are initially launching the consumer app across both Apple and Android devices, to revolutionise the way jobseekers store, verify and share credentials in the world's first decentralised CV Wallet. The employers' sourcing platform is on its way in 2023…

You can find more about CV Wallet on our website www.CVwallet.com

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