

AI in Recruitment: Revolutionizing the Talent Acquisition Lifecycle

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ABSTRACT:

AI has disrupted other sectors, and it is no different when examining its impact on organisational ecosystems. In fact, the HR function, which was thought of as the most people-centric vertical, has continued to be transformed by AI technologies, just like many other occupations. Whatever its mundane duties or responsibilities, from locating people to hiring them, engaging with them, retaining them, developing them, and so on, these and similar responsibilities are important for the successful sustainability of an organisation. By automating most of the tedious and time-consuming job functions, AI has enabled HR professionals to commit greater time on strategic initiatives, policy making, and compliance. Talent screening, resume screening, applicant matching, onboarding, and employee engagement have simplified with the advent of AI tools. The tasks can now be accomplished faster, consistently, and with greater efficiency than was possible when they required significant human labour and time. This process supports the applicant experience and quality of decision-making, while also reducing operational costs. Talent Acquisition (TA) is one HR area where AI has shaped the course of hiring with great impact. The different ways TA contributes to the future workforce of an organization is significant portion of the talent management lifecycle. In TA, artificial intelligence is changing the way businesses source and hire talent, with chatbots, application tracking systems, natural language processing and predictive analytics. This research outlines the potential impact AI can have on talent acquisition. It looks into existing AI frameworks and how these could enhance hiring processes for more successful and efficient outcomes. This research illustrates how AI is being used in talent acquisition and also presents signals for the future through global case studies. Ultimately, this research's goal is to understand the different ways AI is changing talent discovery, assessment, and acquisition in today's workforce - not just in HR.

Keywords: Bias Management, Recruitment, Machine Learning, Talent Acquisition, Artificial Intelligence.

INTRODUCTION:

With 1.3 billion people, India's human capital is both its greatest opportunity and its biggest challenge. In India, human resource management (HRM) has progressed from strictly administrative functions in an organization to an essential element of organizational success.

Talent Acquisition (TA) is at the heart of this transition, from a reactive recruitment protocol to fill vacancies, to a proactive, strategic role that aligns with organizational short- and long-term goals. Currently organizations utilize tools such as market mapping to focus on sourcing critical talent and future leaders, beyond their immediate recruitment needs. AI becomes a vital component of how TA can evolve into a more data-driven and efficient function as automation continues to disrupt the way organizations operate. Leveraging recent advancements in technology, AI is now used to support processes such as role matching, screening resumes and short listing candidates; however, it begs the question: Can AI predict employee performance and retention? What skills will HR professionals need to properly engage with AI tools that enable ethical practices? If we do not want to cross the line too far, where is the line? This study addresses these questions by providing real-life case studies exemplifying successful AI enabled TA around the world. This article focuses on the increase in utility of artificial intelligence (AI) in the way organizations are implementing talent acquisition (TA) practices. It investigates the ramifications of AI in TA practices on existing bias in hiring, with a specific lens on India. The second half of the article illustrates case examples from around the world showing how AI is enabling shifts in recruitment practices and processes, ranging from sourcing and onboarding, through to talent management including talent segmentation and employee engagement. Based on HR professionals' use of technologies, the last section examines India's readiness to take advantage of AI use in TA. The conclusion examines the role of AI in supporting better hiring outcomes, and implications for diversity and inclusion in the workforce.

UNDERSTANDING AI IN RECRUITING:

Artificial intelligence (AI) is often mistakenly regarded as only robotic automation, but it involves much more than that! AI is revolutionizing cutting-edge business solutions, because it encompasses predictive analytics, data processing, and sound decision-making. It is no surprise that it has influenced the Human Resources (HR) department, especially Talent Acquisition (TA).

EVOLVING EXPECTATIONS FOR EMPLOYEES AND EMPLOYERS:

With an increased emphasis on quality-driven productivity, employee expectations have changed. However, employees are also expecting more from their employers. With an increase in expectations from both sides, the processes that businesses use to hire people have changed.

THE TRANSITION TO INTELLIGENT SYSTEMS SEEING THAT MANUAL SCREENING:

In the 1990's we in the hiring process, the HR managers manually screened applicants one by one, which although developmentally changed through time. Since they weren't being screened effectively (which while at that point over time agreed variations), since it was still subject to biases. Key word filtering simply reduced human subjected bias (assuming that you

have parsed the right developmentally appropriate key words), and the rise of Applicant Tracking Systems (ATS) and Candidate Relationship Manager (CRM) for some really opened up the ability to process data and key word filtering will depend on the use of applicant screening the potential of the future - Talent Acquisition (TAS) Talent Relationship Management (TRM) Systems Today, the focus for us is changing rapidly with new tools that offer Talent Acquisition Systems (TAS) and Talent Relationship Management (TRM) systems, These systems not only include screening, they have proactive engagement in talent, onboarding, recruitment marketing, and real-time candidate engagement. TRM systems can even identify contingent workers, passive candidates, and even current employees to help the organization build large talent networks.

USING AI FOR PRODUCTIVITY IMPROVEMENT AND BIAS REDUCTION:

AI improves cost-effectiveness, scalability, and efficiency in TA processes. Plus, it improves how well we understand performance analytics, it reduces human bias, and it can facilitate inclusive data-driven hiring. In addition to automating work, AI can help make more intelligent fair hiring decisions by learning from large datasets.

Based on a recent survey by Social Talent of recruiters, recruiters find 91 candidates with a 1% success rate reporting a 150% improvement in efficiency while they find an average 225 candidates with a 0.4% conversion rate to hire. The results can be further enhanced with AI techniques. For example, Predictive Hire, a cloud-based analytics firm, indicated that its pre-hire assessment tool would've saved one of its Australian clients AUD 1.1 million. Instead, bad employment decisions made cost the company AUD 800,000 in a single year. With AI now changing the hiring landscape quickly, it is important to understand which tasks AI can replace, but also which human skills are at risk. According to research by the World Economic Forum on the Future of Jobs, the workforce will need to be reskilled to stay competitive in an AI-driven labour market. The results of the study illustrate how new skills are needed for Mars much less desirable for Earth



Figure 1: Skills for future, Skills at Risk

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Business leaders are beginning to see the value of AI on recruiting talent. In a Deloitte survey done in 2017, 83% of executives responded they now see talent acquisition as a focus rather than just an HR responsibility. According to LinkedIn's Global recruiting Trends report the future of recruiting will be impacted by automation in hiring and screening, minimizing bias and saving time. For example, a report in 2018 identified an expected increase in hiring volume in India by 76%, with 63% of executives preparing to increase recruiting budgets. Harvey Nash and Mercer surveys show a number of organizations have felt impact from AI or expect it to impact their organization in the next five years, and on a related note, CareerBuilder found that 60% of job seekers abandon the application process due to the complexity and 80% would not reapply until something has changed — which underlines, furthermore, the need for AI to improve and simplify the candidate experience.

People Matters and Param.ai conducted a study in 2017 that surveyed India and to assess how Indian businesses applied technology in sourcing, screening, interviewing, and selection. The findings showed that while levels of interest are increasing, organisations have only begun traversing the potential opportunities that technology can provide in hiring. The substantial 40% disparity between the level of desired technology adoptions and actual deployments demonstrates the intention to implement technology at a further stage. In summarising Corporate India, which is increasingly adopting tech solutions through each phase of the

hiring cycle, the survey also determined what were the most popular recruitment priorities / goals for 2018.

AI IN TALENT ACQUISITION: A FUNCTIONAL DEEP-DIVE:

In 2017, People Matters partnered with Param.ai to do a study in India on how Indian businesses leverage technology for sourcing and screening, interviewing, and selection. The findings showed that while interest is growing, organizations are mostly in the early stages of implementation. Overall, there is a large difference of 40% between organizations' intended adoption levels and current usage levels means that there is a clear desire to use tech solutions more broadly in the future. While it also illustrates that Corporate India is increasingly utilizing technology solutions in all stages of hiring, the study also identified top recruitment objectives for 2018.



Figure 2: The Talent Acquisition Lifecycle

High-Soft Although Chennai-based IT consultant Infotech had a history of being a good company to work for, they were woefully understaffed. The leadership completely overhauled their recruitment processes to address the issue, switching from traditional keyword-based searches to using AI-assisted tools.

Preparing: They built an AI tool that would automatically send customized follow-ups to previously qualified candidates with existing applicant tracking system feeds. **Sourcing:** AI bots were used to scan social media and online technical forums for potential applicants, and they even flagged those companies that were open to moving.

Screening: Machine-learning algorithms saved considerable manual review of resumes, took care of aptitude testing, and listed the behavioural attributes to confirm a culture fit.

Selecting: AI ranked the successful candidates in relation to suitability, experience, and online presence to enable quicker connections from recruiter to candidate.

Hiring: The automated, seamless process not only improved candidate experience but reduced lag time and stakeholder approvals for hire.

Onboarding: AI chatbots facilitated paperwork through engaging dialogue, increased engagement, allowing HR personnel to focus in person.

There are many challenges organizations face in developing AI. The recruiters must be trained on cognitive tool technologies to reduce administrative burden and improve hiring decisions. By using agile training methods to enhance the capabilities of their talent acquisition teams and providing mentoring and digital badges to create tech-savvy recruiters, IBM helps set the standard for training its AI workforce. Unfortunately, a Willis Towers Watson survey found only 12% of multinational companies, including those based in India, feel ready for HR transformation as a result of technology. Nonetheless, India is likely to adopt AI faster than the rest of the world as its usage grows from 14% to 27% in three years. Tech behemoths including Google and Microsoft are making large investments in AI ecosystem in India through pilot initiatives and training. The Indian Government also aligned its AI initiatives with the Sustainable Development Goals which includes supporting through regulation and financial support to make India a major player in the global developments of AI by 2030.

BIAS MANAGEMENT THROUGH AI: THE TA ADVANTAGE:

Many organizations are leveraging AI in talent acquisition (TA) as a means to reduce biases and diversify their people. AI algorithms can be programmed to remove demographic elements, such as age, gender, or race, to create a fairer evaluation of applicants. The outcome is dependent on the quality of data used to train the AI solution. AI, when fed biased data, is risk of perpetuating biases. While AI can allow companies to increase efficiencies and streamline the hiring process, it will not be able to assess soft skills or cultural fit, and will undermine the value of emotional intelligence and human interaction and communication with candidates. As such, AI should enhance and support human decision making, not be a direct replacement. As part of this process, both developers and HR leaders will be critical in ensuring this process is being developed and used, in accordance with a strong commitment to equity and inclusivity and consider the ethical ramifications of the AI.

CONCLUSION:

Modern companies depend on artificial intelligence, which ultimately is expected to generate the next wave of innovation. Given this circumstance, organizations must leverage AI to get the best from their most significant asset—human capital. This research has demonstrated how AI supports many of the stages of the TA lifecycle, as effective talent acquisition (TA) is essential to talent management practices. However, AI cannot replace human interaction in HR. TA leaders should use AI to automate monotonous tasks like reviewing resumes, and then gradually extend it to more complex tasks such as interacting with candidates. Survey results indicate that job seekers are more tolerant of AI, and many would, in fact, be open to interacting with chatbots at the initial stages. As organisations continue to expect that AI will soon be fully adopted, now is the time to engage with it. AI can help recruiters become more operationally efficient and strategic if they start applying it in the right way. Human

judgement and AI can offer more strategic, inclusive and commercially relevant hiring approaches.

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