



The Impact of AI on Recruiting in the Workplace



Introduction

Artificial Intelligence has been changing the world for decades. Ever since Alan Turing published “Computer Machinery and Intelligence” in the 1950s, innovators have been looking for ways to make computers smarter, more intuitive, and more valuable.



Today, AI algorithms and technology are evolving faster than ever before. In the last few years, we've seen the rise of deep neural networks, large language models, and even transformative tools like generative AI.

These innovations are influencing every part of our lives, from how we communicate and search for information, to how company leaders search for and hire candidates. With its ability to process data at exceptional speeds, provide useful insights, and automate repetitive tasks, AI has the potential to significantly improve the recruitment process.

However, AI doesn't replace the need for human input. Even the most advanced systems can't simulate the creativity and empathy of a human recruitment expert. As the demand for AI continues to grow, it's crucial for early adopters to recognise that AI can only augment and support recruitment teams, not replace them entirely.

In this report, we'll be examining the rising influence of artificial intelligence on the recruitment landscape, exploring its benefits, and drawbacks, as well as the best practices recruiters must follow to ensure they're making the most of AI's abilities.

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What is AI in Recruitment? The Fundamentals

Artificial intelligence, or “AI”, is a machine’s ability to perform cognitive functions similar to that of the human mind, such as perceiving, learning, and reasoning. There are many different types of artificial intelligence in the modern world and many sub-sections in the AI landscape.

For instance, machine learning (ML) systems can learn and adapt using data, without having to follow explicit instructions. Natural Language Processing (NLP) solutions can understand and categorise written and spoken language and respond to human commands.

In the recruitment landscape, various forms of AI can streamline and automate aspects of the recruitment process. AI can help recruiters source candidates, by rapidly searching through databases of information, and assist in analysing CVs and job applications.

Currently, 88% of companies worldwide are using AI in some form for the HR and recruitment process, and adoption is growing at a rapid pace.

Types of AI Tools in Recruitment. As new forms of AI emerge in the workplace the potential of AI in recruitment is evolving. While there are many different forms of AI available to recruiters, some of the most common types used in today’s landscape include:

- **Screening software:** Screening software, such as ATS (Applicant Tracking Systems) can assess CVs and look for candidates that match a position’s requirements. They can scan for keywords, specific skills, or certifications, and rank resumes based on relevance.
- **Online interviewing tools:** AI interviewing tools can help recruiters collect more data during a candidate interview. AI software can automatically analyse speech patterns, body language, and facial expressions, to tell teams more about a candidate’s behaviour.
- **Outreach tools:** Automated outreach tools allow businesses to send messages and information to numerous candidates at once. With one click, you can send out links, surveys, and job offers to a variety of candidates, or schedule an interview.
- **Chatbots:** 41% of companies now use chatbots as part of the recruitment process, to answer candidate questions, provide feedback on the interview process, or keep candidates informed about the progress of their application.

The Benefits of AI in Hiring and Recruiting

Early adopters of AI-powered recruitment software say the technology has reduced their cost per screen by 75%, and their turnover by 35%. When used to support and augment recruitment teams, artificial intelligence can improve efficiency, performance, and productivity. The biggest benefits include:

Efficiency and Time Savings

Recruitment is a lengthy and time-consuming process, which often involves a lot of manual work. The recruitment role epitomises the concept of searching for a needle in a haystack. Sorting through candidates and screening resumes takes a lot of effort, with the average recruiter spending up to 30 hours per week on administrative tasks alone. AI tools in the recruitment space can automate a number of repetitive tasks, saving crucial time. They can sort through thousands of resumes in an instant and identify qualified candidates. Some tools can respond to candidate questions instantly, and even help schedule interviews based on shared calendar information. This helps HR teams spend more of their time on strategic tasks, such as connecting with candidates, assessing cultural fit, and promoting an employer brand.

Improved Candidate Matching

The best recruiters are becoming increasingly data-driven. Rather than shortlisting candidates based on gut feeling, they analyse crucial information about each candidate, to determine a candidate's capacity to thrive in a specific role. AI solutions can assist with this process. They can process vast amounts of information, and help recruiters determine which candidates have the right skills, experience, and characteristics for a position. Screening tools can even rank candidates based on their proficiency for a role.

This also saves recruiters time comparing candidate resumes and creating shortlists for business leaders to assess. Some AI tools can even help recruiters choose candidates who are more likely to fit well into a company's culture, reducing the risk of rapid turnover.

The Benefits of AI in Hiring and Recruiting

Diversity and Inclusion

Though recruiters and businesses are becoming more aware of the impact of bias in the hiring process, biases, and preconceptions can sometimes creep into the recruitment process. They can influence hiring decisions, prompting companies to prioritise candidates based on factors that aren't relevant, such as race, age, or gender.

79% of HR professionals admit that unconscious biases influence recruitment-related decisions. This results in poor hiring choices and can damage a company's diversity. When utilised correctly, AI tools can help to counteract bias reducing subjectivity in the hiring process.

AI can use standardised strategies to assess candidates based on the most relevant factors, such as skills and experience. It can eliminate subjective factors from the recruitment process, leading to a more diverse, and equitable hiring strategy.

The *Drawbacks & Ethical* considerations



As valuable as AI can be in the recruitment strategy, it's not without its issues. Though AI algorithms are becoming more advanced, they make mistakes. They can overlook important data, adopt the biases of the humans that train them, and even present privacy and security issues.

When using AI in the recruitment process, innovators need to be aware of:

Bias and Fairness

When used correctly, AI can help to reduce biases in the recruitment process. However, it's also subject to bias itself. Bias in AI recruiting has become a major point of discussion in recent years, as AI systems are often influenced by the people who train and build them.

If the data fed to an AI solution is biased, the system itself becomes less objective. For instance, a technician might provide a screening tool with a set of resumes to train it on what features to look for in a candidate. If all of those resumes are for men, the AI tool would be more likely to look for male candidates when creating shortlists.

The issues with AI bias have created significant controversy over the years. Some candidates have even sued companies, saying that they were rejected from a role based on race, age, or disabilities.

The *Drawbacks & Ethical* considerations

Data Privacy

AI is powered by data. To create a powerful and effective AI system, leaders need to provide an algorithm with huge volumes of data to learn from. Unfortunately, this can lead to issues with data privacy regulations.

Companies might use personal candidate data to help train an AI system to look for specific information about future candidates. They may find systems hold or store information for too long, or use it in unethical ways.

To comply with data protection regulations, such as GDPR, businesses using AI in recruitment need to ensure they understand where data is stored, how it is used, and which data is processed by their technology. Many companies have yet to put proper data safeguards in place, which could lead to data breaches, fines, and reputational damage.

Transparency and Accountability

As AI is still a relatively new concept for many recruitment/search companies, it isn't always easy to determine how and why certain systems make specific decisions. This has led to an increased focus from ethical AI regulators on "explain ability". Experts in the recruitment/search companies need to be able to explain why their AI systems work in a specific way.

Even if an AI solution is responsible for screening and shortlisting candidates, the recruitment company is still accountable if something goes wrong. When working with AI solutions, recruiters and business leaders need to determine how transparent the AI decisions are, and what measures are being taken to mitigate bias.

This isn't always simple for those who don't have a deep existing knowledge of the AI landscape and how certain algorithms work.

The *Human* Element in AI-Enabled Hiring

Perhaps the biggest mistake companies make when implementing AI into the recruitment process is assuming that intelligent tools can completely eliminate the need for human experts. AI is a resource, capable of augmenting and supporting human beings.

The ideal AI-enabled hiring process will use intelligence to complement human expertise, not replace recruiters from the process. Ultimately, in the world of talent acquisition, the human touch still plays a vital role in a successful recruitment process. While automation and AI can revolutionise various aspects of hiring, the importance of empathy and understanding provided by humans is paramount.

56% of candidates say they believe AI should never make hiring decisions without human input. After all, it's the human experience and empathy of an expert recruiter that leads to more effective choices. Empathy allows recruiters to understand a candidate's motivations, challenges, and unique circumstances, and deliver a more powerful candidate experience.

Because they empathise with candidates, recruiters can address their concerns throughout the hiring journey, tailor the experience to their needs, and provide relevant guidance. This leads to a stronger employer brand and deeper connections between employers and candidates.

Moreover, human interactions throughout the recruitment process address a candidate's need for individualised support and personalised attention. While technology can streamline aspects of the talent acquisition process, it lacks the nuanced understanding and emotional intelligence human beings possess. The personalised approach recruiters bring to the process helps candidates feel more connected to the organisation, increasing their chances of accepting job offers. What's more, it also enables recruiters to properly assess cultural fit, and the potential candidate has for long-term success within a company.

The Future of AI in Recruiting and Hiring

While AI will never fully eliminate the need for human input during the recruitment process, innovations in the AI world are introducing new ways to augment and enhance hiring strategies. As mentioned previously, AI systems are now evolving at an incredible rate. The rise of more advanced machine learning models and even generative AI is leading to new opportunities for recruiters to boost efficiency and productivity.

Emerging trends in the industry include:

Voicebots:

Evolutions in natural language processing and understanding are leading to the development of voicebots that can help screen candidates. They can rapidly capture information, respond to candidate questions, and capture data for recruitment teams.

Interview scheduling:

Modern AI solutions can help to improve the scheduling process. They can use calendar information and data about time zones to suggest potential interview times that work for both candidates and recruiters, reducing administrative work.

AI video interviewing:

Used in the video interview process, AI solutions can help recruiters identify desirable characteristics based on traits like a candidate's pacing, eye contact, and body language. They can also help improve clarity, by transcribing spoken content.

Gamified assessments:

With AI, companies can create unique gamified assessments to help detect a candidate's proficiency in certain areas. AI solutions can evaluate a candidate's performance in certain areas and score their skills in a standardised format for recruiters.

As AI continues to evolve, it will undoubtedly streamline a number of tasks in the recruitment process, from sourcing candidates to assessing their skills. However, no matter how advanced this technology becomes, it will always be crucial to include human beings in any decision-making.

Preparing for an AI-Driven Future: Best Practices

Though there are still challenges to overcome in the world of AI recruitment, it seems likely that intelligent tools will play a greater role in the hiring process going forward. Already, 92% of HR professionals believe AI is helping them to save time on administrative tasks.

However, companies planning on using AI will need to ensure they have the right strategy in place to avoid potential biases and issues.

When leveraging AI in the recruitment landscape, consider the following:



Focus on what AI Does Best

AI isn't a catch-all solution for all recruitment issues. Different AI tools have different use cases, but fundamentally, the technology is most effective at managing and assessing data. AI shouldn't be used to make decisions that require the ethical and empathetic input of a human being.

Instead, companies should use AI to empower and augment recruitment experts. This could mean automating repetitive tasks, like answering candidate questions or scanning through CVs for specific skills or keywords.

AI is fantastic at streamlining time-consuming, mundane tasks, such as scheduling interviews, identifying skills gaps among current employees, or assessing applicant materials. Human beings, on the other hand, are best at communication, empathetic assessment, and creativity.

Preparing for an AI-Driven Future: Best Practices

Be Transparent

Transparency is crucial for any company using AI in the recruitment process. As new laws and regulations are introduced to govern the fair use of AI, companies will need to ensure they're adhering to the laws in their countries.

A growing number of local governments now require companies to tell applicants when they're using AI for hiring. Most of these laws also require recruiters to ask for consent from candidates if they're going to use their data for training purposes. Even if your business isn't subject to certain AI laws yet, transparency can help to improve your employer brand and put candidates at ease. Reassuring candidates that they will maintain control over their data paves the foundations for a positive relationship, built on trust.

Maintain Hiring Etiquette When Using AI

One of the biggest complaints both candidates and recruiters have about AI is that it can dehumanise the hiring process. That's why it's so important to think about hiring etiquette throughout the recruitment journey.

It may be fine to use AI's capabilities to reduce administrative tasks during the early stages of the recruitment process. For instance, you could use AI to rapidly respond to candidates and let them know you've received their application.

However, companies shouldn't depend on AI to interact with candidates in the later stages of the hiring journey. Personalised and authentic communication with human beings is still essential to building strong relationships and positive candidate experiences.

Preparing for an AI-Driven Future: Best Practices

Understand the Drawbacks and Limitations of AI

When used properly, AI can help with a lot of components in the recruitment process. It can help to remove bias when filtering through candidates, and streamline repetitive tasks. However, there are also dangers to relying on AI too much in your hiring strategy. For instance, AI has been proven to exhibit bias in the past, as a result of the information engineers feed into the algorithms. It can exclude specific races or genders from the hiring process, simply because it hasn't been exposed to enough data about different people.

Additionally, AI can store and use data in a way that's considered unethical, or dangerous. With this in mind, companies must ensure they're conducting frequent quality control tests, to measure the outcomes of using AI tools against their DEI goals.

Test and Readjust Regularly

AI is constantly evolving and changing. If your AI recruitment software fails to find candidates in the landscape that match your needs, it's unlikely that the number of valuable candidates has suddenly dropped. Instead, there's a good chance your AI solutions need adjustment, or an experienced recruiter is a better option because of their connections.

Even if you are finding excellent candidates with the help of AI tools, it's worth conducting control tests at least a few times each year. Companies can perform human reviews of a randomised set of resumes for a recently filled role, to determine whether candidates are being missed out.

Human beings will be more able to identify important factors that contribute to the success of an employee in your business, such as cultural fit.

The Growing Impact of AI in Recruitment

It's impossible to ignore the growing presence of artificial intelligence in the modern recruitment world. AI certainly has a number of benefits to offer recruiters and companies in search of top talent. It can streamline numerous administrative tasks and save teams significant time and effort in finding and connecting with candidates.

However, AI recruiting tools won't remove the need for human recruiters. Effective talent acquisition relies on the experience, expertise, and empathy offered by human beings. Companies embracing AI for the future of recruitment need to remember these tools are only suitable for augmenting and supporting recruitment teams. What's more, it's crucial for businesses to recognise the importance of using AI responsibly. There are various risks and dangers involved with relying too heavily on AI in the recruitment process. Business leaders and recruiters must ensure their use of AI doesn't lead to bias, unethical practices, or issues with privacy and data security. If you're planning on using AI recruitment tools, start by improving your AI knowledge, learning as much as you can about the landscape, and building comprehensive strategies for success.

AI can be a powerful tool for hiring experts – but only when it's used with care.



At Harris Lord, we understand the human element that makes people and businesses thrive

We believe in creating lasting relationships with everyone we meet.

We understand that there's no one-size-fits all approach with recruitment, instead we take the time to focus on the service that we know we can deliver.

This is why we only ever take on roles that we are confident we can deliver on.

Our time is spent ascertaining what makes someone the perfect hire for a business and the business the perfect opportunity for the candidate.

Passion is at the heart of what we do, we are experts in identifying the largest talent pool, assessing within the agreed criteria and we are committed to working in partnership to the desired outcome.

Don't just take our word for it



*Company Founder &
Director of Harris
Recruitment, Tracey Harris*

"I first came across Harris Lord as a candidate early in my career. I received a really friendly and personalised service, Julie gave me really good advice and really took the time to get to know me which then enabled her to match me to a role and company that suited me well. I have been with the same company for almost 8 years now so it really was a good match! During this time I have also worked with Harris Lord as a client on a number of occasions. Everyone I have spoken to within the team has been really helpful, friendly and delivered a high level of service which was tailored to the needs of our business and the specific roles we were recruiting for. I would highly recommend Harris Lord."



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