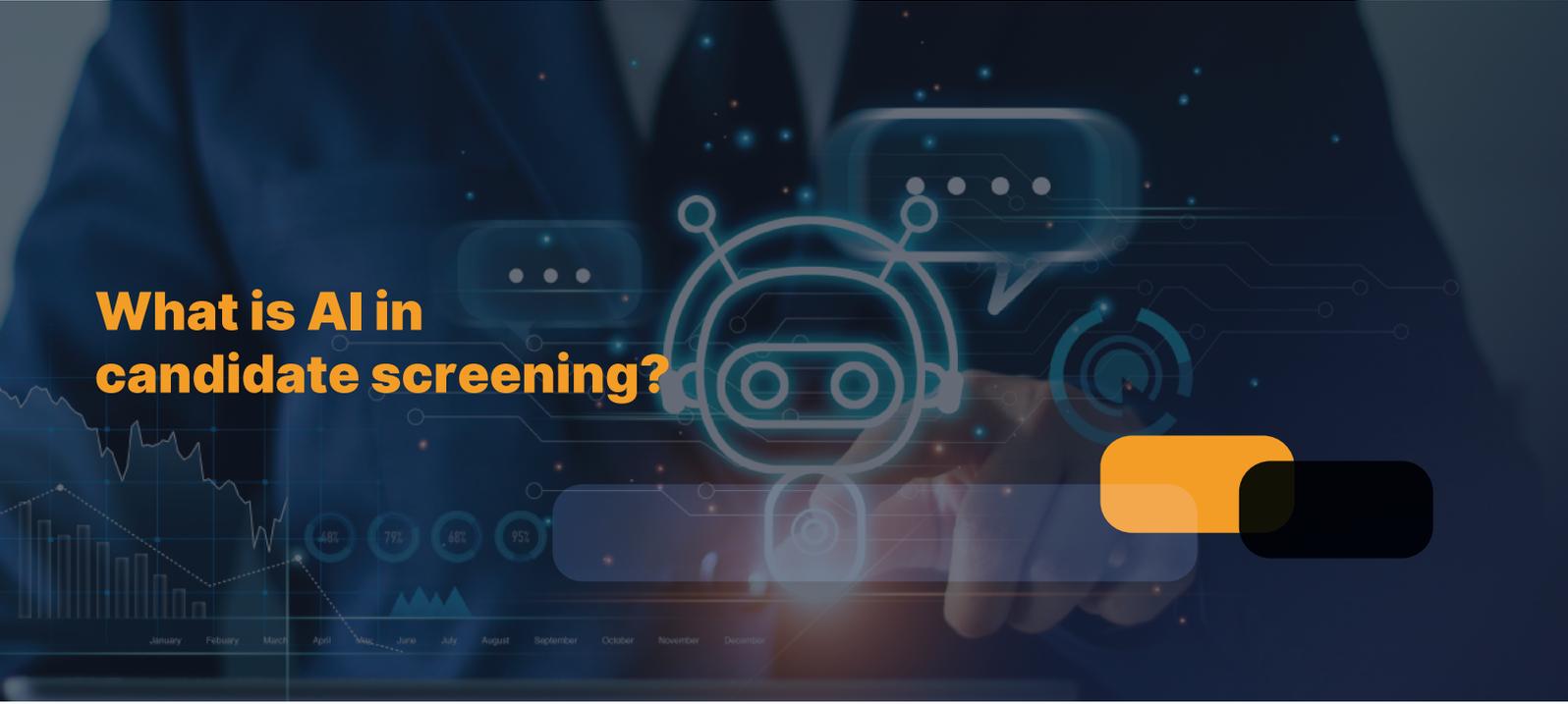# The Next Frontier In Hiring: How Artificial Intelligence is Transforming the Candidate Screening

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Artificial intelligence is changing the way businesses operate today. As AI is increasingly being used in several industries, recruiters are also looking to utilise its potential specifically in candidate screening. Some of the first employers to adopt this technology are those in highly competitive industries, like tech, where a single opening can generate hundreds (sometimes even thousands) of applications. By automating specific tasks and providing better data analysis, AI can help make the screening process more efficient and effective.

This whitepaper looks at how AI is transforming the candidate screening process.

What is AI in candidate screening?

The need for artificial intelligence in candidate screening

Organisations are turning to AI to help with the screening of candidates.
The goal is to identify the most qualified candidates for a position more efficiently and peruse every application without overlooking the right person for a role. Traditionally, screening candidates has been a time-consuming process that often involves manually reviewing resumes, checking for qualifications, assessing the skills of the applications, and conducting preliminary interviews. As a result, the process is often plagued with biases, human errors, and inefficiency, resulting in hiring the wrong candidates. According to research, screening candidates can take as much as 23 hours for a single hire, while simultaneously, recruiters spend around 7 seconds reviewing each resume (lesser if the volume of candidates is higher than average). The human factor in the hiring process often hinders organisations from recognising ideal talent or fails to convert candidates in due time.

As per research conducted by Sapient Insight Group, as of 2022, the top priority for recruiters at leading organisations is investing in software and technology that can assist teams in improving their hiring process.

Recruiter's Key Challenges

Candidate screening is one of the most challenging activities for talent acquisition teams in any organisation. Dealing with multiple candidates that apply for various roles is exhausting. Further, adding the human factor to the equation makes the entire process inefficient and delayed.

Here are a few of the challenges faced by recruiters:

Sourcing

Recruiters often have difficulty sourcing candidates, especially for niche roles. Sourcing candidates requires screening through many profiles, and the manual effort is either highly time-consuming or unyielding. As a result of the delays and overlooking of candidates, it may lead to them missing out on top talent.

Data

Recruiters may not have access to all the data they need to make informed decisions. To hire for a particular position, recruiters need all relevant information, such as previous employment data, job-switching patterns, and skills. A lack of actionable insights would lead recruiters to sort candidates based on their ability, resulting in poor hiring decisions.

Engagement

Recruiters need to engage with ideal candidates to prevent drop-offs. The sooner engagement begins, the more chances the recruiter has to convert the candidate. Further, engagement also drives the candidate experience – and with candidates offering several offers at a time, it becomes necessary to get to the negotiating table first.

Bias

There exist inherent biases in every person and recruiters are no exception. These biases may be conscious or subconscious, but they exist and limit a recruiter's ability to hire the best candidate for a particular role. AI can help to reduce this bias by providing objective data at crucial junctures.

Inefficiency

Recruiters may waste time on tasks that could be automated, such as sifting through resumes, verifying if candidates match the required criteria, or checking the qualifications of the applications. As a result, they may be less efficient and productive.

How AI is changing the way recruiters screen candidates

The impact of AI on screening can be seen in many ways:

- Artificial intelligence enables recruiters to define criteria that act as specific parameters that act as critical metrics to recognise different skills, qualifications, and qualities required in a candidate.

- The software then scores candidates based on how many or which specific criteria they fulfil for the role.

- The candidates' scores are then used to rank them against each other and identify the best candidates for a particular position.

- AI can also flag candidates based on past behaviour and identify patterns such as job hopping which are difficult for recruiters to discern manually.

- AI automatically evaluates the candidates and begins engagement with the candidates, conducts preliminary screening, and gathers all relevant information to assist recruiters in making informed decisions.

What are the different use cases for AI while screening resumes?

- AI can identify patterns in resumes that indicate a good fit for a specific position. AI can also help screen resumes by analysing their content using Natural Language Processing (NLP). NLP can help identify critical skills and qualifications a company is looking for.

For example, when a company is looking for a customer service representative. AI could identify resumes that mention customer service experience, or when looking for a web developer, AI can use NLP to identify resumes with web development experience and specific skill sets in python/java.

- AI can help to identify red flags in resumes.

For example, if a resume contains employment gaps or inconsistent dates, AI can help to recognise this and flag it for further review.

- AI can be used to identify patterns in resumes that may be indicative of an ideal fit for a particular job. The AI can then be used to score resumes based on certain criteria.

For example, it can identify if a candidate has experience working in the same industry or similar projects for a particular length of time as the recruiter is hiring for - helping identify the most appropriate options from the pool of applications.

The benefits of AI in resume screening

Improved candidate engagement

AI can help improve candidates' engagement by providing personalised communication and updates throughout the screening process. Candidates that receive timely updates about their job status are more likely to stay engaged and remain interested in the position. In addition, AI automatically helps schedule interviews with a click of a button, sync calendars and block convenient times for the candidate and interviewer.

Furthermore, AI improves the quality of candidates' participation by providing timely recommendations for the next steps.

Reduced time to hire

One of the most common problems during screening is the time factor. Owing to a typically large pool of applicants that show their interest in a role, recruiters find themselves spending significant man-hours on activities that often require repetitive effort.

According to a study, HR managers spend 14 hours a week completing tasks that could be automated. AI frees up recruiters' time by automating repetitive tasks, including scanning several resumes for the right match or scheduling interviews.

Moreover, it can also help identify potential candidates that may have been overlooked using traditional recruiting methods.

For example, you could use an AI chatbot to answer candidate questions, collect additional information through follow-up questions, and schedule interviews.

Cost savings

Recruiters spend significant time screening resumes impacting productivity. AI can streamline and impart efficiency by automating tasks and making the recruiting team lean. According to HR Tech Series publication, leveraging AI for candidate screening can reduce the cost per screen by 75%.

A further benefit of AI is that it enables the selection of the most qualified candidates, thus reducing the likelihood of future risk and unforeseen expenses.

In the long run, AI could play an instrumental role in saving both direct and indirect costs associated with hiring.

Improved accuracy

AI can help recruiters more accurately identify which candidates are the best fit for a role, as well as those who are most likely to be successful in the position, by screening resumes and applications using predetermined criteria.

Eliminating bias

According to a report, 76% of job seekers consider workplace diversity essential when considering employment opportunities.

AI can eliminate bias by providing a level playing field for all candidates during screening. Since AI does not have inherent biases, it compares all candidates with the same standards without discounting or favouring a particular demographic.

As a result, recruiters automatically shortlist those who are the best match for the role based on data. This ensures that only the most qualified candidates are put forward for interviews based on merit. Due to this, organisations can align themselves with DEI initiatives by attracting a diverse workforce.

Assessment of strengths and weaknesses

Artificial intelligence can help identify candidates' strengths and weaknesses by analysing their resumes, work history, and performance in previous roles. AI can help identify the roles and responsibilities undertaken by candidates in the past, how they can contribute to the role, and if they are likely to succeed in such a role. Such information can be converted into actionable insights and help hiring managers make more informed decisions about which candidates are the best fit for a particular position.

The future of AI in resume screening

There is no doubt that AI will have a significant impact on recruitment and screening in the future. With the ability to identify patterns and trends, AI can help determine the best candidates for specific roles much more effectively than traditional means. A look at how AI is transforming the recruitment industry and what kind of impact it will have in the future.

A digital transformation for recruiters

Recruiters are now witnessing a digital transformation. Online application assessment and automated decision-making have replaced the traditional manual screening regime. Artificial Intelligence is helping automate the screening process and make it more efficient, so recruiters don't have to spend hours digging through paperwork or phone calls to find their ideal candidate.

Redefining recruiter's focus

Leading companies are already using AI technology to automate the candidate screening process, and it will only become more prevalent in the coming years. AI will allow recruiters to spend more time on the aspects of the job that require human interaction, such as building relationships with candidates and negotiating salaries.

Conclusion

KPMG research shows that 36% of HR functions have already begun implementing AI, and over 42% said it would become critical in the coming five years.

Artificial intelligence has transformed the candidate screening process. The emergence of AI has enabled recruiters to save resources and shorten hiring time. Leading organisations are embracing AI to catapult their efficiency by saving time, effort, and resources. When appropriately trained, AI-based software can improve the quality of candidates by reducing human biases, scouting top talent, and streamlining the process resulting in a highly able workforce that can chart the course of an organisation's future.

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About impress.ai

impress.ai is a leading end-to-end recruitment SaaS platform provider with a focus on making accurate hiring easier. Powered by AI, impress.ai's platform enables businesses to streamline their end-to-end recruitment process. impress.ai helps enterprises screen, engage, and hire the best talent with accuracy, consistency, & efficiency. We have partnered with leading businesses globally, offering 24/7 recruitment capability, helping them qualify the best candidates, increasing their hiring efficiency, and improving employee retention while consistently delivering superior candidate experience.

Headquartered in Singapore, impress.ai has a regional presence in the USA, Australia, India, and Indonesia. impress.ai was accredited by IMDA under the Accreditation@SG:D programme and has won 'Silver' in the Most Promising Innovation category at SG:D Techblazer Awards 2020.

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