### WHITE PAPER

## Artificial Intelligence (AI) - Our Hiring Future

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## Artificial Intelligence (AI) – Our Hiring Future | Introduction

What springs to mind when you hear "artificial intelligence"? It might make you think of anything as benign as the programming on your favourite video game, to something as insidious as a sci-fi movie about a robot uprising. Whatever your thoughts on this technology are, our world is becoming increasingly automated, and in many areas of our lives, artificial intelligence is impossible to escape. We hope to show you through the course of this document that far from being something to fear, AI is actually the future of recruitment, and the way we take hiring into the 21st century and beyond.

## Why is AI the Future of Recruitment?

### Technological world - less time for time-consuming tasks

We are currently in the early stages of the fourth industrial revolution - the era of CPS, the Internet of Things, and networks. To put it into perspective, the last industrial revolution - the rise of computers and automation - began in 1969, with mass production and assembly lines (1870), and mechanisation and steam power (1784) as the two revolutions before that. We are stepping into the future as more and more of our lives become digital. And like in the industrial revolutions before, as our digital society rapidly advances, every process on earth is speeding up with it. Need to figure out how your new washing machine works? No more reading the manual - now you can watch a five-minute video for the same information. Gone are the days of handing over notes or even swiping cards when paying. Now with just one small tap your payment is processed. With everything speeding up, it is therefore imperative that all industries modify their systems to meet this new speed and connectedness. And nowhere is this truer than in recruitment.

Like with many things, most recruitment and hiring takes place online. This means that the volume of roles, candidates, and clients that recruiters are dealing with has increased exponentially. On average, each job ad posted online results in about 250 applications, says Glassdoor, with each recruiter handling several different roles at once. This means an abundance of talent available for each role, but limited time to look for the ideal match.

While there is immense pressure to fill these roles as quickly as possible, the problem is that hiring too quickly can lead to mistakes in the process, causing thousands of rands in lost revenue if it becomes necessary to replace bad hires (look here for links https://pringa.io/wp-content/uploads/2021/01/the-true-cost-of-a-bad-hire.pdf . The last

thing you want to do when looking for the next valuable member of your team is hiring the wrong person

So how to get around this? Simple – by speeding up what you can to focus more time and energy on the things that need to take longer.

The hiring/job-seeking process takes time. Bad or ineffective hiring processes create negative employment experiences. The increased speed of online applications only exacerbates this. According to studies, about 65% of workers begin looking for a new role within 3 months of being hired.

There are things a computer can do way faster and more accurately than a human. Things like instantly scanning multiple profiles for the necessary requirements. Things like sourcing from various locations on the internet, even ones that we might not have heard of. By taking these tasks off our hands, AI creates space for us to focus on the uniquely human aspects of your role.

### Reduces and prevents hiring bias

Unfortunately, all human beings have internal and unintentional biases. While these need to be unlearned, having an algorithm that is impartial and based primarily on data helps regulate and make the hiring process fairer. This means that the person best suited for the job gets the job.

By removing hiring biases, irrelevant skillsets, and candidates who won't fit the company culture, it keeps the process as honest, fair, and accurate as it can be. This means that you can be more certain that your decision is being driven by fact and fact alone. And as Al is constantly growing and learning the more data and input it receives, you get to be a part of ensuring that the nature of hiring develops. This means that you also get to help future jobseekers find their ideal roles.

#### Enhances human emotional intelligence

Computers are good at many things, but there are still things that only a human can do. According to <u>The World Economic Forum</u>, Alautomated routine work will displace roughly 75 million jobs. However, as the demand for skills like emotional and technical intelligence increase, 133 million new jobs will be created.

Al is a helpful tool when it comes to logic and numbers. However, uniquely human traits are still out of reach. We have not even unlocked how our creativity and emotions work or what drives them. The fields of neuroscience and psychology are always evolving as science opens new areas of knowledge. This means that the knowledge needed to create Al that can successfully recreate abstract human traits is still years away. Until then, your creativity, emotional intelligence, and imagination will be in high demand.

According to a study by Khawarizmi International College, the following limitations on AI exist in the hiring process:

- Recruiters will still need to request complex or specific data from candidates
- Human qualities like empathy and intuitiveness are irreplaceable
- Al can only make data-driven decisions, ignoring human factors
- Human biases can still be accidentally programmed into Al tools
- Use of different or incorrect keywords could limit the number or relevancy of candidates
- Candidates that are not technologically savvy (older generations, disadvantaged communities, etc.) may be overlooked despite being good candidates
- Candidates want to talk to human beings
- Al cannot analyse body language and voice tone effectively

With these limitations existing, the human touch will always be necessary when it comes to HR processes. It is therefore less of a replacement and more of a tool to help the human being handling the role.

#### Turns everyone online into passive talent

As human beings, there is a physical limit to how many places we can source in a day. We can only visit so many websites, can only view so many profiles. Not so with Al. Al can source billions of data points in a matter of seconds and can do so from anywhere online. This means that EVERYONE online has the potential to become passive talent, exposing you to candidates you would likely have never found on your own.

It is one thing to find the candidate best suited to the job description on a particular site. It is another thing entirely to find the absolute ideal candidate from the whole of the internet. Al allows you to source at this level, meaning that you can be sure that you are not missing great talent.

It is also a great development for jobseekers. Much of the process of searching for a job is taken up by registering on portals, updating profiles, and trying to find as many places to apply online as possible. With an AI tool that sources existing candidates from the internet, if someone has an online presence, they are already in the pool of potential candidates. This means that not only is AI saving the recruiter time but is also helping shape the way candidates go about their job search — saving them time as well.

## AI in Practice

### Finding, searching, and sourcing

According to a <u>report by HR.com</u>, 64% of participants questioned said that AI had a high potential to improve the talent acquisition processes. In fact, it was selected as the second-most potentially helpful HR function behind "Analytics and Metrics". Recruiters want to spend less of their day on the time-consuming task of reading through hundreds of applications, many of which do not meet the requirements of the job.

This becomes possible through Al's ability to compile lists of candidates who best fit the necessary criteria, weighting these to help recruiters find those who are ideal. It also creates a pool of candidates who fit the required criteria even though they might not be actively looking, either by reviewing data already gathered from previous applications, or by scanning the internet – including various social media websites – to find passive talent to approach. It can also reduce liaison time by utilising chat bots and similar tools to ask questions of the candidate that will determine whether they fit the requirements or not.

It can also automatically prioritise applications, showing recruiters the most ideal candidates to cut down on the time it takes recruiters to assess which of the applications they have would be best suited. This means that the initial process of finding talent is made more efficient, allowing recruiters to focus on more roles at once.

#### Candidate Assessment

Vetting is a crucial and time-consuming part of the hiring process. Hiring incorrect candidates has the potential to <u>cost a company roughly R3 million a year</u>. It is therefore important to make sure that the necessary checks and assessments are made, while also keeping up with the ever-increasing demands on recruitment time. By automating these processes as far as possible, these vital checks can still be carried out while also allowing for a quick turnaround time in these processes.

If recruiters can use AI to set the criteria they are looking for in a candidate while also utilising AI to build candidate profiles based on information gathered, it becomes possible for recruiters to find great matches in a fraction of the time it would have taken them to do it manually. This could mean that the number of applications a recruiter must read through in the early stages is significantly reduced, or even that only the absolute ideal candidates are sent to decision makers in the later stages.

It is not just helpful for those hiring either. Through algorithms like those utilized by streaming services, social media platforms, and search engines to determine the kind of content suggested to their users, it is possible for AI to assess candidate needs and wants of jobseekers and suggest roles they would be ideal for. This also could

mean jobseekers or even passive talent, could be shifted into roles they are better suited to, creating vacancies for new talent.

It can also help reduce hiring biases, provided the machine learning model is set up in such a way that biases are not built into it and that these are accounted for and fixed as far as possible. Given this, AI has the potential to assess candidates based purely on their suitability for the role, while ignoring criteria that should not make a difference to hiring decisions such as gender, sexuality, race, and socio-economic class.

Al can also greatly reduce the amount of time spent on background checks. By automating processes, it can reduce the waiting time on deliberation when submitting candidates or making final hiring decisions.

### Interviews

It is fair to say that interviewing is one of the more uniquely human stages of the hiring process. There is a level of gauging human behaviour that machines just are not equipped to replicate at this stage. However, there are some areas where the interviewing process can be made more accurate and efficient through the help of AI.

As an example, as previously stated, chat bots in the initial application process can be used to ask predetermined questions that would assess a candidate's compatibility with the requirements of the role. It could also help evaluate and prioritise best interviewees, reducing the time an HR professional would need to determine this. It can do this by evaluating candidate interviews, assessing micro-expressions, emotions, and speech throughout the course of the interview to provide the interviewer with additional data that they might have missed, creating a more informed picture of the candidate when it comes to deciding which candidates to select for the next stage.

### Onboarding

Onboarding is as important a part of the recruitment process as all the others listed above. According to a study by Australian recruiters, Robert Half, almost 60% of Managers report that new hires leave during their probation period due to bad onboarding practices. Often the onboarding process is where corners are cut because new hires are usually there to fill an urgent vacancy and the necessary resources to induct and train new staff are just not available. This can be avoided by utilising Al as far as possible.

Instead of having a dedicated person sitting with the new hire and explaining to them in detail how everything works, having training videos and an algorithm that creates a customised playlist for the new hire based on the requirements of their role reduces the amount of time needed for in-person training. No amount of training videos will replace the need for someone to bounce questions off, but it can provide the new hire with a good solid knowledge base to start with.

In addition, having an automated training process means that the new hire can begin learning before their first day, allowing them to be better prepared when they initially arrive. It can also provide opportunities for automated tests, surveys, and checklists to determine where there are knowledge gaps and to address these before they become bigger problems later, creating a far less stressful onboarding process for both the new hire and their manager, and reducing the likelihood that they will leave because of frustrations with the process.

# AI advantages and disadvantages

### **Advantages**

As highlighted in the points above, AI helps reduce sourcing time and can add to the accuracy of candidate matches, allowing recruiters more time to focus on the parts of their job that require a human touch. It allows for streamlined processes, allowing for recruiter time to be better utilised. According to a survey by the HR Research Institute in 2019, only around 10% of those surveyed were utilising AI technology, with 36% projecting to be using it more in the coming two years. This technology is not yet widely utilised in the industry. By implementing this technology into their business's practices now, companies will be ahead of the game when AI recruitment is more widely used.

It also helps the candidate by putting them forward for roles that they are a match for and turning them into passive talent even if they are not actively on the job market. It helps give great talent a foot in the door with roles that are ideal for them.

#### Disadvantages

There is the potential, if not handled correctly, for AI to dehumanise the recruitment process. By limiting the number of candidates that are liaised with directly, it could distance the recruiter from the jobseeker, creating a rift between them and the people they want to help.

Al is also not infallible, and while constant improvements are being made to how machine learning works, it is possible for us to programme our human biases into these algorithms, creating a system that is indiscriminately biased without the possibility of an emotional appeal. It can also become a costly exercise depending on if the money you invest in utilising Al does not result in value delivered by the service.

#### Constantly Changing

The nature of AI, especially AI in Human Resources, is constantly changing as technology develops and we learn more about human nature and how our minds work. This means that the pros and cons of today may not be the pros and cons of tomorrow. There is always the potential for new problems to arise as we learn more about

ourselves and the impact machine learning may have on our lives. Conversely, the problems we see in our current AI systems may become a thing of the past as we develop solutions to our current issues and technology becomes increasingly advanced. It is important, therefore, to stay abreast of the latest trends and best practices in the field of AI, and to evolve as the technology does.

# Our Al (Crystal) & You

Job Crystal's AI tool, Crystal, provides the solution to many of the problems listed above. She acts as a member of our crew, utilising her machine brain to source ideal candidates from right across the web, providing from millions and billions of potential profiles, an ideal selection of candidates for the role specified, in a fraction of the time it would have taken a human to do the same thing.

Here is how Crystal can help you, no matter how you approach her.

### Users

As the user, you will be able to cut out hours of sourcing time by utilising a tool that searches the internet for you. You can also be sure that you are getting the absolute best candidates from a world of online talent, and that any bias in how these were selected is being monitored and accounted for. You will be able to find candidates that you might not be able to find any other way and will save yourself an enormous amount of time and effort while doing so.

### **Candidates**

As a candidate, you can be certain that even when you are not actively applying for roles, your profile is still being put in front of recruiters and employers. You can also be assured that your profile is being shown to recruiters fairly and anonymously to reduce hiring bias. This means that you could be considered for roles that you otherwise might not have gotten a fair chance at applying for and could find opportunities in a world of industries that you would never have thought to work in before.

#### Our own processes

In our processes, Crystal is one of our team members, helping with the time-consuming process of sourcing, giving us more time to focus on things like customer service, excellent client liaison, and thorough vetting. By reducing the time that it takes to look for ideal candidates, we can process roles faster and subsequently get to more roles in the same amount of time. This means that we will be constantly striving towards and building towards our vision of making a dent in unemployment.

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