



# **Benefits of Recruitment Tech & AI** telling both sides of the story

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# The buzz around technology and AI in recruitment

There's a lot of buzz around technology and artificial intelligence (AI) in recruitment these days. The majority is positive, but not everything: [remember when Amazon chose to shut down their AI experiment after it developed a bias against women?](#)

This makes one ask: If we're in a human-centric business, and if AI and tech can hinder the process rather than help, isn't it better to just have humans running recruitment completely?

Well, not necessarily. Not if AI and tech are done right.

Yes, there may be challenges with some AI projects, but that doesn't mean we should tar every piece of emerging recruitment technology with the same brush.

With the ever-increasing complexity of recruitment channels, roles and lines of communication in mind, implementing tech and AI is slowly turning

into a necessity instead of a choice. Especially if you want to have a competitive advantage.

No wonder, that the transition to tech in recruitment is high on the agenda of many organizations. In fact, the COVID-19 pandemic and sudden changes on the labor market have highlighted the need for [digital transformation in recruitment](#) even more.

But, before you start implementing technology left and right, you have to understand what it is you're looking for, and what exactly the benefits are. How else can you measure impact?

That's why, in this e-book, we've listed the top benefits of recruitment technology and AI for both recruiters and candidates. We aim to provide you with a better understanding of how technology and AI can positively impact your hiring strategy.

Happy reading!

# AI and technology benefits both recruiters and candidates

Contrary to popular belief, if applied correctly, technology enhances both the recruiters' and candidates' experience and makes the overall recruitment process more efficient for **both sides**.

For you as a recruiter, this means technology and AI can complement your work. It will free you up to focus on the more important elements of recruitment which can sometimes become neglected, such as candidate communication and relationship management. It will also help you mitigate against bias in the selection process.

For the candidates themselves, this means technology and AI can make the application process easier, more engaging, structured and in the end a more satisfying experience.

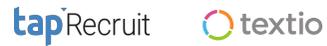
The question is, which type of technology can solve what problem? With new HR and recruitment startups popping up every week, it's easy to lose track of what's going on.

That's why, before we show you how technology can help, we dive a little deeper into the recruitment technology landscape as a whole. So you have a better understanding of what's out there.



# Recruitment Technology Landscape

## Optimizing job advert



## Sourcing

### Programmatic advertising



### Social Recruiting



### Career page optimization



### Chatbots



## Selection

### CV scraper



### Pre-employment assessments & predictive hiring



### Video interviewing tools



## Onboarding

### APPS



## Applicant tracking systems (ATS)



## Recruitment CRM



# First up: Facts and Figures

For recruiters, success is often measured via a number of metrics, typically focused around efficiency of the hiring process and quality of candidates. Although these metrics seem clear, they're not always measured and acted upon consistently.

Think about it (disclaimer: we're not calling anyone out here, it's just the statistics):

## **Do you still make hiring decisions based on a resume and an interview?**

- Yes? *That means you have only a 50% chance of making an accurate hiring decision.*

## **Does your time to hire on average exceed 3 weeks?**

- Yes? *In general, your cost per hire is probably double than it could be.*

Oh, and combined - U.S. employers will pay \$680 billion in turnover costs in 2020!

There must be a better way, right?

We fly rockets to Mars, we've sent people to the bottom of the Mariana Trench and we can modify our genes to eradicate illnesses, but we're still judging people based on a piece of paper.

We still manually screen people via a short phone interview.

We make inaccurate hiring decisions and let top candidates slip through our fingers on a daily basis, all while the solution is out there!

Luckily, more and more innovative companies are looking for ways to improve their recruitment process through technology. And it is catching on:

- 56% of recruiters around the world say interviewing innovations are 'very' or 'extremely' important to the future of hiring.
- 39% of companies already use data to predict candidate success.

- 60% of companies are planning on investing in AI-powered recruitment software.

So, many companies already use recruitment technology and AI to make their sourcing more efficient, to keep track of candidates, to interview candidates, to onboard new employees, and much more.

On the next pages, we'll dive deeper into the benefits of technology and AI from a recruiter's perspective.

# 1

The benefits of technology for **recruiters**

## Technology helps eliminate hiring bias

First of all, by implementing technology and AI into the hiring process, you can hire based on data and don't have to rely solely on intuition and a resume. AI supports your decision making with data and helps to remove bias.

If done correctly, that is.

After all, when you hire with data, you can actually anonymize a candidate's profile early in the process and assess purely on characteristics like culture fit, personality fit, skills, and others. So, no more unconscious decision making based on affect heuristics, the halo effect or the overconfidence bias.

Be aware though: not all data producing technology and AI solutions help you eliminate hiring bias. If eliminating bias is your goal, be sure to shy away from **social media scrapers, text analyzing instruments** or **CV scrapers**. Make sure that the tool you use has scientifically validated data sources.

Also, be aware of the fact that data is a tool, not a be-all and end-all solution. Use it that way. Always combine the data you initially gather with your own judgment later in the process.

For example, use data as a means to make an initial decision on who to invite for an interview - but enrich it with your own judgment. That's how you can excel as a data driven-recruiter but still keep the human aspect of the process intact.



An AI tool helped **Tata Communications Limited**, a company with 8,000 employees, to increase hiring of female candidates by 19%.



## Technology improves Quality of Hire

*Quality is quantifiable.* Although the definition of quality of hire varies across organizations, the minimum baseline can be defined as: 'the value the hire adds to your organization when compared to the cost involved in recruiting them.'

As ruthless as that may sound, in the end, it is all about the bottom line and saving money where you can. Hiring the wrong person can be a truly expensive mistake to make. Plus, the hire's input and tenure are measurable KPIs, which can provide valuable feedback on how the recruiters are doing.

So how are technology and AI used to improve quality of hire in different stages of the recruitment process?

### A. Sourcing

In sourcing, tech and AI can improve quality of hire by showing job ads to people with the right profile and interest level instead of the casual 'wide net' approach. This greatly increases the number of qualified candidates in your pipeline.

**Quality is quantifiable.**

As recruitment becomes more data-driven, **programmatically job advertising** - which is purchasing, publishing, and optimizing of job ads by software, will become increasingly common.

While there will always remain a need for a human element in candidate sourcing, the accumulation of candidates for your pipeline and the maintenance of said talent pipeline can be automated and optimized by leveraging technology and AI.

Use **applicant tracking systems (ATS)** or **candidate relationship management (CRM)** software for instance, and let technology do the data crunching, metric analysis and communication to create, update and engage your talent pool.

### B. Screening

Or better yet, you could implement AI to scan and screen your existing talent database - you've already done the hard work to find these people (52% of talent acquisition leaders would agree with you), there's no need to do it again - have an AI application scan your talent pool for

potential candidates that would fit your new position. After all, AI has been designed to streamline the recruiting process by taking over the repetitive, high-volume management tasks, so let it.

Intelligent screening software can automate the scanning of your existing talent pool by assessing candidate profiles based on parameters you define. The AI then reads and automatically ranks the candidates and produces a shortlist of the strongest potential talent in a split second.



**Medallia**, a customer experience management company with over 1,250 employees worldwide, increased sourced hires by 43% after implementing a recruitment automation tool.

## C. Assessment

When it comes to candidate assessment or preselection, companies have been using traditional and online assessments for years. These assessments have been used mostly for the high profile management type jobs. Nowadays, technology and AI gives you the opportunity to use assessments for all types of applicants in an automated, cost-effective and data-driven manner. By leveraging AI **pre-employment assessment software**, you have the data you need to make hiring decisions based on an applicant's actual skills and potential instead of just a resume.

## D. Interviewing

But it doesn't end there. **Video interviewing solutions** allow you to hire candidates remotely. Some solutions claim to be able to read body language, semantics, grammar and speech patterns and can help reveal a wealth of unspoken information about a candidate. All automated and optimized for high-volume hiring cycles.

**Be aware though:** Video interviewing (and especially the automated analysis of video through AI) can demotivate applicants and be perceived as impersonal and even 'scary'. Also, make sure you comply with local laws when implementing this type of video interviewing platform.

## E. Feedback

In the end, everyone wants to know if they did the job right - both candidates and recruiters, so be sure to give feedback. Ideally, feedback should be shared with the applicants after the process to help improve their performance in the future. The data component of many of the tech and AI solutions out there help you out with this to make sure candidates like you, even after rejection.



**HMSHost**, a global leader in travel dining, improved their employee retention by 38% by incorporating Harver as its AI pre-employment assessment into their selection process.



## 3

The benefits of technology for **recruiters**

## Technology decreases Time to Hire

By employing technology and AI to aid in recruitment, organizations can decrease their time to hire significantly.

When you use assessment software to automate certain processes, for example, you can reduce the average time to hire by up to 60%. Just think what more you could achieve with this newly freed up time!

But that isn't all you can automate in the recruitment process. How much time do you spend - on average - on these tasks, for example?

- Assessing resumes
- Email communication with candidates
- Scheduling interviews
- Posting your vacancies to job boards

A lot? Lucky day! All of these tasks can be automated in such a way they reduce time to hire significantly.

These tasks don't actually require a human to do them - chatbots, pre-employment assessment tools, and AI schedulers are more than capable of handling them efficiently - and many times even better than humans.

And, as well as saving a recruiter's time, utilizing AI improves candidate experience by providing the applicants with timely responses to questions or queries they might have, and reduce their waiting time.

If you're worrying that automation dehumanizes recruitment, don't. There will always be a need for a human in the hiring process. AI and tech just help you focus on the human side of things.

Recruitment technology should be treated as the assistant you've been looking for, the thing that complements your recruitment drive, the thing that does the donkey work, thus freeing you up to focus on the bigger picture and the human side of the process.



**Albert Heijn**, a major grocery store chain in the Netherlands, decreased time to hire for their prestigious graduate program by 60% by implementing an online assessment experience.

# Technology decreases Cost per Hire

There isn't a company in the world that doesn't strive for cost efficiency, and for recruiters, cost efficiency basically comes down to saving money on cost per hire. In times of budget cuts and cost reductions post COVID-19, getting great value for money is becoming even more important in recruitment.

According to a [recent survey](#), the average employer in the US spends approximately \$4,000 and 42 days hiring a new employee. Luckily, there are multiple ways technology and AI can help you hire right and improve your organization's cost efficiency. To name a few:

## A. Use an ATS or CRM software.

Implement an ATS or candidate relationship management (CRM) tool to digitize and automate your recruitment process. Once you've done the hard work of sourcing the candidate and assessing them, be sure to keep them in your database. It'll save you serious time and effort in your future recruitment endeavors.

## B. Leverage social media.

To further decrease cost per hire, be sure to utilize social media to aid recruitment - although advertising on social comes with additional costs, the targeting on - for example - LinkedIn, is so meticulous that the candidates you find there are highly likely to make up for it.

Also, make sure everyone in your organization shares your job openings after you post them. Many of the social algorithms measure engagement and get pushed out to bigger audiences based on that. The higher the engagement rate, the bigger the chance more candidates get to see your post.

## C. Tech finds patterns.

Many of today's recruitment software comes equipped with extensive analytics components. These will help you with tasks like:

- Determining the best times to post job adverts.
- Knowing when your ideal candidates are most likely to be online.

- Keeping track of your email open rates.
- Determining the desired skillset of candidates.
- And much, much more.

These insights help you make better decisions and in turn - improve efficiency and decrease cost per hire.

## D. Analyze sourcing channel efficiency.

When you leverage tech correctly, you can use it to analyze your sourcing channels' efficiency. If you're spending money trying to connect with potential candidates through multiple channels, you want to know which ones work for you and of course, which don't.

You don't want to waste money sourcing flaky candidates. You only want the best. Use technology, data, and analytics to track the effectiveness of your recruitment campaign and measure your specific metrics, so you know what to improve on in the future.

**AI-Assessment software cut cost per hire by 35%**

**For Heineken's International Graduate Programme**

# The benefits of technology for candidates

Technology in recruiting is most often thought of as something that solely aids recruiters, but that isn't the case at all. Technology, when used right, can be just as beneficial to the candidates.

Of course, for the organization, anything that helps reduce costs and ensure a great hire is going to be advantageous. But have you considered how your recruiting approach is viewed by candidates?

Because, like it or not, a bad candidate experience could really damage your recruitment drive, not to mention tarnishing your company's reputation. Especially if candidates are also customers of yours, they could be turned off by a bad candidate experience.

Candidate experience is the candidate's whole take on the hiring process, from sourcing through to onboarding and beyond.

A [CareerBuilder](#) study revealed that when candidates have a bad experience with a company, 42% would never apply to that company again, 22% said they would discourage other candidates to work for that company and 9% said they would tell others not to purchase from the company.

What does this mean for your organization? It means that no matter how good you think your talent pool is, or how large your sourced candidate database is, if those candidates don't like you, attempts to re-engage with them won't work, because they won't want to work for you. You will have effectively just thrown money away. To make it worse, if you can't attract and retain the best talent there is, your organization can't grow.

There is a flip side, however: a positive candidate experience means many more applicants, more hires, reduction in cost per hire and reduction in time to fill the post.

# 1

The benefits of technology for **candidates**

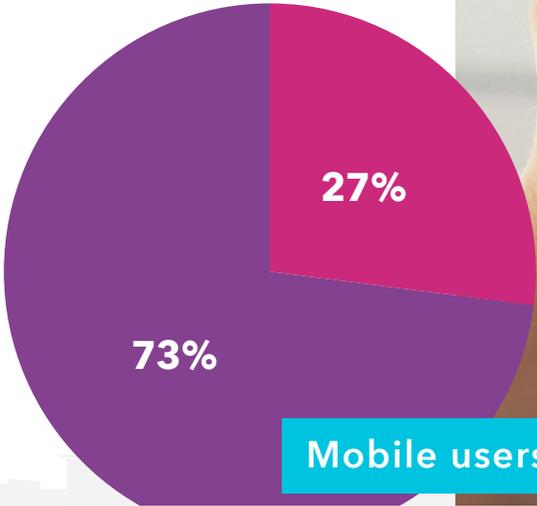
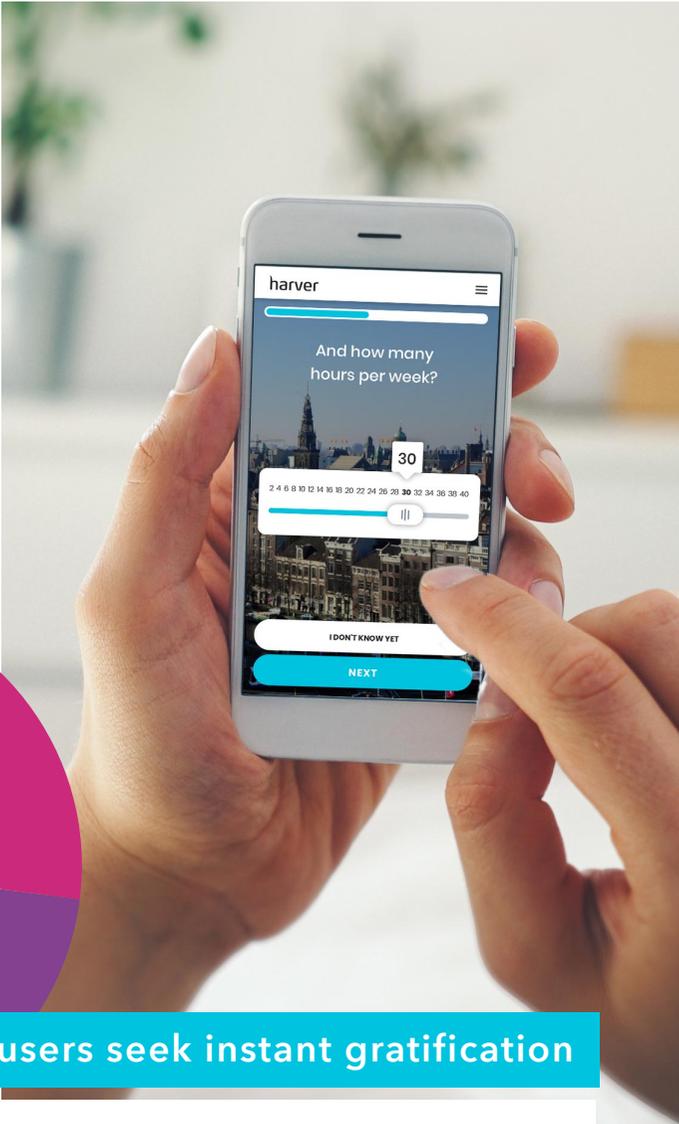
## Technology makes the application process easy

First of all, technology allows companies to create easy application processes for candidates. Thanks to the rise of cloud-based recruitment software, it's now possible to let applicants apply from any place at any time.

But that's not all. With 45% of job seekers using their mobile phone daily in the job search process, making sure your application process is mobile friendly is a must. And with application process, we mean not just your career page.

Give applicants the opportunity to upload their resume from their mobile phones, watch videos about working at your company or even complete an assessment on their phones.

Sounds complex? Doesn't have to be. Luckily, with many of today's recruitment software vendors, a mobile-first version of their product is part of the deal. Pick the right vendor and this is all taken care of, and your candidates will love you for it!



Mobile users seek instant gratification

27% of all job seekers looked for a job on mobile in their bed



The benefits of technology for **candidates**

## 2

# Technology can make applying an engaging process for candidates

Candidates appreciate a straightforward and engaging application process. If you want to set yourself apart from the competition and attract top talent, you may need to think outside of the recruiting box.

You can do this by creating an interactive application process and make candidate experience a positive one they'll remember.

Ideas include:

### A. Gamification.

This will definitely set you apart from the competition and sort the wheat from the chaff in terms of candidates fitting into your company culture. This approach is a relatively recent one, given the state of modern technology, but it is rapidly gaining traction.



Formaposte, a French postal service, decreased their turnover rate from 25% to 8% by gamifying their recruitment process and letting their applicants experience the life of a postman for a week.

- If you have the budget to invest in a gaming app, created by developers, designers, data and behavioral scientists, like [Knack](#) have done, do it. If, however, your budget is a little smaller...
- Have candidates solve real-life company problems during the interview - there's only so much you can get from a resume, seeing them in action gives you a much clearer 360° picture.
- Organize a competition like [Google](#) does to attract top talent.

### B. Video interviews.

- Conducting a video interview means your candidates can do it from the comfort of their own home, putting them at ease instantly.
- You can move through candidates quicker because there are no logistics involved in getting people to your office on time.
- Thanks to the flexibility it affords both the recruiter and the candidate, a video interview can be arranged for a time that is convenient for both parties.

3

# Technology can help manage candidates' expectations

Technology can be used to improve communications with candidates, in particular, managing candidates expectations. If expectations are managed effectively, candidate experience will improve and so will your recruitment drive.

An example of expectations to manage:

- 40% of candidates expect to be asked to interview within a week of applying.
- 28% would expect that invitation within three working days.
- 46% expect to have secured the role within a month of applying.

If your recruitment campaign fits in these timelines, then well done! If not, then let your candidates know what to expect and when. Being left dangling on tenterhooks isn't fun for anyone.

How does poor communication with potential candidates and overall bad recruitment experience negatively impact your organization?

- 56% of candidates say they would view your whole company in a bad light.
- 43% would share their negative experience with friends and peers.
- 10% would share this negative experience online.
- 25% would stop buying your products or using your services altogether.

The impact of a poor recruitment experience is significant and you don't want to lose talent and customers to it.

Why not show your candidates what the job is about?

## Realistic Job Preview

Companies create videos and behind the scenes shoots for their social media stories. There are many reasons for doing this - letting the customer understand a little more about the brand, and also to give people a glimpse inside the company's culture.

Don't just make videos for followers, make them to give your candidates a clearer idea of what they are getting themselves into, limit the negative surprises and get them excited about coming to work for you.

Use technology to show candidates around your company, introduce them to key members of the staff, show them what they would be doing on a daily basis. Let them nose around the canteen, show them where they would work, give them a realistic job preview and manage their expectations.

Candidates are getting more impatient

40% of candidates expect to be asked to interview within a week of applying.

## 4

The benefits of technology for **candidates**

## Technology can improve communication with candidates

A TotalJobs study of over 13,000 candidates revealed insights about job hunting and the application process.

- Over 50% of candidates said their biggest bugbear in job hunting was the lack of communication and feedback after submitting an application.
- 96% of candidates said as a bare minimum they would like a notification that their application had been received. Only 8% said they always get this.
- 95% said they wanted to be told if they were unsuccessful.

Other requests included:

- Wanting to be told an expected timeline for the hiring process.
- Human contact after submitting an application.
- Timely replies to questions and queries.

But if you're a large organization receiving hundreds, if not thousands of applications for each job posting, how on earth are you going to respond to each one? Luckily, this isn't a tough one to crack.

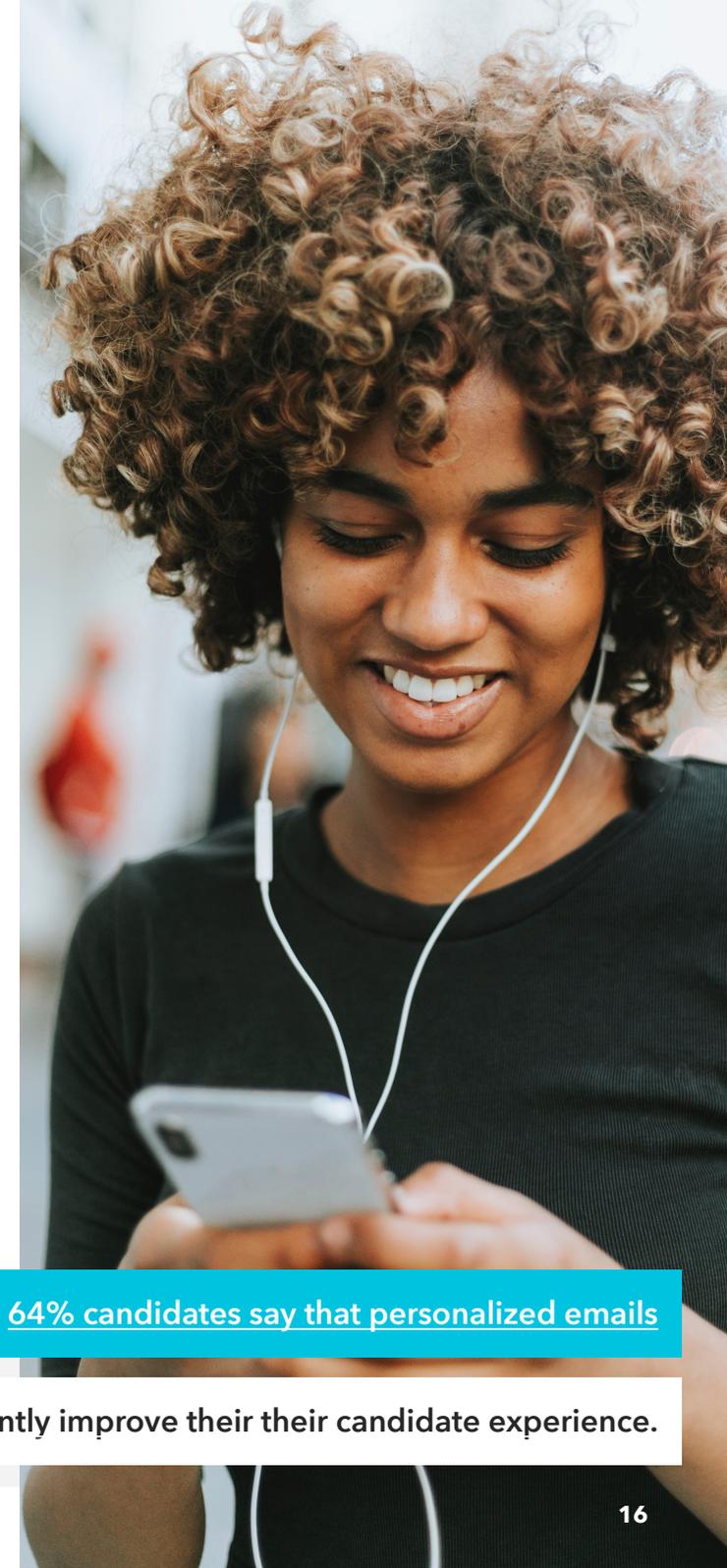
Automation of the application process is fairly easy to implement, and whatever you can do to enhance the candidate experience will ultimately benefit your company in the long term.

Technology can be used to:

- Auto-reply an acknowledgment of each candidate application. Automation can also personalize the response to each applicant.
- Communicate with candidates in a timely manner, manage their expectations, answer their questions and queries (at any time of the day or night).
- Shortlist candidates and inform them.
- Reject candidates and inform them. Give them feedback based on an AI analysis of their application, test results and whatever assessments you gave them. More importantly, let them know why they weren't suitable for your organization.
- Provide feedback on the application process and analyze test results for unsuccessful candidates, to allow them to improve in their next selection process.

**64% candidates say that personalized emails**

**would significantly improve their their candidate experience.**





## On a final note

So there you have it: how technology and AI can help you hire right.

We've said it before: recruitment is a two-way street. On the one hand, there are companies wanting to get the best people and on the other, there are candidates wanting to get the best job at a great company.

We have shown you how the use of technology and AI benefits both parties and especially how it can help you solve problems with:

- Low quality of hire
- High time to hire
- High cost per hire
- Low candidate engagement
- Low candidate satisfaction

So next time, when you're looking for ways to improve your processes for recruiters and candidates, you know what to look out for and understand how technology can help with your own recruitment drive.



## FURTHER READING

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**Heineken managed to reduce its Time to Hire by 42%.**

This enabled them to assess 13.5k candidates in only 8 days!

Better yet, they only needed to implement one tool.

Check out the case study below.

[DOWNLOAD CASE STUDY](#)