

Artificial Intelligence's (AI) Implication in Employee's Acquisition

Shama Parween*

Akhil Goyal**

Abstract

This research paper examines the significance of AI in organisational recruitment processes based on previous studies and findings by various researchers. The study aims to evaluate the effectiveness of AI in recruitment, its acceptance within organisations, and the associated challenges affecting its optimal utilisation. The research is based on existing literature, case studies, and findings of various researchers to explore these dimensions widely. Findings indicate that AI tremendously enhances recruitment efficiency; however, it faces hurdles in achieving widespread acceptance and effective deployment due to organisational barriers and technological constraints. The study concludes that addressing these issues is important for maximising AI's potential in future recruitment practices. By overcoming acceptance barriers and refining utilisation strategies, organisations can harness AI to achieve more efficient and equitable recruitment processes, enhancing overall organisational effectiveness and competitiveness in the talent market.

Keywords: Artificial Intelligence, Employee's Acquisition, AI's Efficiency, AI's Challenges, Recruitment Process, AI's Acceptance.

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* Research Scholar from NIMS University Jaipur, Email ID: shamap2080@gmail.com, Mobile: +91 8890808169

** Associate Professor, NIMS University Jaipur

Introduction

Artificial Intelligence has become a main topic in the business realm, particularly in the field of recruitment. Its integration into recruitment processes is transforming the entire approach. AI presents a promising avenue to streamline and expedite the often-time-consuming tasks associated with recruitment. It represents a significant shift in the job market landscape, offering businesses a means to address the dual challenges of cost and time in identifying, attracting, and engaging top talent (Sharma, 2017). AI has the potential to revolutionise talent acquisition by empowering recruiters to work smarter and more efficiently. It transforms the hiring process, enabling recruiters to discover and onboard talent innovatively (Ally, 2017). AI centralises recruitment by sifting through resumes and profiles, analysing video interviews, and maintaining transparent candidate communication. AI's multifaceted role spans from initial candidate screening to advanced analysis, enhancing recruitment procedures' overall efficiency and effectiveness (Zielinski, 2007).

The fourth industrial revolution is marked by integrating cutting-edge technologies across all sectors and industries, with artificial intelligence (AI) emerging as a key force. AI is transforming business recruitment, enhancing sustainability and competitiveness by swiftly identifying and onboarding top talent. This ensures companies meet customer needs with a skilled workforce. In both Indian and multinational corporations, AI streamlines hiring, improves screening accuracy, and provides data-driven insights, revolutionising talent acquisition strategies. As AI continues to evolve, its role in recruitment is expected to expand further reshaping how organisations identify, attract, and retain talent in the competitive global market (Iliadis L., Faliagka E., Karydis I. et al., 2014).

AI streamlines recruitment by automating tasks like resume screening and candidate sourcing, utilising advanced algorithms to identify top candidates efficiently. This allows HR professionals to focus on engaging with top candidates and making strategic hiring decisions, enhancing overall recruitment quality without extensive time investment. By

leveraging AI's capabilities, organisations can optimise their hiring processes, reduce time-to-hire, and ultimately secure the talent needed to drive success in today's competitive business landscape (Jennifer A. Chatman, 1991).

Statement of the Problem

HR professionals face challenges in sourcing and selecting top talent. Former research discussed obstacles like finding candidates with the right skills, attracting passive talent, and slow hiring processes. Traditional methods are inefficient and need technological support. AI adoption in recruitment is increasing, offering high-quality outcomes for job seekers and employers. AI's implementation in HRM holds promise for encouraging employee growth, improving retention rates, and optimising time utilisation. However, former studies have highlighted significant challenges regarding AI's acceptance within organisations and its proper utilisation. Despite its potential benefits, AI faces barriers to acceptance and effective deployment in recruitment practices. Addressing these issues is critical for understanding how to effectively integrate AI into recruitment processes, ensuring its capabilities are maximised to improve efficiency and equity in hiring practices. This research aims to investigate these challenges comprehensively, offering insights into strategies for enhancing AI adoption and utilisation in organisational recruitment.

Need & Objectives of the Study

AI is transforming recruitment by boosting efficiency and improving hiring outcomes. It offers valuable insights into candidates' skills, helping to reduce human errors and biases in HR, which is important for organisational growth. Since 2018, AI has allowed access to candidate profiles beyond traditional methods, improving both efficiency and accuracy. However, challenges in its effective use, acceptance, and implementation still need to be addressed. This study focuses on how effective AI is in recruitment and how well it is accepted within organisations.

- To evaluate the effectiveness of AI in recruitment processes.
- To explore the challenges of artificial intelligence in the recruitment process.

- To examine how well AI-based recruitment methods are accepted.

Central Hypothesis of the Study

The study explores how AI tools can make recruitment more efficient and effective. The study aims to determine how healthy organisations accept AI-based recruitment methods and identify any significant challenges they face, such as resistance to adopting AI and difficulties in implementation. This study is important to improve recruitment practices and address obstacles in using AI effectively. Thus, the central hypothesis of the study is as follows:

- The application of AI tools improves the efficiency and effectiveness of recruitment processes.
- The extent to which AI-based recruitment methods are accepted within the organisation.
- AI-based recruitment process faces significant challenges.

Review of Literature

Anshul Ujlayan, Sanjay Bhattacharya, and Sonakshi (2024) present a framework to enhance recruitment efficiency by automating resume parsing and candidate matching. The authors find that their AI framework significantly reduces the time and cost associated with the initial screening phase, improving the accuracy of candidate-job fit. However, challenges include ensuring data privacy, addressing algorithmic biases, and maintaining transparency in AI decision-making processes. The study emphasises the need to continuously monitor and update AI systems to mitigate these challenges and enhance recruitment fairness and effectiveness.

Zhisheng Chen (2023) reviews the ethical implications of AI in recruitment, focusing on transparency, privacy, and fairness. It categorises literature into theoretical, practitioner, legal, technical, and descriptive perspectives. Key findings highlight the necessity of ethical frameworks to guide AI deployment. Challenges include the opacity of AI algorithms, potential biases, privacy concerns, and the need for accountability. The paper underscores the importance of transparent AI systems, robust

privacy protections, and continuous bias mitigation to ensure fair and ethical recruitment practices.

Anusha Hewage (2023) underscores professionals' enthusiasm for integrating AI in recruitment, particularly in sourcing, pre-selection, and candidate engagement for high-volume and non-specific roles. Motivations include workload reduction and expanding candidate pools. However, there is a reluctance to use AI in interviews due to concerns about candidate experience. Professionals prioritise maintaining a human touch to ensure candidates feel valued. Human interaction allows for assessing cultural fit and interpersonal skills, which are crucial for long-term success. This approach not only enhances the candidate experience but also improves hiring outcomes and portrays the company positively to job seekers, emphasising care and understanding of their needs.

Agdal Rabat and Mohammed V (2023) have examined the integration of artificial intelligence in recruitment, which has significantly enhanced the efficiency of recruiters. According to the article, AI's impact on recruitment managers' tasks is detailed, and its applications are across various phases of the recruitment process. The finding says that AI promises to improve recruitment efficiency in Morocco, yet caution is advised in its implementation to mitigate potential limitations. The study evaluates AI's evolving role in recruitment, emphasising strategic adoption to optimise processes and achieve sustainable improvements in talent acquisition practices.

Abhijeet Thakur, Punamkumar Hinge, and Vikas Adhegaonkar (2023) highlight the transformative impact of AI adoption in HRM, enabling organisations to bolster recruitment efficiency and access a broader talent pool. By integrating AI, subjective biases such as nepotism and favouritism diminish personnel selection, fostering fairer hiring practices. Moreover, AI's implementation in HRM holds promise for fostering employee growth, improving retention rates, and optimising time utilisation. Investigating AI's role in expanding candidate pools sheds light on its potential to mitigate biases in selection processes, a critical aspect of modern HRM. Additionally, the study investigates AI's contributions, exploring its

efficacy in training and retention strategies and enhancing overall workforce productivity and efficiency.

Aswathy G and Dr. Anusree PS (2022) highlight the significance of Artificial Intelligence (AI) in alleviating time-consuming and repetitive tasks within human resource management. AI-powered tracking systems embedded in HR tools employ sophisticated algorithms, effectively minimising the workload associated with talent acquisition and management. These systems automate various processes, from candidate sourcing to performance evaluation, enhancing operational efficiency. Moreover, AI-driven job networking platforms leverage data analytics to assess candidates' online activities across social media platforms. This analysis provides valuable insights into candidates' professional personas and suitability for different roles, empowering recruiters to make informed decisions. By harnessing AI, organisations optimise resource allocation, streamline recruitment workflows, and improve the overall effectiveness of talent acquisition strategies.

Ashima Garg, Sweta Gaur, and Preeti Sharma (2021) found that Artificial Intelligence (AI) and Machine Learning (ML) are increasingly integrated into HR to streamline tasks and reduce workload. While AI enhances managerial capabilities and efficiency, concerns persist about job displacement across various roles. However, automated systems promise reduced errors and increased efficiency, potentially outweighing concerns in the long term, despite initial worries about job security in an AI-driven workforce.

Dr. Nidhi Oswal, Dr. Majdi Khaleeli and Dr. Ayman Alarmoti (2020) studied that AI software was developed to simulate human-like logical thinking and decision-making. HRM has increasingly adopted AI, especially in recruitment during Industry 4.0. Digitalising recruitment processes with AI has saved time and costs, automated tasks, and improved decision-making. This shift has enhanced hiring quality, freeing HR professionals for strategic tasks. However, challenges in preparing organisations for AI include employee training and concerns over job automation impacting administrative roles.

James Wright and David Atkinson (2019) explored AI's transformative impact on recruitment, covering

job posting to candidate evaluation. It aimed to guide recruiters through evolving practices, integrating expert interviews, employee/job seeker feedback, and trend analysis. Findings emphasised the need for structural and technological adaptation in recruitment. Embracing AI promises efficiency and efficacy, shifting from trial-and-error to outcome-driven methods. By refining processes with AI, from job posting to candidate evaluation, organisations enhance their ability to secure top talent. While AI has streamlined recruitment, data security remains a significant challenge.

Nishad Nawaz (2019) explored the effectiveness of artificial intelligence (AI) in recruitment processes. The study reveals that using AI in recruitment leads to identifying suitable candidates for the organisation's talent pool. AI enables efficient analysis of vast data sets like resumes and job profiles, enhancing recruitment by pinpointing skilled candidates who align closely with role requirements, thereby improving effectiveness and forming robust talent pools. The methodology covered a substantial range of published sources, including web portals, reports, and academic journals. This review identifies gaps and proposes research questions to guide future investigations, aiming to advance knowledge and application of AI in recruitment processes, filling a noted gap in existing literature.

Tanvi Sharma and Garima Malik (2019) studied AI's impact on recruitment, highlighting its transformative role in hiring practices. AI-powered HR applications analyse, forecast, and optimise resources, reshaping organisational strategies and candidate selection methods. It is becoming a preferred recruitment and talent management tool, offering promising prospects. Recruiters should embrace this shift, honing skills in areas AI could augment. While AI becomes integral to recruitment, it complements rather than competes with human abilities. Recruiters must adapt, focusing on creativity, critical analysis, and strategic thinking. Interest in AI's role in recruitment is necessary, urging recruiters to stay attentive and encourage adaptability for success in this evolving landscape.

Seetha L, Sowdaminiha T, Biswas, and Ashish K (2019) researched the ascent of artificial intelligence in

talent acquisition and delved into its streamlining of recruitment processes. AI devices enhance applicant engagement through effective communication, facilitating the attraction and recruitment of well-suited candidates. This technology also elevates the quality of hires and empowers HR to proactively assess candidates' cultural fit and utilise available data to evaluate KPIs, fostering robust employee relationships. Embracing AI-based tools cultivates ideal candidates and strengthens organisational bonds, representing its transformative impact on talent acquisition and employee engagement.

Poornima Sehrawat and Bornali Brahma (2018) studied technology's impact on recruitment and selection to outline the evolving landscape of organisational hiring processes. It revealed organisations adopting innovative technological approaches to attract and retain top talent. Despite numerous benefits, recruiters must consider how candidates perceive the technological tools used during recruitment discussions. When different technologies are used to hire people, it is important to remember that people are at the heart of everything. This means finding a good balance between using technology and talking directly with candidates. When we do this, it makes the whole job application process better for everyone. It reminds us how important it is to have real people involved in hiring, not just machines. This way, candidates feel valued and respected, creating a positive experience. So, even though fancy technology is being used, we should always keep the human touch alive in recruitment.

Geetha R and Bhanu Sree Reddy D (2018) emphasise the key role of data analysis, often referred to as Artificial Intelligence (AI), in shaping modern recruitment strategies. Differing from common misconceptions of AI as a competitor to human recruiters, the research highlights its complementary nature. The symbiotic relationship between humans and AI enhances data management and delivers tangible benefits such as cost reduction, time savings, and heightened accuracy throughout the recruitment lifecycle.

Owais Ahmed (2018) examined that maintaining transparency within HR teams becomes paramount

as AI revolutionises HR technology. Organisations must comprehend the mechanisms behind AI-driven decisions to mitigate potential biases embedded within the algorithms. HR leaders should ensure transparency in AI processes, fostering employee understanding, confidence, and fairness while balancing advanced technology with honesty. This way, people feel good about where they work, knowing everything is done correctly. It builds trust and makes the workplace happier and better for everyone.

Analysis & Discussion

H1- The application of AI tools improves the efficiency and effectiveness of recruitment processes.

The study examined the benefits of using AI in the recruitment process. It can speed up hiring by automating tasks like screening resumes and scheduling interviews. AI can also improve accuracy in candidate selection by analysing large amounts of data to match the best candidates to job roles. Additionally, it helps reduce human bias, leading to fairer hiring decisions. AI can handle repetitive tasks, allowing HR professionals to focus on more strategic activities. AI makes recruitment more efficient, cost-effective, and capable of finding top talent faster.

This study further explores AI's contributions by examining its efficacy in various areas, including training and retention strategies. AI's ability to analyse data and predict trends helps develop targeted training programs and personalised retention plans. Additionally, the study highlights how AI can enhance overall workforce productivity and efficiency, making it a valuable tool for modern human resource management.

Further study also explores the several other benefits of AI in recruitment. It provides valuable insights through data analysis, helping recruiters understand trends and improve their hiring strategies. AI also enhance the candidate experience by providing instant responses and personalised communication. By predicting candidates' future performance and fit for the role, AI helps make more informed hiring decisions. Additionally, it can streamline onboarding processes by automating paperwork and training

schedules. Overall, AI helps to create a more efficient, informed, and engaging recruitment experience for both recruiters and candidates.

H2- The extent to which AI-based recruitment methods are accepted within the organisation.

Studies have also examined the fact that although AI is highly efficient in recruitment, its full potential has not been embraced by many companies. A major concern is that HR professionals fear losing their jobs, which creates resistance to adopting AI-driven solutions. Additionally, a lack of understanding and awareness about AI's capabilities and benefits causes hesitation. The absence of clear regulatory guidelines around AI usage in recruitment further adds to the uncertainty. There is also a perceived loss of the human touch in the hiring process, with concerns that AI might overlook qualitative aspects such as cultural fit and interpersonal skills. Further, AI-based recruitment processes also face a lack of transparency and the risk of discrimination. When AI models are not properly aligned, they can result in unfair hiring decisions. Additionally, HR professionals and candidates may have limited understanding and trust in AI, making implementing and accepting these systems within organisations harder.

Human Resources (HR) and Talent Acquisition (TA) leaders can help their teams by ensuring they use technology well. They can start using AI to do repetitive tasks like screening job applicants. AI enhances recruitment by streamlining processes, but human judgment is crucial for cultural fit and final decisions. Companies can use AI to streamline hiring and gain a competitive advantage. However, they should also remember the importance of human interaction in finding the right people for the job.

H3 - The AI-based recruitment process faces significant challenges.

The research also highlights concerns about data security and privacy. Organisations fear that sensitive candidate information might be at risk, leading to compliance issues. More research is needed into how AI impacts job markets and affects diversity among candidates. Stronger rules are needed to ensure fair and unbiased AI when hiring. Future efforts should prioritise better studies, understanding AI's impact

on job opportunities, and setting ethical standards to ensure fairness.

Additionally, companies must enhance data security measures to protect applicant information during AI-driven recruitment processes. Robust rules and guidelines are crucial to promoting fairness and reducing bias, ensuring all applicants have equal opportunities. Organisations must invest in AI literacy, ensure robust data protection measures, and foster a balanced approach integrating AI with human oversight.

Findings & Result

The study finds that using AI in recruitment offers several key benefits. It can speed up hiring by automating resume screening and interview scheduling tasks. AI enhances accuracy in candidate selection by analysing large amounts of data to find the best fit for job roles. It also helps reduce human bias, leading to fairer hiring decisions and allows HR professionals to focus on more strategic tasks. Furthermore, AI improves efficiency and cost-effectiveness, helping organisations find top talent faster.

The study also explores various other AI benefits in the recruitment process. It provides insights through data analysis, improving hiring strategies. AI enhances candidate experience with quick responses and personalised communication, predicts candidate performance, and streamlines onboarding. AI makes recruitment more efficient and engaging for both recruiters and candidates. Further study also reveals AI's role in training and retention strategies, noting that AI's data analysis capabilities can develop targeted training programs and personalised retention plans. It highlights AI's potential to enhance workforce productivity and efficiency, making it a valuable HR tool.

However, the study reveals that many companies have not entirely accepted AI due to concerns about job loss among HR professionals, a lack of understanding of AI's benefits, and a clear understanding of AI tools and regulatory guidelines. There are also worries about the loss of human touch in hiring, potential AI biases, transparency issues, and data security and privacy concerns. While AI has significant advantages,

its adoption faces several hurdles that must be addressed.

Suggestion & Conclusion

By embracing AI technologies, companies can streamline recruitment procedures, improve candidate selection, and optimise workforce management. This transformative shift will enable organisations to leverage AI's capabilities to their advantage, ensuring more efficient HR operations and positioning them ahead of the curve in attracting top talent.

While technology offers many benefits in recruitment, balancing it with human interaction is important. Recruiters should ensure candidates are comfortable with the technological platforms used for interviews. Despite technology, human intervention is essential to avoid candidates feeling like they are interacting only with machines. Personalised communication, feedback, and process clarifications add a human touch. This approach fosters a positive, inclusive experience, building trust and rapport. Ensuring candidates feel respected and valued throughout the process leads to better experiences and outcomes for both candidates and organisations.

Further, the lack of clarity in AI decision-making processes makes it difficult for recruiters to understand how conclusions are reached, reducing trust in the system. Additionally, data security and privacy issues arise from handling sensitive candidate information. To address these challenges, companies should regularly audit AI systems to identify and mitigate biases, ensuring fair and equitable outcomes. Increasing transparency by developing explainable AI models can help recruiters understand and trust AI decisions. Strengthening data security measures and adhering to privacy regulations will protect candidate information. Integrating human oversight throughout the recruitment process ensures that AI enhances rather than replaces human judgment, maintaining the essential human touch in hiring decisions. These steps are crucial for improving AI's efficacy and ethical use in recruitment.

Limitation & Scope for Future Research

This paper focuses on exploring the utilisation of artificial intelligence (AI) in recruitment processes within different corporations and the varying degrees of acceptance of AI among organisations. It proposes to examine these concepts using similar variables or a combination of other factors, including primary data collection methods. Additionally, the study aims to investigate how AI aids large corporations in their recruitment procedures and the most effective methods for using AI to identify top candidates across diverse geographical locations. Furthermore, the paper suggests exploring the application of AI in various other HR functions such as training, compensation, performance evaluation and so on. Furthermore, this research paper has concentrated on existing studies, while in the future, researchers could gather their data directly from companies or other organisations. Additionally, they could explore different industries like education, hospitality, manufacturing, aviation, and so on for further study. This would allow for a broader understanding of the subject and uncover new insights.

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