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# Automation and Al in Recruiting:

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Balancing the Risks and Rewards in a Modern Hiring Environment





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# **Executive Summary**

The talent environment remains highly competitive amidst challenging economic headwinds. And it's requiring companies to focus on increasing efficiencies to achieve their hiring goals. To enhance the efficacy of recruitment processes, some businesses are looking to optimize automation of their recruiting workflows. Other more advanced enterprises may look to complement recruitment automation by more fully embracing and expanding their use of artificial intelligence (AI).

While recruiting automation has empowered companies of all sizes for more than two decades to streamline hiring tasks, increase recruiter productivity, speed time-to-hire, and reduce cost-per-hire, AI is newer to talent acquisition. But it is already proving its value.

Al has revolutionized the recruitment landscape by offering sophisticated and nuanced solutions to source, interview, engage, and onboard top talent. In fact, <u>SHRM reports</u> 40% of companies use AI for screening and assessing candidates, 41% use it for chatbots to engage with job seekers, and 44% use it for identifying talent from social media profiles. But with the introduction of generative AI, such as ChatGPT from Open AI, current conversations and use cases around how to best leverage AI effectively in recruitment vary wildly. While some efficiency gains have been realized through AI-powered chatbots and candidate screening tools, many recruiting processes will benefit from further advances in AI. The challenge, however, is one that goes beyond technology. It requires people – TA experts, hiring managers, and recruiting professionals – to embrace both the risks and rewards of AI-powered solutions.

However, despite the benefits of AI in talent acquisition, there's a need to tread cautiously. Organizations must invest in the right set of AI tools that fit their hiring needs, culture, and values. They must also strike a balance between AI's ability to streamline recruitment processes and the need for human intervention at crucial stages of the recruitment process.

This report examines what differentiates recruitment automation and AI, explores the current state of AI-powered recruiting solutions, provides insights on the impact of both types of these purpose-built technologies, and offers guidance and best practices for companies to leverage and optimize their use at multiple stages of the recruitment journey.



The human element of recruitment remains crucial, and effective collaboration between HR professionals and AI-powered tools can significantly enhance the effectiveness of recruitment strategies.



#### Part 1

# Defining and Distinguishing Between Recruitment Automation and Al

Deploying automated recruiting and AI-powered solutions undoubtedly accelerates hiring initiatives. But to use them effectively for talent acquisition, companies must understand their differences and recognize how to develop the people and processes that guide the successful deployment of each.

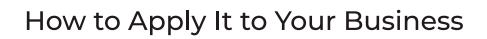


### What Is Recruitment Automation?

With <u>millions of available jobs</u> in the U.S. alone, and candidates still in control of the labor market, organizations are under enormous pressure to fill open roles as quickly as possible. Resources are stretched thin, and talent teams are searching for ways to save time, increase efficiency, and streamline processes.

Recruiting automation is software that streamlines the recruiting process, taking tedious tasks away from recruiters and hiring managers, and freeing them up to do more important tasks like nurturing relationships, promoting the company's employer brand, and developing more strategic recruiting strategies, including diversity, equity, and inclusion (DEI).

That's why smart recruiting teams incorporate automated tools into their everyday processes. The recruitment automation solutions available today – like automated job posting and messaging, resume screening, candidate texting, interview scheduling and more – can improve recruiting efficiency without sacrificing hiring quality or the candidate experience.



There's no question that recruiting is a human-focused job. Yet within the scope of the recruiting function, there's a wide variety of tasks that can benefit from automation. These include the more tedious and repetitive parts of any recruiter's job description, where automation can be applied to get the job done quickly and efficiently.



#### **Job Posting**

Using an automated tool, recruiters can automatically distribute job descriptions to hundreds of job boards, including boards like LinkedIn, Indeed, and ZipRecruiter, and targeted boards for specific industries and audiences. You can also customize posting destinations based on specific job attributes to make sure it's seen by the most relevant candidates. And centralized management of all your job postings means you can edit or update your job postings from one system, across all locations.





#### **Resume Screening**

Automation makes it easy to find the right skills and experience at scale. With automated resume screening, you can streamline the time-consuming (but necessary) process of reviewing resumes. Automatically ingest resume or profile data into your candidate relationship management (CRM) system, review candidate qualifications, collect feedback from internal stakeholders, and capture decisions about whether to advance a candidate to the next stage in the process.



#### **Passive Candidate Nurturing**

Passive candidates represent an incredibly valuable talent pool, but it takes effort to develop them into engaged, active applicants. Recruitment automation lets you nurture passive candidates with automated email or text campaigns to keep them up-to-date on job openings, company news, and other relevant content. These automated communications help keep passive candidates moving toward eventual conversion with minimal effort.

#### **Candidate Communications**

Automated messaging solutions can be used to streamline a variety of candidate communications: invite candidates to apply for a job, send interview confirmations, answer common questions, deliver personalized rejection letters, and so much more. Automated messaging can be managed through your ATS, allowing recruiters to view every text thread in one place and creating an easily accessible audit trail.



#### **Interview Scheduling**

Slow, inefficient interview scheduling can cause applicants to lose interest – and while you're busy juggling schedules, they may already be meeting with your competition. Automated scheduling tools eliminate the tedious process of checking calendars and sending invitations, allowing you to automatically propose interview times, confirm availability, and book meetings. Scheduling changes and unexpected cancellations can be communicated instantly, so neither side is left hanging.





#### **Internal Feedback and Collaboration**

Sharing information within the hiring team is essential to collaborative recruiting, but it's a resource-intensive process when recruiters have to chase down stakeholders for their input. Automated internal communication tools allow hiring managers and other stakeholders to enter feedback on each candidate and store it in a central location, where it's visible and accessible to the entire team – taking the guesswork out of next steps.



### What Are Potential Challenges of Recruiting Automation?

The benefits of recruiting automation are clear and there are countless ways to use these technologies, but that doesn't mean the path to adoption is easy or stress-free. By anticipating the pitfalls you may encounter along the way, you can prepare appropriately and increase your chances of success.

#### Fear of Automation

Among the top challenges of adopting recruitment automation is the immediate negative reaction to the concept. Automation is often depicted as a replacement for the human workforce – and no one wants to feel expendable.

The truth is, automation isn't meant to replace recruiters, but instead to supplement their capabilities by taking over repetitive manual tasks. Show critics how automation can make their work easier – and advance their careers – and they'll become fans in no time.

#### In

#### **Internal Adoption**

Humans are naturally resistant to change, so successful implementation of any new technology can be a struggle. Start by ensuring that you have buy-in from the top down, to create built-in support and accountability.

If possible, recruit your most supportive stakeholders to help champion the initiative. Implement a thorough training program to get everyone off to a great start and celebrate your successes along the way.

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#### **Brand and Experience Concerns**

You may face resistance from people who believe automation makes the employer brand feel robotic and sterile, leading to a poor candidate experience. You can reassure those individuals that automation can actually enhance your brand by delivering consistent messaging that's timely, engaging, and personalized. And because automation leaves recruiters with fewer manual tasks to complete, they can focus their attention on delivering the best possible experience to the most qualified candidates.



#### **Technology Integration**

Proper integration can be a point of frustration with any technology – but especially one that's intended to make your life easier. Systems that don't integrate seamlessly end up creating more work and delays for recruiting teams. So take the time to question your vendor thoroughly on integration capabilities and be sure your IT team is involved in the selection process.



#### Where to Start in Recruitment Automation

The first step in adopting recruitment automation technology is to assess the current state. Look for inefficiencies in your current workflow, then implement automated tools to relieve the burden of those manual tasks.

While you may be inspired to apply automation throughout the hiring process, it's easier to monitor results if you stick to automating one thing at a time. Be sure to look at common metrics like conversion rate and time-to-hire, then set goals to measure how automation impacts recruiting performance.

And don't forget to review your results periodically to see where you're making progress – and where there's still room to improve.



## What Is AI (And What Are All Those Acronyms)?

As you delve deeper into the world of technology and innovation, the distinction between automation and artificial intelligence is increasingly important.

**52%** 

Unfortunately, more than half, or <u>52% of companies define AI</u> <u>as automation</u> rather than intelligence and machines capable of learning and logic.

Automation and AI are not synonymous. It is a common misconception that these two concepts are interchangeable; they are separate entities with their own ethical and technological implications.

Artificial intelligence is technology that enables machines to replicate human-like intelligence and behaviors, encompassing areas such as machine learning, natural language processing, and neural networks. All has the power to learn and evolve, responding to data inputs and building upon that knowledge to continually improve its ability to perform tasks.



# Quick Look: The Difference Between Al and Automation

It is important to understand the distinctions between artificial intelligence and recruitment automation technologies because there are compliance and ethical implications associated with implementing AI correctly. While automation, when not AI-powered, lacks the ability to recognize and adapt to biases that may be built into its programming, AI technologies, offer the potential to identify and mitigate those biases in ways that traditional automation cannot.

Furthermore, the use of AI presents a range of ethical considerations, such as the fairness, accountability, and transparency of its decision-making. Without careful consideration of these ethical implications, using AI could result in unintended consequences, potentially doing more harm than good.

While automation has been one of the precursors to the development of AI technologies, automation lacks the learning and decision-making capabilities of AI and is not subject to the same ethical considerations. To ensure that AI is integrated effectively and responsibly within organizations, it is crucial to address these ethical and technological distinctions. Only then can companies unlock the true potential of AI, empowering machines to work alongside humans to achieve shared goals.

# What You Need to Know About Al in Recruiting

Al is now one of the fastest-growing areas in technology because it increases the speed of tasks that can be completed, while improving the quality of outcomes. For more detailed descriptions, let's take a look at each of the areas that Al encompasses: machine learning, natural language processing, optical character recognition, and sentiment analysis.

#### Generative AI: Draft Compelling Recruiting Content

Generative AI relies on previously created data (images or content already existing online) to create and generate new content. In talent acquisition, it's often used to draft job descriptions, recruitment ads, employer branding elements, outreach emails, social media posts, and more.

This technology was introduced in the 1960s in the form of chatbots, but the introduction of Large Language Models (LLMs) has made it what it is today: the ability to form alarmingly realistic images, videos, content, and audio. ChatGPT is a popular form of generative AI recently introduced that has already made a significant impact in recruiting. However, this technology comes with a stern warning label from most industry leaders: "Do not enter proprietary information into ChatGPT."

Although ChatGPT has a reputation for pulling analytic insights from your privileged data, open AI means that information is now available for anyone else using ChatGPT. Generative AI learns and retains anything and everything entered into the program, so beware of its power and presence.

#### Machine Learning: Predict Patterns and Make Time-Saving Recommendations

With machine learning (ML), computer systems use algorithms and statistical models to perform a specific task without explicit instructions, relying on patterns and inference instead. Some refer to this as conversational AI or "generative AI with guard rails."

Simply put, the machine works to find patterns in data and then applies them. For example, in the consumer landscape, online retailers use ML to recommend products based on previous purchases. In recruiting, machine learning is especially helpful for recruiters who can leverage it to automatically send the right jobs to the right candidates based on their career site activity, professional experience, and personal interests.

With that heavy lifting managed, recruiters can spend quality time conversing with candidates who are the most qualified, clearly motivated, and truly excited about joining the company. ML can further support these conversations by sending supporting messaging at the right time and through the right channel to ensure the highest candidate engagement rates.

#### Natural Language Processing: Learn, Speak, and Analyze the Language of Every Candidate

Natural language processing (NLP) helps computers understand, interpret, and manipulate human language. Virtual home assistants like Alexa, Google Assistant, and Siri are all ways to engage with NLP systems daily.

In the context of recruiting, screening, interviewing, and hiring activities now take place across multiple channels, including email, text, and social media. So there's more opportunity for candidates to express their unique personalities with emojis, memes, and a more casual tone. Through NLP-powered chatbots, AI can help recruiters decipher these interactions accurately and quickly to accelerate applications and screening efforts.

NLP can also be used to scan and anonymize content that might contribute to conscious or unconscious bias in the candidate screening process. With workforce planning becoming more global daily, it's also useful for localized employer branding and hiring efforts.

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#### Optical Character Recognition: Translate Images Into Useful Information

Optical character recognition (OCR) is the electronic or mechanical conversion of images of typed, handwritten, or printed text into machine-encoded text. It may sound complicated, but many of us already interact with OCR regularly when we deposit a check via front and back pictures submitted through our mobile banking apps.

OCR can be deployed within talent acquisition to enable job seekers to scan resumes and other required documentation straight from their smartphones. The efficiency of the experience not only accelerates the application process, but also creates a positive candidate experience. For example, many applicants complain (rightfully so) about having to input their resumes multiple times. Think about recruiting platforms that leverage OCR within their systems, creating a simple snap-and-apply feature.

#### Sentiment Analysis: Understand Candidate Interest

Finally, there is sentiment analysis, a subset of NLP. Sentiment analysis is the interpretation and classification of emotions (positive, negative, and neutral) within text data using text analysis techniques. Using sentiment analysis, chatbots can pre-screen candidates by gauging responses to a pre-populated list of questions as positive, neutral, or negative. Sentiment analysis never presumes to qualify or disqualify a candidate completely. Rather, candidate sentiments are translated, and arm recruiters with the information they need to make the best qualification decisions.







#### Part 2

# Examining the Influence of AI in the Current Recruiting Landscape

If conversations on social media and in popular press aren't apparent enough, consider this your official notification: **AI is no longer the future; it's the present.** Whether in response to the labor market, or the heavy competition to nab top talent before other businesses, it's clear recruiters and companies are turning to AI technology like never before. In fact, **77%** of businesses are interested in using or currently using more advanced AI to support sourcing efforts.





Where recruiters have previously leaned on applicant tracking systems and recruitment automation, enterprises are now searching for more advanced solutions that take even more burden off of humans to support better decision making for their hiring efforts.

### 63%

Aptitude Research shows <u>63% of companies are investing or</u> planning to invest in Al solutions this year compared to 42% in 2020.

Leveraging AI in recruitment allows for greater efficiency and effectiveness, ultimately leading to better talent acquisition outcomes. For example, AI can assist in screening resumes, identifying the most qualified candidates, and even providing insights into potential cultural fit of candidates.

#### Josh Bersin recently said it best about the increasing power of new AI technologies:



Ready or not, GPT and Generative AI are arriving fast. And among the many places it appears, HR technology may be one of the first. And in HR, where we use tools and systems for almost everything, the impact will be felt everywhere.

- Josh Bersin, Global Industry Analyst

Bersin also highlights the growing emergence of <u>Talent Intelligence Platforms</u>, which differ from many of the current tools, platforms, and even data-driven software solutions many in the hiring world are used to. These AI-powered data platforms help companies with everything from sourcing and internal talent matching to intelligent succession planning and skills analysis.





If it feels like you're evaluating platforms at lightspeed, you're not alone. This rapid shift can easily be pegged as a sign of the times. Let's take a look at some of the challenges and concerns Al presents to recruiting.

### Challenges with Al: Skepticism In Recruiting

For all the promise of AI-powered technologies, some talent acquisition and recruiting practitioners are risk-averse when it comes to adopting these newer technologies. Let's unpack these concerns to fuel a more productive conversation about how your company can leverage AI in talent acquisition successfully.

#### **Concerns About Obsolescence**

The number one fear of most recruiters is that AI will take their jobs. The truth, however, is that recruiters who embrace the automation, analysis, and insights that AI provides will have job security and a more strategic role within their organization.

> 42% of recruiters believe that <u>AI</u> <u>will help them</u> <u>become more</u> <u>strategic</u> in their jobs.

Less effort spent on the time-consuming work of sourcing, sorting, and screening applicants? That gives recruiters more time for personal interaction with both qualified applicants and hiring managers to accelerate identifying, interviewing and hiring of the right candidate.

While recruiter burnout remains a relevant conversation, AI provides a support system to improve their workload and the quality of their performance. Better outcomes mean more opportunities to grow for the AI-powered recruiter.

42%

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#### **Concerns About Failure**

Al in recruiting is not a new concept. Early applications promised much and delivered little, leading to resentment of technology investments with little return. Al is not a magic wand, nor is it a standalone technology that you simply bolt on for recruiting success.

The lessons of the first wave of AI in TA give rise to new applications in which AI is woven through the entire talent acquisition suite. This allows AI to learn, adapt, and evolve to the entire candidate journey. Have an applicant with a preference for text communications? That knowledge can be passed from the candidate relationship management system to talent acquisition system to the onboarding portal to ensure engagement so communications are received loud and clear.

The failure of the first generation of AI applications in talent acquisition created lessons on which today's systems are based. And one of those lessons is universal – technology alone does not solve problems. It is the combination of people, processes, and technology that solves problems. Reflect on the failures of past implementations within your organization, and you will likely find issues beyond just technology. Get people, processes, and technology right, and AI will do wonders for productivity and performance.



#### **Concerns About Bias**

Some of the most notorious failures of technology involve Al application releases with the best of intentions. In 2016, Microsoft released and then immediately pulled Tay, its Al-powered chatbot, after it spewed offensive, racist statements on Twitter. While it wasn't programmed with such language, its ML algorithm learned from the worst elements of the Twittersphere.

Without appropriate safeguards in place, Tay instantly reflected the worst behaviors it encountered. The fear that AI will amplify the conscious and unconscious bias of its creators is, therefore, based on reality.





However, Tay and other AI-gone-wrong stories have helped highlight the dangers of AI left unchecked. In fact, they have helped motivate the creation of tools to identify and mitigate the impact of bias, be it based on race, religion, color, gender, identity, age, location, or creed. Such stories have also helped organizations realize that diversity, equity, and inclusion require the three legs of people, process, and technology to stand.

Empathetic people exercising critical thought and judgment to shape processes that root out and address bias through technology will help ensure a diverse, qualified candidate set. With thoughtful oversight and implementation, that's the mission AI can help serve.



### Will AI Replace the Recruiter?

Another important item to further consider is the concern about whether AI can replace the role of the recruiter. <u>Goldman Sachs</u> published a note that claims 300 million jobs will be affected by Generative AI, and 7% of jobs could be eliminated. But does that 7% include recruiters? **Put plainly: no. AI will not replace the recruiter.** 

Al will, however, reduce repeatable processes and cause the recruiter's role to evolve. At the heart of AI is the automation of routine and repetitive tasks. AI excels at quickly deriving decisions and optimization over highly complex problems that span numerous data sources and decision points.

Automation is needed to extract the value of these decisions. AI is incorporated into technology systems to follow a set of orders programmed by humans. Still, in the end, it is up to recruiting staff to use their higher cognitive skills to review the data, derive results, assess opportunities, and develop strategies. The combination of AI and human recruiters will dominate the future of recruiting. Consider AI more of a support or co-pilot function. Recruiters and AI assistants should complement one another. AI will help elevate and empower human interactions, big-picture thinking, creativity, and decision-making. AI will not, and should not, replace human judgment and experience.

But AI can be a tool to identify the top candidates whom recruiters should engage in driving the best hiring options, which is why <u>industry insiders</u> predict Talent Intelligence Platforms, or AI-powered data platforms, are the latest market category to bet on.

By allowing AI to automate processes and reduce repetitive tasks, recruiters can focus on the activities where they derive the most satisfaction and provide the most value, such as selling the role, negotiations, community building, and personalization. Not only does this improve the recruiter experience, but the candidate experience as well.

Al will not replace the recruiters. It will make them more productive, strategic, and valuable to employers.



#### Part 3

# Examining Recruitment Automation and Al Opportunities In Light of Labor Market Trends

The current state of the labor market is characterized by a high number of job openings and a shortage of skilled talent. The number of openings is hovering around 9 and 10 million jobs as of May 2023, with open roles outnumbering job seekers around 1.7 to 1. And recruiters and hiring managers are the first to point out how challenging it is to fill open requisitions.



### A Tight Labor Market Demands a New Approach

While there are plenty of opportunities available for job seekers, the imbalance in supply and demand makes it difficult for employers to find the right candidates for their open roles. Economists identify two primary reasons why today's organizations find it hard to fill open jobs.

First, there are significantly more jobs available than workers. According to data from the U.S. Bureau of Labor Statistics, 3.5 million fewer people are in the workforce now than in February 2020. The United States Department of Labor predicts this imbalance to last at least into the 2030s, and likely longer, indicating the labor supply and demand imbalance is not a short-term phenomenon.

The second factor is the mismatch in skills demanded by employers and those possessed by the workforce. While this imbalance has been misaligned since <u>before the pandemic</u>, post-pandemic, the situation is expected to accelerate.

According to the World Bank, over the next decade, the number of people of working age (between ages 15 and 65) will decline in the U.S. by more than three percent. The soaring demand for skilled professionals is far outpacing the supply of talent in the market, creating a severe skills gap that continues to widen.

Recruiters will continue to face challenges searching for qualified candidates to fill open positions, and the historically high churn levels among employees exacerbates the challenge. The introduction of recruitment automation and more effective AI technologies should serve as a welcome approach to employers who are seeking to improve recruiting efficiencies and connect with talent in light of the tight labor market.

With so many open jobs and <u>historically high levels</u> of churn within the industry, talent teams are stretched to their limit and need every tool available to ensure a steady flow of high-quality applicants. The result is mounting pressure on recruiters to seek out streamlined, integrated technologies that meet the growing demands for high-quality talent.







### **Continued Recruiter Pressure**

Employ data reveals how much pressure recruiters are under in today's market: <u>65% of recruiters</u> <u>say their job is more stressful today than it was a year ago</u>. Of those individuals, 58% say it's because they cannot find enough qualified candidates, and 1 in 2 indicate that they have more open roles to fill despite the talent shortage.

The need for innovative strategies, technology investment, and a data-driven approach in recruitment technology has never been more urgent. With the current situation, it should come as no surprise that 47% of companies plan to increase spending on sourcing, including automated sourcing technology, according to Employ data.

The current labor market trends have brought to light the imbalance in supply and demand, revealing a fundamental issue plaguing many organizations: the lack of skilled talent. With open roles outnumbering available candidates, automated recruitment technologies and AI-powered solutions have become the vital bridge to overcome this gap.

Recruitment software and AI technologies will continue to play a dominant role in supporting organizations to speed time to hire, reduce repetitive tasks for recruiting teams, and optimize their talent acquisition functions in the hiring landscape. But with this technology comes caution to ensure that the implementation of recruitment automation and AI is ethical, transparent, and compliant.





# Quick Look: Opportunities for Automation and AI in Recruitment

Recruitment automation and AI-powered technologies make recruiting more effective and efficient than ever before. Here are the most valuable use cases for these technologies in the current hiring environment:

- Sourcing: Boost the recruiting capacity of your team with intelligent automation, built to find high quality candidates who match your open requisitions in just a single click.
  - **Job Advertising:** Automated, programmatic advertising can optimize and personalize job ads or recruitment advertising campaigns. It can also maximize the reach of recruitment ads, while minimizing costs.
  - Resume Screening: Automate resume screening and shortlisting processes by scanning resumes for specified keywords and phrases.
  - Chatbots and Messaging Platforms: Chatbots can automate communication with candidates, providing prompt responses to queries and questions via text or messaging platforms.
- Video Interviews: AI-powered video interviewing platforms can offer on-demand or live video interviews, allowing recruiters to prescreen, review and assess candidates quickly.

- Pre-Employment Assessments: Machine learning algorithms can support job-specific assessments, such as cognitive and technical assessments, to identify the best candidates for particular roles.
- Reference Checking: Artificial intelligence tools can streamline reference checking tasks by contacting past employers in just a few seconds.
- Candidate Relationship Management: AI-powered candidate relationship management platforms can enhance candidate engagement, including recruitment marketing, personalized communications, and meeting scheduling.
- Reference Checking: AI can be used to improve the onboarding experience by streamlining manual tasks, providing personalized communications, and generating employee performance reports.



#### Part 4

# The Rewards of Recruitment Automation and Al

No matter how large or small your recruiting team may be, automation and Al lets you turn repetitive manual tasks into a more manageable workload that can easily scale up or down along with your hiring needs. Let's break down high-level rewards, benefits, and best practices of implementing automation and Al into your talent acquisition processes.





#### Free Up Valuable Time

Recruiters spend countless hours on manual, repetitive tasks like posting job openings, screening applicants, and scheduling interviews. While these tasks are necessary to keep the hiring process moving forward, they don't contribute much to the company's long-term success. Recruitment automation and Al-powered recruiting tools help to streamline these time-consuming tasks, so recruiters can focus on the critical, strategic elements of recruiting that require human touch.



#### Source Candidates Faster

Hiring is a race for talent. Competing on speed is one of the single most important areas recruiting organizations should seek to tackle. Recruiters can reduce time spent on sourcing by around 30% using intelligent sourcing technology.





#### Enhance the Candidate Experience

When talent is tight, keeping candidates happy is critical – and communication is one of the key elements of a great candidate experience. Recruiting automation and Al-powered technologies can help to ensure that every candidate receives consistent, timely communications that puts your employer brand frontand-center. The human element is not removed from your hiring process; instead, it can actually create more space to devote to personalized, engaging experience for candidates.



#### **Improve Hiring Metrics**

Performance metrics fall into two main categories: quantitative and qualitative. Recruitment automation tools and AI-powered solutions can help with both sides of the equation. On the quantitative side, you can streamline the end-to-end hiring process, leading to improved measures like time-to-hire and conversion rate. On the qualitative side, you can reduce friction in the candidate experience, which can help to keep top talent engaged and lead to improved quality-of-hire.



#### Increase Process Visibility

Recruiting automation and AI tools can help to improve transparency throughout the hiring process, keeping teams aligned and ensuring that candidates never get lost in the shuffle. Candidate profiles are managed in a single location, and help give recruiters and hiring managers access to details about their current status, communications they've received, and next steps in the process.

#### **Reduce Unconscious Bias**

Eliminating bias from the hiring process is difficult because it's seldom intentional. Recruiting automation and AI-powered technologies can help to reduce unconscious bias by taking human subjectivity out of tasks like resume review and candidate screening. Some tools even hide personally identifiable information from a candidate's profile, enabling an unbiased evaluation based entirely on relevant skills and experience.







#### Part 5

# Practical Steps to Optimize Recruitment Automation and Al

The introduction of AI and automation in talent acquisition technology and recruiting software has helped talent teams speed up the hiring and recruiting process. But not all tools are suitable for your needs. In fact, in recent years, **88 percent of employers claim talent acquisition technology, including their ATS systems, dismissed qualified candidates** because they didn't precisely match the job description criteria.





While there are an incredible amount of recruitment technology providers in the market, with the average organization using 10 or more tools, it's important to know how to best leverage the right solutions for your business. That's why it's crucial to vet your AI and automation recruiting software shortlist. Before committing to a platform, dig deeper into technical capabilities and the organization's ethos.

Ask yourself:

- Do they incorporate AI into their philosophy?
- Do the features within their platform actively advance our talent acquisition processes?

You need to find strategic and technically sound tools that work with your recruitment goals, not against them.

### Four Ways to Evaluate AI and Automation Recruiting Software

#### Does It Help Remove Mundane Tasks?

Excessive amounts of time spent on repetitive recruiting tasks is time wasted. Time that your recruitment teams could spend on more value-driven tasks. So, when choosing recruitment software, see whether it'll ease the time-consuming nature of tasks such as:

Screening: Vetting your applicants is an integral part of the hiring process. But, manually, it can eat into your time. Ideally, your recruitment software should leverage AI that:

Evaluates candidates fairly. Avoid
wasting your time manually screening
candidates. Leverage technology that
helps identify candidates that will make a
good fit and those that won't.







- Enhances the human aspect of hiring. This means communicating with your candidates where they're most comfortable, including automated text messages. These text bots can learn from real conversations with candidates and change their messaging accordingly.
- Offers video screening. If you lack the time for a phone screening, but you'd still like to hear your candidate, your recruiting technology should offer on-demand video screening. This permits candidates to answer your screening questions without anyone else present. You can access these videos in your own time, or view them with your hiring team.
- Interviewing: The average interview lasts between 30 minutes to an hour. When you add up the number of interviews you're likely to conduct, this can eat into a large amount of time. Al video interviewing capabilities carefully analyze your candidates' facial expressions and verbal responses.

That said, don't solely rely on Al-driven interviews. Instead, choose software that blends efficient Al capabilities with your own indispensable human expertise. **Capabilities to look out for include:** 

- **Calendar syncing.** Avoid endless back-and-forth emails and compile your hiring teams' calendars together into one view. That way, you can schedule interviews at speed.
- **Self-scheduling.** Automated scheduling encourages your candidates to book interview times that suit them. It also ensures you don't lose interview requests in your disparate inboxes.
- **Consolidation of interviewer feedback.** Certain recruiting software allows your team to rank candidates based on set criteria, which you can then review and compare after the interview.



Candidate Sourcing: When choosing recruiting software, identify capabilities that'll make job posting as easy as possible. Automated candidate sourcing enables you to create one job opening and post it to all of your select job boards and social media channels.

And, if you're unsure which job boards to post to, AI can offer some data-driven insights. Some recruitment systems will offer audience targeting functions, such as automatically allocating budget spending to job boards that produce the best results.

#### Does It Mitigate Conscious and Unconscious Biases?

Diversity, equity, and inclusion are not only important for your employees and culture, they can also increase your <u>financial performance</u>. But while most organizations value hiring more diverse recruits, no one is immune from unconscious and conscious bias.

Workplace training can do a lot to educate recruiters on identifying and tackling this bias. But, to add an extra layer of confidence, you should adopt tools that actively mitigate bias.





"<u>Now discrimination</u> is more subtle. It's more unconscious. I think unconscious bias is one of the hardest things to get at.

- Ruth Bader Ginsburg



#### Ensure your recruiting technology:

- Scrubs data around race, gender, and age. This will allow the screening process to focus solely on a candidate's job history and skills. (Not superficial qualities that don't contribute to their job suitability.)
- Uses Al-driven job description graders. This identifies potential issues in your wording and can help you avoid any exclusionary messages and negative sentiments.
- Offers candidate matching. Al and machine learning are much less biased than your human talent acquisition team. Using candidate matching tools, you can ensure your recruiters focus on candidate skills alone in the early stages of selection.
- **Approaches bias mitigation with caution.** Your recruitment software of choice should be able to prove that they follow a stringent framework that mitigates bias appropriately.





#### Does It Reveal and Engage Qualified Candidates Quickly?

With skills shortages in the labor market, the need for identifying qualified candidates with AI-powered and automated recruitment software is more important than ever. Your technology should help you fill roles quickly, using a mixture of the following:

- Engagement Scoring: Sophisticated tools will measure the engagement levels of your candidates and highlight candidates with the most interest. This will help you weed out any candidates who don't feel like a right culture fit. For example, it can rank a candidate lower who responds to an interview request later than expected.
  - Intelligent Sourcing: These tools can save your recruiting team upwards of 30 percent of their time by finding candidates within your CRM, analyzing them against your job descriptions, and ranking them against one another. Once the tool surfaces the appropriate candidates, it automatically sends out job alerts and application details.
- Intelligent Messaging: Intelligent messaging, such as SMS text messages or chatbots, can engage your candidates quickly and effectively. This means you can interact with candidates even when your talent acquisition team is off the clock. And, if your candidates have any basic questions about the job role or the interview process itself, AI text bots can send instant, personalized answers.

#### **Does It Encourage Better Decision Making?**

Does your hiring team suffer from indecisiveness? It's a common problem among hiring teams, with <u>three in four</u> hiring managers acting slowly. Time is critical when acquiring talent. In fact, more decisive recruiters end up hiring <u>10 percent</u> more quality candidates.

That said, you don't want to rush into hiring someone who ends up being the wrong fit altogether. This is where AI insights can boost your decision-making process and cut the time-consuming process of candidate evaluation.

Candidate matching allows you to scope out your passive and active talent pools for candidates that meet your specific job requirements. This prioritizes the best your candidate pool has to offer and will cut down the number of applicants you need to scrutinize more closely.

Scope Out User Reviews: So, you've asked key questions about your recruitment software's AI and automation features. But is this enough on its own to inform your choice? Of course not. To ensure you make the right decision, it's critical you sift through user reviews.

Keep an eye on the businesses using the software. Do your competitors use the tool? And what do they say about it? How many negative reviews are there, and do they outweigh the positive reviews?

If you're able to extract real-world benefits, this will help you make a more educated decision. It'll also give you extra ammunition when it comes to presenting a business case for your AI and automation recruitment software.

**Choose Wisely, Not Blindly:** In today's competitive job market, your recruitment teams require an AI and automation solution that boosts their manual efforts.

That's why you must be picky when choosing recruitment software with the right combination of AI and automation. In order to pick a solution that benefits your overall hiring and recruitment processes, you'll need to make sure each AI and automation feature aligns with your talent acquisition needs.

So, choose wisely and make sure what you select is right for your business. The right decision will reward your recruitment efforts both now and in the future.



### - Conclusion and Key Takeaways

## Focus on the Human Element for the Future

There is nothing artificial about the efficiency, productivity, and performance gains that recruitment automation and AI can deliver for recruiting teams and organizations. And while it may seem counterintuitive, increasing automation and leveraging AI has a direct correlation with the ability to focus more on the human side of hiring.





# Unleashing the Full Potential of AI and Automation Starts Now

While companies vary in their approach to recruitment automation and AI, it is important to move past counterproductive, manual tasks that drag the recruiting function down. By automating processes and augmenting human ability with AI, talent teams can improve efficiency, spend less time each day firefighting, and deliver more human-focused candidate experiences.

As companies navigate through the rapid changes presented by AI technologies and increasing automation capabilities, it is important to recognize that not all recruitment automation and AI technologies are created equal. Understanding how to evaluate, adopt, and leverage advanced technology for your organization are important steps toward creating a new kind of recruiting function. One that is equipped with the knowledge and skills to harness the power of AI, while mitigating the potential risks.

At the same time, it is crucial that employers approach this challenge with caution and thoughtfulness, taking into account the ethical, technical, psychological, and efficiency implications of artificial intelligence. By doing so, businesses can unleash the full potential of Al and create a more efficient, productive, and equitable recruiting process for all.



#### **About Employ**

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