

HR professionals' guide for AI in recruitment



With AI at the forefront, the landscape of recruitment is changing rapidly. In the last couple of decades, ATS technology became the face of recruitment, and rightly so. Apart from enhancing hiring efficiencies, recruitment software also drastically reduced the cost of hiring. However, as digitization made it simpler to apply for jobs, the number of candidates increased manifold.

It grew harder for recruiters to keep up with the volume and speed of applications, and so AI came to the fore, making it easy to identify qualified candidates in a large talent pool.

Here is our comprehensive guide on the use of AI in recruitment.

What is AI in recruitment?

Dr John McCarthy, widely regarded as the father of AI, defined artificial intelligence as the science and engineering of making intelligent machines. Essentially, it **empowers computers to learn, evaluate information, and make decisions like humans by processing large chunks of data.**

AI in recruitment leverages this human-like problem-solving capability to improve talent acquisition.

What are the advantages of using AI in recruitment?



Better time-to-hire

In today's candidate-short market, top talent gets snapped up quickly. To onboard them, recruiters have to move fast.

As organisations grow, their demand for a talented workforce also increases. However, in many cases, the recruitment team does not grow proportionally. It means the recruiters have to do more with fewer resources.

Manual screening slows the entire process, impacts team efficiency, and ultimately, increases time to hire.

AI in recruitment automates this time-consuming and manual process of sourcing, screening, shortlisting, assessing and evaluating applicants. In fact, impress.ai clients report an average 90% reduction in time to shortlist.



Reduced cost-to-hire

According to a 2022 study by the Society for Human Resource Management (SHRM) the average cost to hire today is US \$4,700, taking into account both internal and external costs. Internal costs account for expenses like recruiter salaries, overheads and referral schemes, and external for agency and advertising fees, etc.

By investing in AI, organisations can save on both expense types. Properly implemented, it can reduce the entire cost-to-hire, reducing the hours spent on each vacancy and saving on agency fees.

Quality hiring



Quality hiring is essential to create a highly engaged, high performing ecosystem. By matching the right candidates to the right jobs, organisations achieve better commercial outcomes, increased productivity and a more engaged workforce. They also avoid costly hiring mistakes.

Using machine learning, AI identifies and progresses only the highest quality candidates. The underlying algorithm leverages historical data from resumes, assessments and interviews to successfully match candidates with vacancies.

As the data pool grows, the matching capabilities of the platform improve further, and can even identify ideal candidates before the recruiter looks at resumes.

Real-time candidate engagement and communication



Applying for a new job is a significant life decision, and it's natural for candidates to have questions about the role, from compensation and job responsibilities to culture and working environment. These questions often go unasked and unanswered until the final stages, because recruiters simply don't have the bandwidth to answer the number of questions a large candidate pool can generate.

In addition, a candidate may be reticent to ask a question of the hiring manager or recruiter early in the process.

AI-powered recruitment virtual assistants are the perfect solution. They offer timely query resolution to keep the process moving, engaging and guiding candidates from sourcing to onboarding.

Unbiased hiring



Unconscious bias and prejudice can comprise the recruitment process and the talent capabilities of the organisation.

AI helps organisations to identify the best candidates, regardless of age, gender, race or background. A standardized process gives all candidates a fair chance and improves the organisation's diversity ratio.

What are the challenges of using AI in recruitment?



Bias

There is a common concern that AI can learn from human bias. And it's not unfounded because AI uses historical data to identify patterns, and these patterns can incidentally include historical biases.

However, the key is to work with a reputable technology partner who is aware of and actively addresses this challenge.



Access and size of data pool

AI needs a significant amount of data to replicate human intelligence and for some recruiters, this can seem like a roadblock. Either they don't have the required data or compiling it is seen as an added task that they don't have time for. And this can become an obstacle to realising the full potential of the technology.

However, there are sophisticated platforms out there, like impress.ai, that work with smaller data sets and can be deployed and used fast.



Adapting to a new system

HR is a busy function, tasked with the smooth functioning of the entire organisation. Many HR Departments have hectic schedules and tight resources.

In this landscape, changing and adapting to a new system can be perceived as all too hard.

The good news is that high quality platforms, like impress.ai, are also fast to deploy and easy to use, making them perfect for time-poor HR and recruitment teams.

How can AI in HR streamline recruiting?

Hiring talent is one of the top priorities for CEOs across every industry, but an inefficient recruitment process can be a significant roadblock. AI in recruitment can streamline the end-to-end recruitment process, saving time and money while leading to better hires. Here's how.

Engaging passive candidates

To reach top talent, an organisation's talent pool cannot be limited to active job seekers alone. Often, the most qualified candidates are not actively in the job market.

AI in recruitment can help organisations engage these passive candidates, reaching new talent in a competitive market.

It does this in numerous ways. For example, AI can evaluate the visitors to an organisation's careers page and identify their potential. It can then engage them in meaningful conversations around culture, leadership and current vacancies.

Screening

Screening and shortlisting of resumes is a time-consuming process, especially in large and sought-after organisations, which can receive thousands of resumes each month. **In this environment, overstretched recruiters typically have less than one minute to spend on each resume. It's clear they need a better process.**

Another startling fact is that ATS technology often relies heavily on format and keywords in resumes. When it is unable to match the keywords mentioned in the job description, it automatically rejects the resume.

AI in recruitment is a boon as it automates this manual and repetitive task to efficiently identify, source and progress eligible candidates. In addition, AI-powered virtual assistants can have meaningful conversations with the candidates, responding to queries and avoiding bottlenecks.

AI also ranks candidates and delivers the results to recruiters. This enables them to quickly identify top talent and fast-track the interview process.

Positive candidate experience

In today's recruitment marketplace, offering a seamless candidate experience is a significant competitive advantage. An AI-powered end-to-end process delivers on this, keeping top talent engaged and ensuring unsuccessful candidates have a positive experience.

And the latter is important too. In fact, IBM research found that **candidate experience can increase the chances of accepting a job offer in future by 38%.**

Secondly, candidates are likely to share their feedback with their social circles, and potentially beyond, via social media and job review sites.

Today, most candidates search an organisation before applying for a role and negative reviews can be a deterrent.

Lastly, candidates are more likely to accept the offer if they had a positive experience during the hiring process. In fact, one LinkedIn survey found that **83% of candidates say a negative interview process can dissuade them from accepting an offer.**

AI-powered recruitment ensures that candidates enjoy a positive and seamless hiring experience.

Communication is a key contributor to candidate experience, and AI can keep applicants engaged with regular updates and real-time query responses.

AI-powered virtual assistants send instant notifications that an application is accepted. They can also ask candidates for any missing information to ensure they complete the application process.

With real-time and regular communication, candidates are more likely to enjoy a positive experience.

Employer branding

Organisations want to establish their reputation as an employer that values its employees.

All these steps may fail if their experience is not good. As discussed above, AI delivers a positive candidate experience and supports employer branding initiatives.

In addition, with the right platform, organisations can provide a fully branded experience and even white label with their brand and logo across popular communication channels, like WhatsApp.

When to use AI in recruitment?

AI in recruitment is an investment that can deliver significant ROI for organisations. It's particularly useful in the following scenarios.

High volume recruiting

In a high-volume recruiting landscape, recruiters often have to choose between speed or quality.

However, AI manages high-volume scenarios with ease, identifying, sourcing, screening and assessing top talent fast, so that recruiters can focus on high value tasks further up the chain.

High demands on hires and time-to-fill

Organisations that have constant hiring demands need a fast, seamless and efficient process to fill vacancies and keep the business moving.

AI streamlines the end-to-end recruitment process, expediting every step to move top talent from application to onboarding fast.

Downsized recruitment team

Organisations with cyclical or seasonal recruitment needs can find it hard to justify ongoing recruitment headcount. However, when demand peaks, this can lead to insurmountable workloads for the team.

By delivering efficiencies at every stage of the recruitment life cycle, AI can reduce the need for permanent headcount and enable a smaller talent acquisition team to do more with less.

Will AI replace the recruiter?

There is a lot of buzz today about the jobs artificial intelligence will replace. When it comes to recruitment, however, this is a highly unlikely outcome.

Leveraging AI simply gives recruiters and HR teams the opportunity to add more strategic value to the recruitment process, building meaningful relationships with quality candidates, predicting future skill gaps and driving the talent agenda.

While AI can deliver significant benefits for an organisation, it cannot replace soft and interpersonal skills, which will always have a place in the talent acquisition ecosystem.



Want to find out more about how you can leverage AI in your recruitment?

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