The voice for the global staffing industry



MAN AND MACHINE

TECHNOLOGY IN PARTNERSHIP WITH RECRUITMENT THE PLACE OF AI

7



Simon Kent, Editor, The Global Recruiter

"As flash and amazing as technology might appear to be it must always serve the business, the consultant, the client and the candidate concerned."

TECHNOLOGY IN PARTNERSHIP WITH RECRUITMENT

This year has witnessed a huge amount of discussion and hand wringing over the role of technology in the world. Principally led by apparent leaps forward in the capability of AI – although this is more likely simply a leap forward in the awareness around the technology – headlines have been written, grabbed and re-written forecasting everything from an efficient and smooth running life to outright chaos where machines rule over people.

Over the forthcoming issues of The Global Recruiter we're focussing on the truth behind the cliches. We're exploring where exactly technology rests within the recruitment industry - not just with regard to AI, but more broadly speaking, to identify the area which bring real value to the sector. We're looking at the policy and strategy behind technology, but we're also ensuring we take a practical stance – how can the sector get the best from the technology on offer and convert this into real value for clients and candidates alike.

This has already proved to be a contentious subject area and there is no doubt that one business' use of technology may not fit with another. But this is, at the end of the day, the point. As flash and amazing as technology might appear to be it must always serve the business, the consultant, the client and the candidate concerned. Getting this balance right is the real challenge and one which stretches from the implementation of the first CRM to where we stand today.

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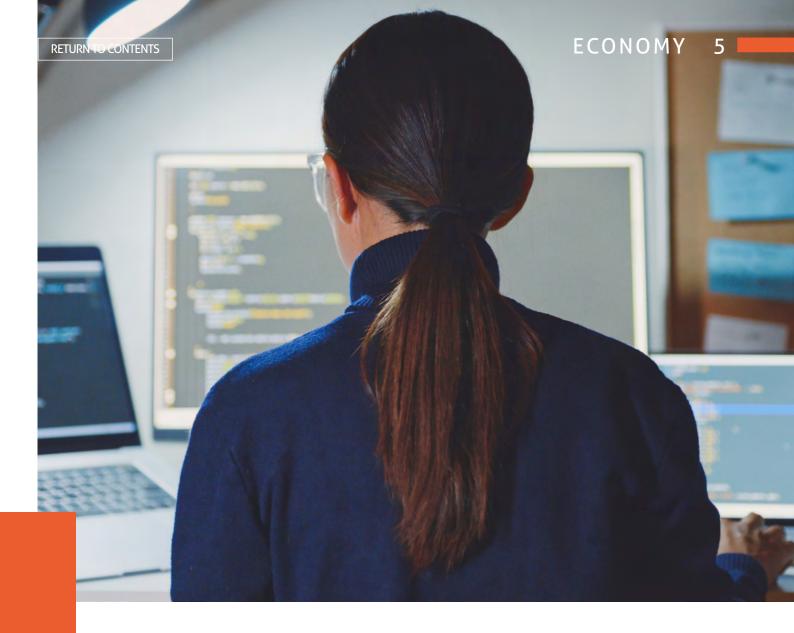
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Rosie O'Callaghan, Business Manager for Data Science and Machine Learning (ML) at Harnham, the global leader in data recruitment, works with some of the biggest employers in the industry. Recruiting professionals into AI roles has granted O'Callaghan a birds-eye view of what specialisms and opportunities are emerging, and the key areas where those seeking a career in AI should focus their attention. Harnham has also recently released its 2023 UK Salary Guide, the definitive source of salary information for the data market. It includes research on what new roles are emerging and what markets these may impact.

O'Callaghan comments: "We are beginning to see increasingly niche roles pop up in AI. More recent developments in ChatGPT and neuro-linguistic programming (NLP), for example, will likely trickle down into different types of emerging roles in the coming year. There is also increased interest in generative AI-related job listings and a demand for 'full stack' data scientists who can manage data processes from ideation to deployment.

"Our Salary Guide shows there's been growing demand for professionals able to straddle multiple teams or have a mixture of data and business skillsets," she adds. "For example, demand for ML engineering roles has been steadily rising, with hiring managers recently seeking ML ops engineers – professionals able to bridge the gap between data scientists and data engineers. Some companies are even building brand new ML ops teams. By sitting within and working alongside both teams, they can focus on building, deploying and maintaining platforms and pipelines to facilitate the work of data scientists.

"But this is a very new area," she adds, "not many companies have yet developed this function and, if they have, the role within the business is still quite undefined. New roles are likely to emerge as companies figure out what they need from AI and ML specialists. The people we've placed so far typically work alongside data science and data engineering teams. >



"However, the most important skill remains stakeholder management. Being able to explain technical work to nontechnical people in a clear and jargonfree manner, and sell the value of data science to key stakeholders and decisionmakers within the business, is essential in almost every role for which we hire. In the data and engineering space, a lot of people aren't keen on presenting data. Having that combination of skills will provide many opportunities."

Paying up

Harnham's Salary Guide shows that 47 per cent of respondents believe AI is set to be the biggest disrupter of the data market. However, one of the greatest problems that organisations face in implementing AI and ML roles is lack of talent. 26 per cent believe this could limit organisational growth and opportunities for competitive innovation.

Despite this, O'Callaghan sees university courses in AI and data analytics becoming more popular and niche, and believes this trend is likely to continue as more specialist AI and ML roles emerge. She adds: "Data science courses are becoming increasingly prevalent. For candidates, getting a master's degree relevant to their area of interest is the first step. They should look at toplevel universities; for example, Edinburgh is well known for AI and deep learning, but UCL might better suit classical ML statistics type roles. So far, it's uncommon for employers to expect candidates to have a degree in AI or data science, but the degree level and university reputation is consistently mentioned. Unsurprisingly, this is having a knockon effect on the candidate makeup of the market. At Harnham we are starting to see more people coming through with specialist degrees.

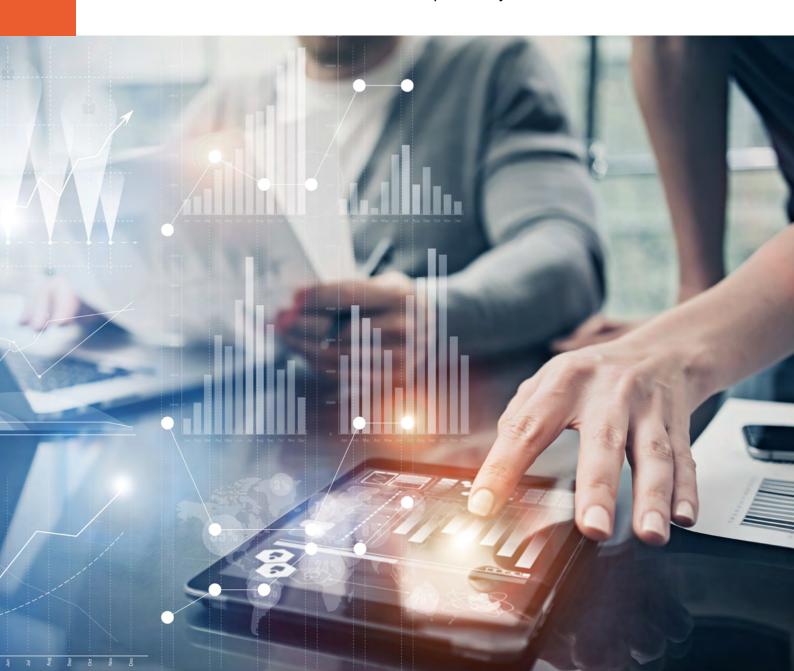
"It's then important that candidates find the right company to help them get essential exposure, whether they want to transition to a big company or join a start-up where they'll wear lots of hats. Joining a larger company with lots of trainees or somewhere doing a combination of data science and deep learning and AI can act as a steppingstone to more specialised roles, particularly for those retraining." >

Economy could limit growth

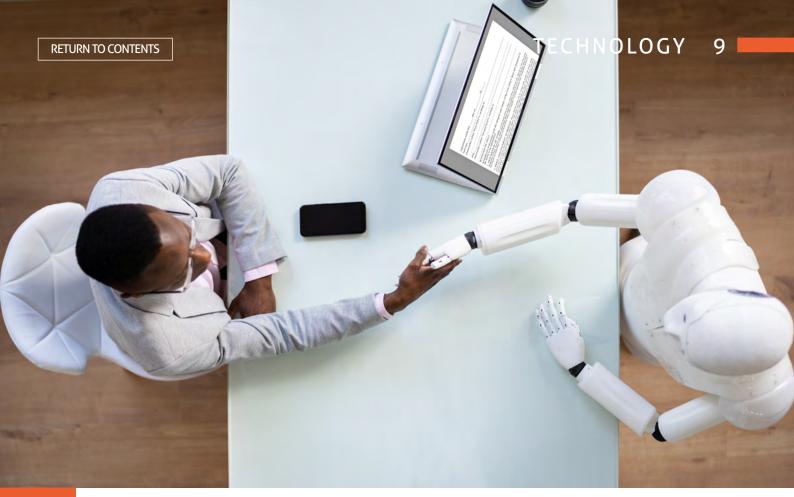
Despite surging interest in AI and data science, Harnham's researchers believe the current economic climate could limit sector growth and the availability of roles. The Salary Guide data shows that compared to last year there were far fewer data professionals hired, salaries increased and job opportunities on the market.

Rising inflation and increasing business costs means businesses cannot maintain the same level of growth as in 2022 and are more cautious in hiring for emerging roles, particularly as candidates seeking specialised AI, ML, and deep learning roles can expect to earn on average £50,000 at entry level and up to £120,000 as Directors. Despite this, 28 per cent of people left data engineering roles in 2023 due to uncompetitive salaries, and some may have been disappointed to earn only a 16 per cent increase in pay, compared to the expected 22 per cent, when moving roles.

O'Callaghan concludes: "The disconnect between salary expectations and reality reflects a widespread trend – tech companies, and more often tech giants, can offer much higher salaries than most companies, establishing a benchmark that cannot be matched. Data science is also still viewed by some as a luxury, rather than a necessity. Economic challenges mean budgets have been stretched and costs cut, and companies are unable to sustain the same financial incentives from previous years."







According to the World Economic Forum, the most accepted definition of Artificial Intelligence (AI) is 'the ability of machines to perform tasks that are typically associated with human intelligence, such as learning and problem solving.'

In our business, which specialises in placing the right candidate in the right role, essentially matching people with jobs perfectly, there is certainly an emerging space for AI. While many alarm bells have been sounded cross-industry about bots replacing humans, and rightly so, it is important we remember how early on we are in the evolution of the application of AI, particularly in the recruitment sector.

Understanding improvements

At Gi Group, our global team has invested heavily in understanding how AI can be used to improve not only the service we offer to our customers but also the experience of work and development we can offer to our colleagues in the business. We've employed a team of AI scientists and machine learning experts to investigate all of the ways in which AI could (not necessarily should) be adopted.

At this stage (Q3-4 of 2023) the investigation team is focusing on smart screening, which is the process by which candidates are selected once they are in our system. The smart screening functionality will allow us to present a consultant with a pool of available candidates who have been matched to specific vacancy criteria within seconds – a huge step up for high volume recruitment. Gi Group is already ahead of the pack when it comes to data collection and storage, with a best-in-class CRM system in place. This puts us in a very strong position when looking at how we can leverage and elevate our existing database of candidates to maximise our support for clients.

Historically, databases can be full of excellent candidates which are either 'invisible' due to how they have been stored, or hidden because of an outdated CV. We say in our sector that a good candidate is only as findable as a good CV. This challenge can be particularly prescient for new recruits in our business, who have less experience and knowledge than long standing recruiters in how to use complex search language to unearth harder to find skill sets. So, we're looking at how we can use AI to support new recruiters in their search process. This in turn will free up time for experienced consultants in induction sessions and allow them to spend more of their energy and focus on developing their new starters' recruitment knowledge bank. >



Skills and careers

Further down the line, we will be considering how we can adopt AI to help us manage challenges associated with skills gaps. AI will be able to predict a skill-based career path of an individual based on their existing data, resulting in a higher percentage of skilled candidates than a manual search would present.

This is a more complex application of AI, as it looks at more details about the candidate than the basic search criteria. We've had some early-stage successes with this function but it is very much in the infancy of development.

Currently, AI is showing promise in helping us with the pre-screening stage in the application process. We're exploring how chatbots with WhatsApp integration can support us in screening candidates, which is a very time consuming task that, if carried out by AI, potentially would free up time for consultants and apprentice consultants to spend developing their skills and their relationships with clients.

Still focussing on people

It is crucial to point out that while AI shows great promise in respect of manual and datadriven tasks, we believe there will always be a critically human centric element to our business. Our customers choose to work

with us because we are a people focused, passion driven team of experts who have a collective experience of placing people with companies that precedes the internet. We know that 'people buy people', by which we mean people are most likely to make a purchase or a decision based on a human interaction. This is why we will always want to ensure the most important part of the candidate journey, the final interview and selection, is done in person with an expert consultant. We take the time to understand our clients and their goals, which means we provide perfect match candidates - aligned with both skill set and culture. The nature of our business is such that a fast turn around is key. Some customers require a candidate within an hour, and we know that the most certain way of matching the right person to the role is for one of our experienced and talented consultants to lead this process.

In terms of the broader picture in our industry, it is fair to say that most recruiters are at the exploration stage with AI, while some have yet to fully understand its potential. Everyone is aware of it, but to different degrees. At Gi Group, we are investing time and resource in understanding the potential of AI we know that we are future-proofing our business and the careers, development opportunities and work satisfaction levels of our talented teams in the process.

For more information about Gi Group in the UK, please visit: uk.gigroup.com. ■



IMPORTANCE OF AN APP & PLATFORM FOR TEMPORARY RECRUITMENT

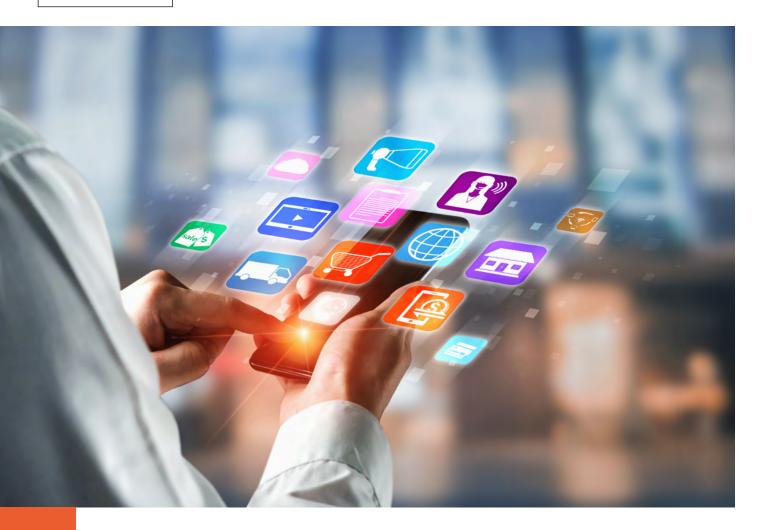
Anthony O'Neill, founder AER Temp

Temporary recruitment accounts for 85% of the total global staffing revenue. By 2027, it is estimated that over half of all workers in the US will be gig workers. This change in the workforce dynamic opens up huge opportunities for recruitment companies in this almost \$600B market. In order to capitalise on this opportunity, staffing agencies must have their own app & platform.

Research shows that recruitment agencies who have a temporary desk have greater gross and net profits. Healthcare dominates the temporary space, but other sectors are growing. Within professional services there is an increase in education, finance, legal and IT and within commercial staffing there is growth within events, hospitality, call centres, industrial and tradesmen.

The dynamics of a good temporary recruitment desk all revolve around having a large pool of candidates to hand to fill these temporary roles. Temporary roles could be single shifts right through to a few weeks or months. However, building and managing a large database of candidates throws up its own challenges. These include issues around communication, sourcing, matching, onboarding and compliance checks to name but a few.

This is where an app and platform becomes important in helping you build your temporary recruitment business. If you look at the dynamics of permanent recruitment, the main goal for the technology at the outset is to identify and attract talent to apply. The recruiters job is then to whittle these numbers down to the best applicants for a role. Any sort of checks be it compliance or reference are done at the latter stages and usually with just a handful or possibly a single candidate. >



However, when you compare this to temporary recruitment, all compliance checks, reference checks, onboarding, document signing need to be done upfront for all candidates. As you grow this marketplace, the need to automate these tasks are critical to allow you to continue to develop and grow. Having a large marketplace also throws up its own challenges. This is where technology adds even more value. Technology can help you quickly source and match the most likely candidates from your marketplace for a shift. Research has shown by adopting a platform, the time to fill a shift can be reduced by up to 60%. This time saving drives economies of scale and increased revenue and profit. Agencies who have adopted platforms are seeing a 9x increase in recruiter productivity and are experiencing a 59% higher revenue per internal employee over traditional staffing firms.

Having a platform by itself may still not suffice, and it's becoming more important that you couple any platform with a dedicated app. The majority of candidates now expect to have an app and tools to help them manage their time. Dedicated apps can allow a candidate to set available work dates, minimum hourly rates, preferred locations all from their phone. Communication options can include push notifications, SMS and email. The average person spends 3 hours on their phone everyday, and a lot longer if you are under the age of 30!!

If you make the decision to adopt a platform for your temporary recruitment business, it's important that the platform and model you choose fit with your long term strategy. There are three traditional methods to integrate technology - buy, build or borrow. Each has its pros and cons so make sure you explore all and find the technology and model that works best for your business and industry.

A recent study has shown that 80% of large companies plan to increase their use of a temporary flexible workforce and 28% of staffing firms plan to implement a platform within the next 2 years. Of these, 65% believe a SaaS licensing model is the best way to adopt this technology.

THE PLACE OF AI

CIPD policy advisors Hayfa Mohdzaini, Claire McCartney and People and Transformation Director Amanda Arrowsmith give their view on positoning AI in people processes



Recent developments in generative AI have captured the public's imagination, and renewed discussions on ethics and compliance. Generative AI creates new content like text and images from existing patterns of data. For example to transform detailed role profiles into candidate centric job adverts or to help employees craft their performance and development objectives.



Tools with generative AI have been around for some time but arguably only went mainstream after OpenAI launched ChatGPT in November 2022. ChatGPT is free and more general purpose than the specialist AI chatbots that featured in the CIPD digital transformation series in partnership with Personio in 2021, e.g. to answer employee queries or interview and give feedback to candidates.

Before public excitement around generative AI, we know only a minority of people professionals said their organisations use AI-embedded technologies in recruitment (16 per cent of 1,055 respondents surveyed in April 2022). According to the CIPD Resourcing and Talent Planning Report in partnership with Omni, the most cited use of AI in recruitment was in sourcing candidates (8 per cent of respondents), for example, to interpret job requirements or to search for relevant candidates. And that those from large organisations (with 250 or more employees) were more likely to state that they used AI in their recruitment processes compared to those from small organisations (fewer than 250 employees) – 24 per cent vs 6 per cent respondents. The majority of respondents believed their use of technology has been limited by lack of resources, skills and knowledge. It could also be that some of the respondents were unaware that AI is embedded in some of the free or paid technologies they use for recruitment. Or that they don't recruit enough candidates to justify paying for AI-embedded technologies. >



Ethical practices

We also know that bosses' moral compasses were largely in tune when gauging whether certain people management practices were ethical, according a survey of 814 bosses conducted between June and August 2022 for a CIPD thought piece in partnership with Hibob. The greater the negative impact on people's job prospects or risk to the organisation's reputation, the more uncomfortable bosses were with delegating the task to AI. More bosses were uncomfortable with the idea of letting AI dismiss underperforming employees where the performance criteria were unclear (87.1 per cent), compared to showing the optimal route for picking items in a warehouse (12.7 per cent). Indeed, where automated decisions have significant effects on individuals, the UK General Data Protection Regulation limits its use to certain scenarios and allows affected individuals to challenge those decisions.

With generative AI in the hands of the masses, the problem of plagiarism has grown. How do you know whether a job application was written by a person or AI? Fear not, some software vendors have rolled out solutions to detect this. But job applications written with some help from AI isn't necessarily a bad thing – it's easier to assess an application with clear sentences that are free from grammatical errors.

Against this backdrop, how should organisations approach the introduction of AI in areas such as recruitment and talent management? New uses of AI need careful consideration, particularly in areas that affect people's livelihoods – like whether they get hired or promoted. In most instances AI would've been 'introduced' seamlessly through new features rolled out in the free and paid technologies that organisations already use. Again, these should be audited periodically particularly those that impact people's livelihoods. >



At the bare minimum, AI or any technology introduced should comply with the laws and organisation's policies. Do look at <u>CIPD's guide on preparing your organisation for AI use</u> for tips on shaping an AI use policy. For example, a policy might prohibit entering sensitive information into open source AI tools.

Beyond this we should be thinking about ways in which AI and other technologies can enhance candidate and employee experience and improve the accuracy of decisions. The way in which AI is used in recruitment can influence candidates perceptions of an organisation's brand. In certain settings, AI-generated performance feedback has been shown to be an effective management tool where the performance review is structured.

For a people centred approach, follow the CIPD's nine guiding principles for using technology in recruitment and workforce planning (read the guide in full here):

- Be clear on what problem you are trying to solve with technology
- Ensure the right people are involved in key aspects of decisionmaking
- Consider how the technology will impact jobs and the way things are done
- Consult with employees to identify unforeseen risks and gain buy-in
- Plan and monitor for equality, diversity and inclusion
- Scrutinise products before procurement to understand how technical functions work and what ongoing management is available
- Ensure data security and other compliance practices consider people principles
- Communicate how technology is used to applicants and employees
- Embed good people management practices to facilitate an open and responsible culture

By following the CIPD's nine guiding principles, organisations can ensure that AI is used in ways that enhance candidate and employee experience, improve the accuracy of decisions and build a more inclusive and equitable workplace.

TAKING THE ADVANTAGE

Adam Hawkins, Head of Search & Staffing, EMEA & LATAM, LinkedIn



The recruitment industry is experienced in adapting to changes in labour markets and the wider economy – and if there's anything we've learned over recent years, it's that change is the only constant. The world of work is continuing to evolve, and most recently it's become clear that Artificial Intelligence (AI) is starting to usher in a new era of work – redefining not just how work gets done, but also the type of work that gets done. >



At LinkedIn, we're already starting to see this shift in the labour market playing out in the new skills that employers are adding to job postings, and that members are adding to their profiles. According to our latest Future of Work Report: Al at Work, Al-related skills like machine learning, natural language, and deep learning are on the rise as more members than ever before are adding Al skills to their profiles. For instance, in June 2023 the number of AI-skilled members globally was nine times larger than in January 2016. At the same time, companies are increasingly looking for AI talent – the share of job postings on LinkedIn mentioning GPT or ChatGPT has increased by 21 times since November 2022.

Al and the role of recruiters

Given all the workplace upheaval throughout the pandemic, it's perhaps no surprise that the remit and expectation of recruiters has expanded significantly. According to LinkedIn data, nearly 9 in 10 (87 per cent) of recruiting professionals globally say their role has become more strategic. Not only are recruiters expected to fill open roles, but businesses are also challenging them to future proof against any future skills

gaps, and anticipate the capabilities and competencies that companies will need.

Many recruiters have already embraced data and analytics tools to rise to the challenge. This has enabled recruiters to diagnose problems and identify patterns more effectively – helping them to improve DEI efforts, unlock and expand new talent pools and boost candidate engagement as a result. However, there are even bigger advantages available to recruiters that leverage the next big technological wave: Generative AI.

Two-thirds (68 per cent) of hirers recently surveyed by LinkedIn said they were "very hopeful" or "cautiously optimistic" about the impact of Generative AI on recruiting. They cited "automating repetitive tasks" (74 per cent), "making it faster and easier to source candidates" (67 per cent), and "engaging candidates" (59 per cent) as the key areas where Generative AI can play a key supporting role in their day-to-day work.

So, as recruiters adapt to technology innovation, here are some practical applications of Generative AI which recruiters can use to help free up time so they can focus on the people aspect of their roles. >



Al-assisted messages

In May, LinkedIn <u>announced</u> the initial rollout of Al-assisted messages in LinkedIn Recruiter – which is now available in English to all Recruiter users. Using our own inhouse generative Al model trained on successful InMails, the new feature uses the information from a candidate's profile, job description, and the recruiter's company to draft a highly personalised message to get the conversation started.

LinkedIn data shows that when recruiters personalise InMails, they see up to a 40 per cent increase in acceptance rates – but manually researching each candidate and personalising every message is nearly impossible to do at scale. By using generative AI to supercharge these efforts, recruiters can save time, increase candidate engagement, and build meaningful connections.

Al-powered job descriptions

At LinkedIn, we <u>announced</u> earlier this year that we would be testing Al-powered job descriptions, leveraging an advanced OpenAl GPT model to help hirers find qualified candidates.

With Al-powered job descriptions, all job posters need to do is provide starter information – like job title, company name, workplace type, job type, and location – and a draft description will be created for the poster to review and edit. This new experience is being tested in English to a limited number of global job posters.

Personalised writing suggestions

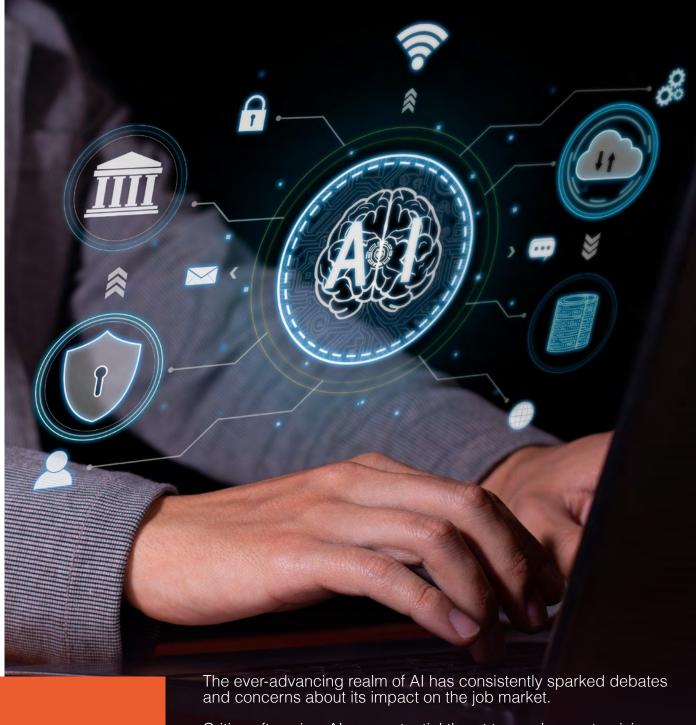
Generative AI is also being tested in other areas of LinkedIn's business. In March, we announced that we are testing a new-tool which provides personalised writing suggestions to our members – identifying a candidate's most important skills and experience, and crafting suggestions to make their profile stand out.

Recruiters have a strong track record of leveraging technology to improve processes and solve problems. The massive efficiencies Generative AI can unlock will enable recruiters to stay in the boardroom and remain focused on the bigger, strategic priorities – and what we're seeing now is just the beginning of the technology's potential.

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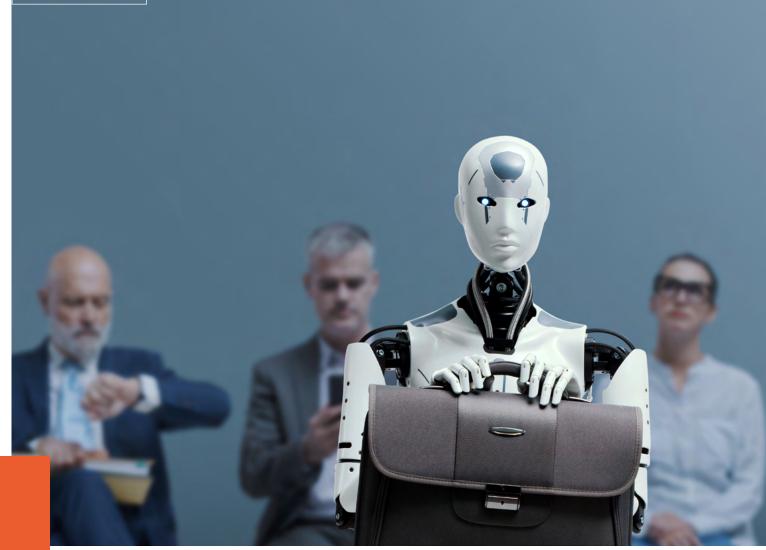
ADAPTING, UPSKILLING, AND THRIVING

Derek Mackenzie, CEO of Investigo, part of The IN Group discusses the impact of AI on jobs.



Critics often view AI as a potential threat to employment, raising questions about the future of work and job security. However, history has shown that every technological revolution, including AI, has not just reshaped but also redefined human occupations. >

RETURN TO CONTENTS IMPACT 21



Recent data from BDO has indicated a slowdown in the UK labour market due to rising interest rates. According to the latest data from the accountancy firm, demand for workers slowed for the second consecutive month in August bringing BDO's employment index down by 0.81 points to 110.92.

In light of this, it is crucial to examine how AI is influencing jobs and how we can navigate this transformation.

Redefining, not replacing

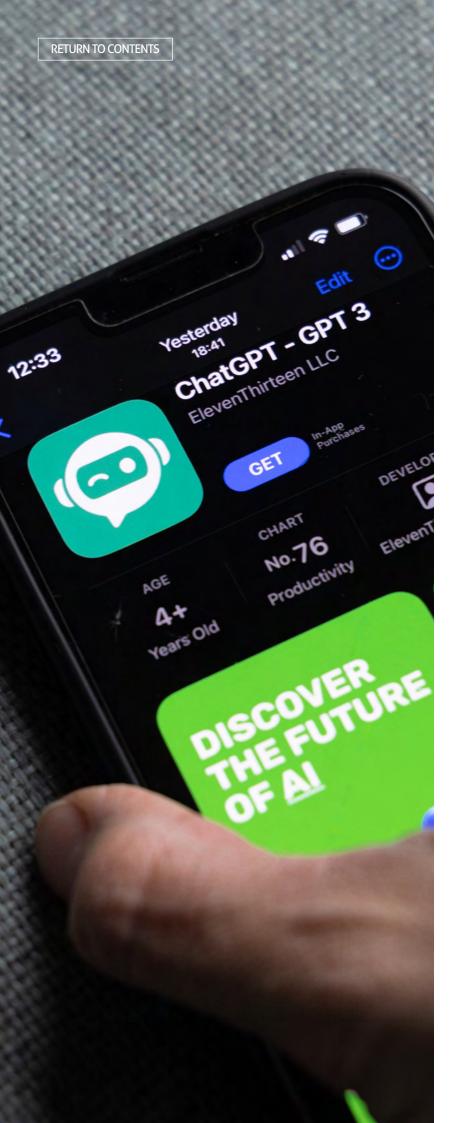
Throughout history, technological advancements have led to the automation of various tasks. The fear of job displacement has always accompanied such changes.

However, what often transpires is not mass unemployment but a shift in the nature of work. As AI becomes more integrated into industries, it is essential to recognise that it is redefining rather than replacing human occupations.

Historically, when machines have taken over certain human tasks, new job opportunities have emerged elsewhere. This pattern of displacement and creation of jobs has been a hallmark of technological progress.

Fewer workers, greater output, and higher wages

One significant effect of AI in the workplace is the potential for fewer workers to produce greater output. Automation and AI-driven processes can significantly increase productivity and efficiency. This surplus productivity can lead to higher wages for workers, as companies share the benefits of increased profitability and the requirement for less staff. >



This transformation is not limited to repetitive tasks. We are now at a point where highly skilled jobs can also be performed by machines.

This shift in job roles means that human occupations of the future may be characterised by less pressure and more emphasis on supervision and creativity. Workers can be freed from mundane tasks to focus on higher-level responsibilities, leading to a more fulfilling work experience.

Closing the digital skills gap

While AI brings opportunities for increased productivity, it also presents challenges, particularly in terms of the digital skills required to harness its potential.

Recent research has revealed that currently, 72 per cent of businesses surveyed in the UK have a vacancy for workers with digital skills, but only 11 per cent of UK workers possess advanced digital skills. The digital skills gap is a pressing concern, and the UK, like many other nations, faces a shortage of individuals with the necessary digital expertise.

Efforts to inspire social mobility in the tech industry and close the skills gap are vital. Fostering an environment of innovation and inclusion is essential to encourage people from underrepresented groups to pursue careers in the digital sector. Diversity in the workforce not only addresses social equity but also brings fresh perspectives and ideas to Al development.

Furthermore, leveraging technology itself can help bridge the skills gap. Personalised learning programs tailored to each individual's needs can be created through Al-powered systems. These programs can adapt to learners' progress and ensure that they acquire the digital skills demanded by the job market.

Adapting the curriculum for a rapidly changing landscape

One of the challenges posed by AI is its rapid evolution. Technology often outpaces the educational system's ability to teach it. >

As AI continues to advance, the curriculum must be constantly updated and adapted to keep pace with industry demands. Lifelong learning and upskilling should become the norm, ensuring that the workforce remains competitive and adaptable in a changing landscape.

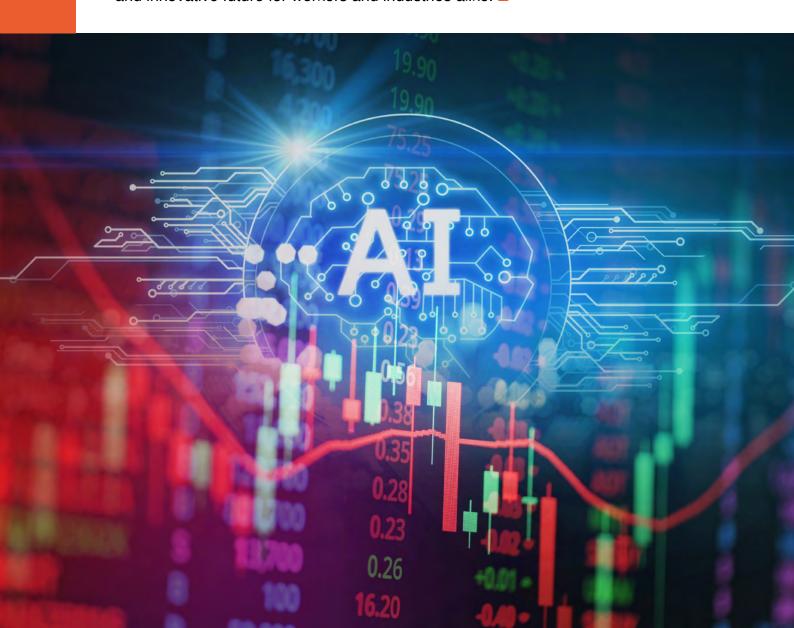
The road ahead

The impact of AI on jobs is a topic that garners significant attention and debate. However, history has shown that technological advancements, including AI, tend to redefine rather than replace human occupations.

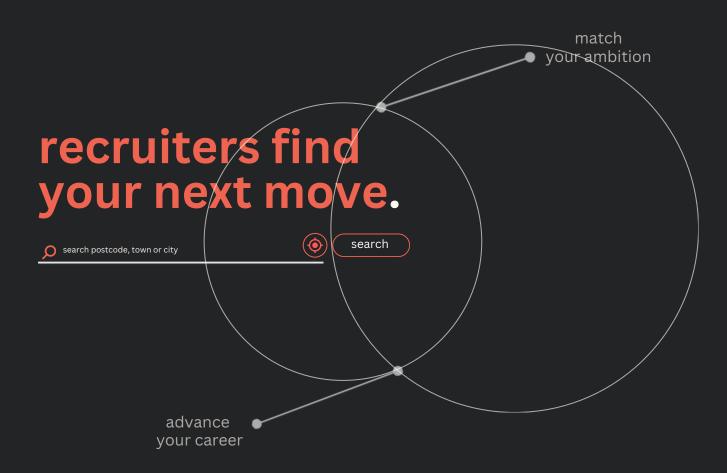
As the UK labour market faces a slowdown due to rising interest rates, it is crucial to recognise that AI can lead to increased productivity, higher wages, and a shift toward more fulfilling, creative roles.

Addressing the digital skills gap is essential for the workforce to harness the potential of AI fully. Encouraging diversity in the tech industry, implementing personalised learning programs, and continuously adapting the curriculum are key steps in preparing the workforce for an AI-driven future.

Rather than resisting change, we must embrace it and ensure that we are equipped with the skills and knowledge necessary to thrive in an evolving job market. The impact of AI on jobs is a transformative force that, with the right approach, can lead to a more prosperous and innovative future for workers and industries alike.



recruiter moves.

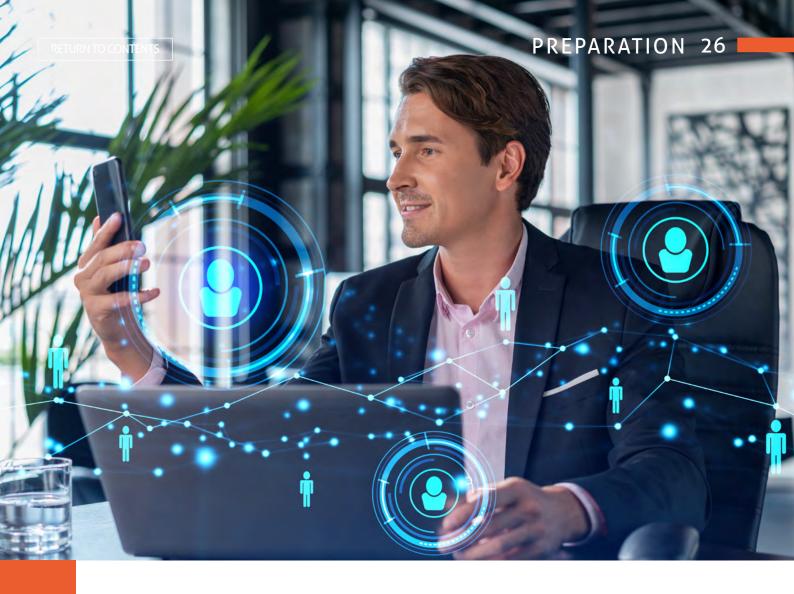


www.recruitermoves.co.uk

GETTING AI FIT FOR PURPOSE

James Osborne, Co-Founder of The Recruitment Network on how recruitment businesses can be ready for tech.





Let me put this into some perspective.

Humanisation of Recruitment

Personally, I am a huge advocate of the 'make recruitment human again' movement (I am not sure this is actually a thing, but it should be!)

I believe our industry has been dumbed down and depersonalised in many cases, as we chose to hide by emails and inmails rather than spend quality time in front of our customers on both the client and candidate side.

This has led to a sea change in how some recruiters are perceived by some hiring organisations – faceless providers of a transactional service – which translates into a very different way that recruiters are therefore treated by those businesses. I think that has been the cause of many of the issues facing some recruitment businesses, in particular over the last year or so.

The same goes for the candidate side. The relationship between recruiter and jobseeker has changed. Evolved.

There are very different expectations now about what our interactions should look like. What a 'timely manner' looks like. What great service looks like.

In the next couple of years, millennials will make up the majority of our workforces. We know that. We also know that 41 per cent of millennials say they prefer to communicate electronically at work than face to face or even over the telephone. Surely this tells us something about how we should be engaging with part of our target audience.

Al allows greater alignment between what our candidates expect and what our recruiters are able to deliver around service excellence and when candidates start experiencing that, the relationship transforms. They want a better level of service and Al supported recruitment processes can give them that.

Optimisation of Recruitment

Irrespective of whether the market conditions are good or bad, recruiters need to be running at higher levels of productivity and performance than they are today. They need to be optimised. >



Take a look at an individual recruiter's capacity to generate revenue, for example.

This is all based on the amount of time they have available to them to do the core parts of their job that in return have the biggest impact on their net contribution. Give them more capacity to do more, and so their performance (should) increase, alongside their KPIs and performance thresholds.

This, of course, is where AI can play its most significant part – reducing the friction that slows down different elements of a recruiter's day job. And it is this that will get the most buy-in from your recruiters. They will see this not as something to replace them, but something that will enable them to do more, bill more.

They want to do more with less and Al supported recruitment processes can give them that.

Let's be clear here. There is nothing new about this. Al has been around for a long time. But there is a lot new about the functionality and most significantly, accessibility of the new style of Al that is touching just about every part of our lives at the moment, which is why everyone is now playing the game.

So, where to start...

If you are just starting out on your Al journey, you need to start by building out the various workflows across your business. This is good practice anyway for any business, but in Al terms, gives you a better understanding of the numerous different customer engagements and recruiter actions that make up your business.

- Your BD workflow.
- Your marketing workflow.
- Your delivery workflow.
- Your account penetration workflow and so on...

Then look at the various tasks that sit within each workflow, to identify which tasks are repetitive.

- Which tasks are non-core.
- Which tasks need to be done more.
- Which tasks are better off being automated than need to be human centric.
- Or a blend of all four.

That list will be the beginning of your Al wish list, against which there are multiple applications that could, in essence, take those tasks out of the hands of your consultants and into the hands of technology.

Always start with your core systems' provider. They are working frantically to build end-to-end AI in to their systems to allow you to automate at will whilst ensuring there is a seamless link between the rest of your tech stack.

Everything is now task focused – less about the systems themselves and more about the outputs of those systems. From the generation of interview and screening questions, to the translation of candidate outreach messaging into multiple languages and country specific terminology.

From the creation of an employer branding campaign to breaking down job descriptions to match against key words from candidate profiles. To keyword identification on customer calls to generate training needs, to the creation of customer and candidate personas that link to your content creation strategy.

This year, TRN (link to www. therecruitmentnetwork.com) has relaunched the Createch programme, enabling recruitment businesses to not only navigate their Al/tech journey better, but to also ensure that Al and their tech stack actually drives their business performance forward.

Get in touch with me (james@ therecruitmentnetwork.com) if you want to find out more.

Final Point to Note

Al is all about data. It is the core component for any Al application.

We will hear a lot more about how GDPR will come into play here as AI becomes more mainstream in the future, so brace yourself for what may well transform how this whole game is played. But for now, the quality of the data that goes in (and therefore comes out of it) is at the heart of whether your relationship with AI will flourish or not.

In Summary

Whether we like it or not, those recruitment business leaders who simply chose to ignore the rapid progression of technology will get left behind. This is less about the technology itself and more about a recruitment business' ability to adapt to new ways of working to remain competitive.

Get it wrong, and it will just be another distraction, another new shiny thing, another excuse to for lazy processes to live and breathe within our businesses.

However, get it right and AI might just be that competitive advantage that many recruiters have been looking for... to be more optimised, more human. Fit for purpose.



LOOKING AFTER NUMBER ONE

Anuj Tewari, Chief Security and Resilience officer, TMF Group gives a check list for recruiters to be data compliant in the age of Al.

The combination of GDPR and the use of Generative AI platform can represent a risk for recruiters and companies. As a matter of fact, privacy laws allow authorities to impose fines of up to £500,000 on companies for the misuse of their customers' personal information. A breach of the new rule might result in a punishment of up to €20 million, or 4 per cent of the agency's global turnover, whichever is larger. The degree of the fine will depend on the seriousness of the violation and any mitigating circumstances. ➤

CURITY



So, what practical implications will GDPR have for recruiters while using the Generative Al platform, and more importantly, what steps do they need to take?

What recruiters should be aware of while utilising Gen Al

- Make it clear how to opt individuals in to receive your communications.
- Bias in AI results in harm to individuals, and potential fines for noncompliance.
- A changing regulatory environment leads to lacking legal clarity about AI systems.
- The use of third parties as vendors or contractors can increase organisational liability, difficulty with insufficient or impossible third-party vendor assessments, and uncertainty about controller and processor responsibilities
- Training Al systems requires using data. Without incorporating privacy best practices, data sets may include the non-consensual use of personal data or secondary uses of data.

Candidate consent and legal handling while using AI or supplying data to an AI engine

- Acknowledge that ČVs fall under the protection of the GDPR. Information in them
 must be processed securely, accurately, and only by the purpose for which it was
 collected.
- Identify your required purposes for personal data processing. Forwarding a CV to a
 particular employer, posting it on a publicly accessible database, storing it, and using
 the contact details to promote your premium employee consultancy services: are all
 distinct purposes.
- Unbundle your existing permissions. For each and all of your data processing operations, you should have what is known as a legal basis eg. consent (and implied consent isn't sufficient).
- Can those consents be withdrawn? Take the applicant who still wants to receive job alerts from you, but no longer wants her details to be available in your searchable database. You should make it easy for individuals to withdraw permissions for data processing linked to distinct processing purposes. >



Enabling your AI to allow individuals to exercise their rights

An applicant applies for a job at your company. They aren't hired this time, but you offer (and they agree) to keep his CV on file for the future. Much later, he asks you to confirm whether you still have his details on file – and to delete them.

First off, it's worth noting that even something as simple as keeping a CV on file is 'data processing' and the example above touches upon two important data rights for individuals: the 'right of access' and the 'right to erasure', otherwise known as the 'right to be forgotten'. In other areas, candidates have the right to rectify – e.g. to fix out-of-date info on your talent database, as well as the right to know if their data is being used in profiling.

Recruiters need to get to grips with these rights, looking carefully at what changes are needed to platforms and databases to enable individuals to exercise them.

Ensure your Generative AI platform/software vendors are compliant

Recruiters usually have full access to your candidates' data. Therefore, GDPR expects you to be certain that your partners protect this data the same way you do.

Your most important vendor in recruitment is your ATS (application tracking system) provider. Your ATS is the place where you will store almost all candidate data, send emails, and delete or modify information. If your ATS complies with GDPR, it will be a great ally in ensuring your company complies. >



COMPLIANCE 32

As a first step, arrange a meeting with your ATS provider or several if you're planning on purchasing an ATS. Ask:

Whether GDPR applies to them as processors. If they aren't an EU company, they should either be part of the Privacy Shield (for US companies) or be ready to sign effective data processing agreements that oblige them to follow GDPR's guidelines.

How they plan to become GDPR compliant. They should also be able to tell you where they store their data and how they ensure this data is

protected.

Whether they use compliant vendors. They should have data processing agreements in place with those subcontractors.

Whether they have clear privacy policies. Review their privacy policies to ensure they comply with GDPR and can adequately protect candidate data.

Be prepared to grant candidate requests in your Generative AI platform

A big part of remaining compliant with GDPR is to be able to help candidates exercise their rights under this law. To do this, you must provide guidelines and processes to:

 Let candidates access their data upon request.

 Determine the format of the electronic copy of their data that you must give candidates and establish a process to extract and send that copy.

Delete candidate's data or restrict processing upon their request.

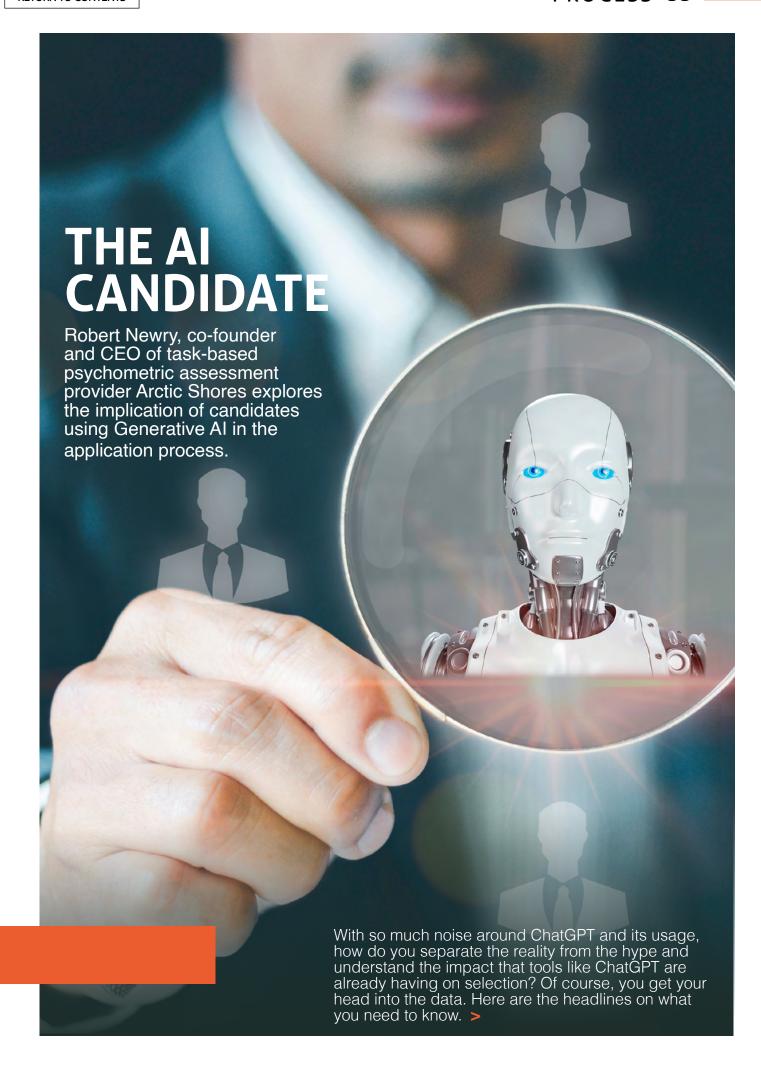
 Find all places where you keep data (you must have done this during your data classification) and establish a process to delete data from all these places.

Rectify candidate data.

 Ensure you have processes to control different versions of candidate data.

Let candidates withdraw consent (in case you decide to use consent as the legal basis for processing).

 Compare this process to the process of giving consent. GDPR requires that the processes of giving and withdrawing consent should be equally easy and simple.





Are candidates already using Generative AI in the application and assessment process? The short answer? Yes. And we can expect it to continue to grow.

Arctic Shores commissioned an independent survey of 2,000 students and recent graduates which revealed that usage of ChatGPT and other Generative AI is already embedded as a daily routine for this population. Overall, 72 per cent of students and graduates use some form of Generative AI on a regular basis. Almost a fifth of candidates are already using Generative AI to help them fill in job applications or assessments, and 7 in 10 say they would do so within the next 12 months.

While some traditional businesses might describe this as 'cheating', our future workforce expects to be able to use Generative AI tools in the application and assessment process.

Just 13 per cent of candidates surveyed said they wouldn't want to use ChatGPT in the application process because they would feel dishonest – meaning 87 per cent would have no qualms about using ChatGPT to secure their dream role. In fact, a third would not work for an employer who told them they couldn't use it, another

third would question whether they wanted to work for them. A final third would view an employer barring the use of Gen AI as unprogressive.

If that's not enough, TikTok is rife with candidates sharing tips on how to use Generative AI tools to apply for jobs. But does it actually make a difference? Does ChatGPT help candidates perform better?

Many talent acquisition (TA) leaders – especially those in early careers selection – have begun to report three trends we can regard as symptoms of widespread Generative AI usage:

- A huge increase in application volumes as candidates use new Al tools to apply for hundreds of roles in just a couple of clicks
- A seeming improvement in the quality of text-based applications (for example, application forms, CVs, and cover letters) but many looking like carbon copies
- A drop in quality in interviews or at assessment centres as candidates make it through the first sift with ChatGPT helping them inflate their capability or suitability >



As a consequence, some TA teams are having to resift, others are removing text-based application questions altogether, while others are now manually cross-checking generic ChatGPT-generated answers with those that feel authentic.

The next best option for many TA teams is to use a traditional psychometric assessment to capture a picture of a candidate's true personality or cognitive ability. The challenge is that because many psychometric assessments are text-based, even they are now at risk.

Arctic Shores research – conducted by a senior data scientist and two UCL postgraduate researchers – showed that candidates could use ChatGPT with little to no specialist training to outperform the average candidate. The research revealed that:

> The latest, paid version of ChatGPT, GPT-4.0, outperforms
> 98.8 per cent of candidates in Verbal Reasoning Tests

 It scores in the 70th percentile on Situational Judgement Tests (the typical threshold to pass to the next stage of the recruitment process)

And in the other standard assessment type, the Personality Assessment, ChatGPT's inherent persona scores highly for many of the desirable traits TA teams typically select for

The rapid adoption of GenAl by candidates and its capabilities is making it even harder to capture an authentic picture of a candidate's true personality and capability, posing a major threat to TA team's ability to sift effectively and accurately at scale.

So, what should TA leaders do next? Should we deter or detect Generative Al usage?

Detering usage

Some TA teams are opting to deter candidates' Generative AI usage by asking candidates not to use Generative AI tools and explaining that the use of ChatGPT in the selection process will mask their true potential to succeed in a role. >

This is an admirable approach, but with only 13 per cent of candidates viewing the use of ChatGPT in an application or assessment as dishonest and in a highly competitive job market, there's no guarantee this approach will be effective.

Detecting Generative AI usage

Others are choosing to use detection software to flag candidates using Generative AI and then remove them from the selection process.

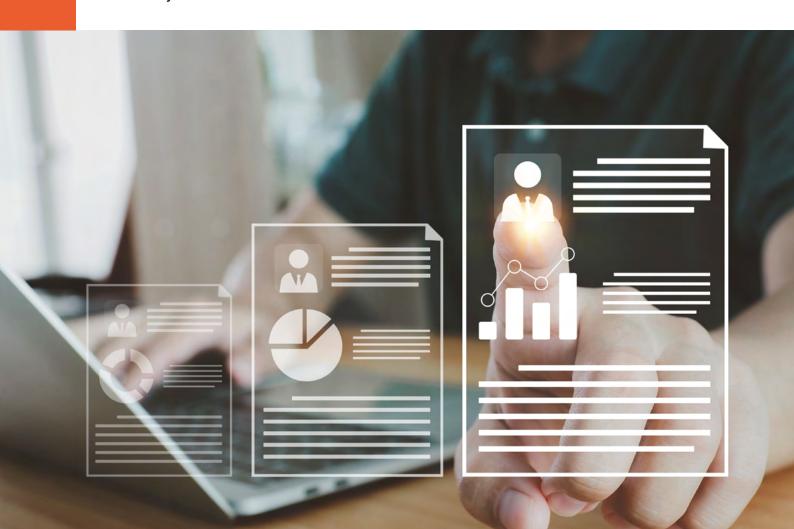
This approach has the potential to harm efforts to improve diversity. Early research suggests that Black and Mixed Ethnic Background students and graduates are more likely to use ChatGPT to help with job applications and assessments (both 23 per cent vs 16 per cent for white candidates), while general usage of GenAl is higher across neurodiverse candidates.

Choosing to penalise candidates using Generative AI could mean we disproportionately disadvantage those from under-represented groups and put efforts to improve workforce diversity at serious risk. What's more, no ChatGPT detection model is 100 per cent accurate - data shows that 2 in 10 times, these detection methods produce a false positive creating a potential minefield for TA teams relying on them.

Proctoring to prevent Generative AI usage

Another alternative might be to use proctoring, which would record a test-taker's entire assessment session by auto-enabling a device's webcam.

But only 43 per cent of candidates feel comfortable with proctoring and this shrinks to just 35 per cent of candidates for women – meaning this approach could exclude a huge proportion of your potential talent pool and also harm efforts to improve workforce diversity. >



Redesigning your selection process

Forward-thinking TA leaders are already beginning to redesign their selection process, balancing quick wins with medium-term thinking. In the short term, they might choose to coach candidates on where using Gen AI adds value versus where it holds them back. For example, to advise them that it's okay to use ChatGPT to craft copy for text-based application form answers but to make sure that the answers are their own.

In the medium term, they might choose to embed a task-based psychometric assessment in the selection process. Task-based assessments are proven to be <u>inherently more robust</u> <u>against ChatGPT than their text-based counterparts</u> because they use interactive, visual tasks and score candidates on every step they take rather than just a final answer. This also provides a more detailed view of things like a candidate's critical thinking capability or learning agility – key elements to assess for the workforce of the GenAl future.

The time to act is now

The pace at which Generative AI technology is advancing is staggering. The cost of inaction could range from making already overworked recruitment teams even more stretched by having to go back to manually screening candidates at the start of the process because of higher pass rates, to allowing candidates with the financial means to inflate the presentation of their true potential above their less privileged peers by using ChatGPT-4. This risks setting back efforts to improve workforce diversity by years.

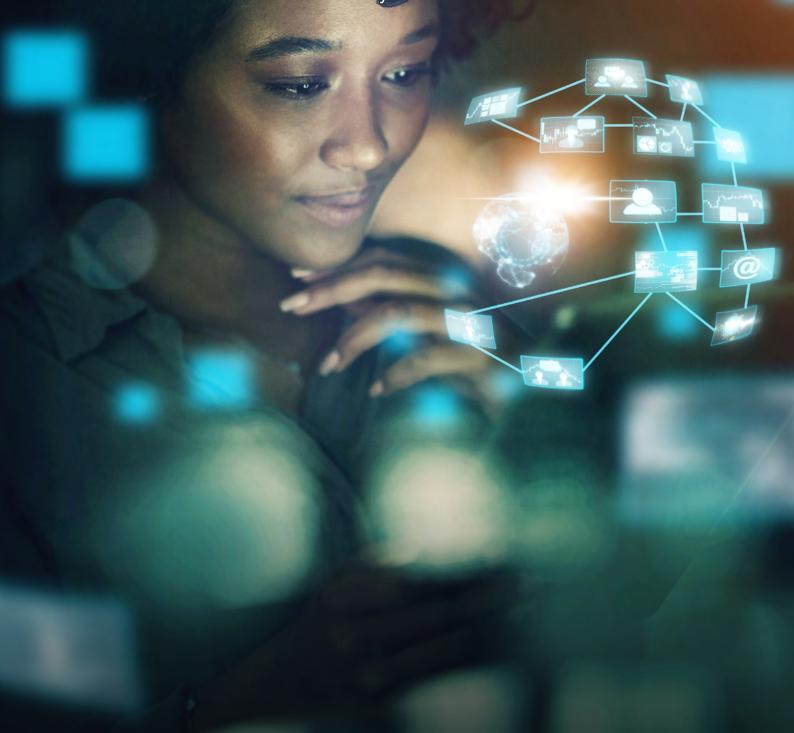
No one has all the answers to navigating this new and rapidly evolving era, but doing nothing is not an option for recruitment. ■

For more detailed insight on what to do next, you can read Arctic Shores' latest research report on how students' use of Generative Al will make traditional selection processes redundant.



CAN AI TRANSFORM RECRUITMENT?

Ian Nicholas, Global Managing Director at Reed explores the challenges the recruitment industry will face as we move into an era dominated by AI and data.



After a turbulent few years in the employment market, we have witnessed many changes that have disrupted what employees and employers are looking for. Attracting and retaining talent became a concern for businesses post-pandemic, with many people quickly looking elsewhere for a job role that better met their needs – whether that was regarding pay or general job satisfaction – in a buoyant candidate market. >



With things slowly settling down, there's still a strong need for businesses to hire strategically. The skills gap remains evident, as well as external capital pressures that are straining companies, their budgets and their overall short- and long-term business strategies. This means there's more pressure to not only hire carefully and keep employees happy, but also that there's added pressure for businesses to hire quickly to keep pace.

On top of this, the recruitment process has undergone a number of changes in recent years, characterised by multi-layered interviews – both virtual and face-to-face – as well as the use of chatbots, automation and even experiences in the metaverse. With this in mind, recruiters must consider how to keep up by leveraging technological advancements that are now accessible to all, including Al. It's also important to consider how to use these tools effectively.

How Al can help with recruitment

Earlier this year, statistics revealed that Al could potentially replace up to a fifth of jobs. Further surveys also unveiled something very interesting: 95 per cent of HR professionals feel that Al could help with the application process for candidates, with 79 per cent of recruiters believing that people eventually won't have to be involved with the recruitment process at all. There's also support on the leadership board, with 66 per cent of CEOs believing that Al can drive significant value in HR.

When used effectively, AI can really help with the recruitment process. Of course, such innovative technology has been made to quicken processes and allow humans to do what they're best at: using their emotional intelligence.

For example, AI can be used to talk to potential candidates throughout the recruiting process to keep them in the loop via chatbots. It can also help with sifting through masses of CVs and highlighting standout candidates for employers to interview by matching applications to job skill requirements. As well as this, AI can also offer insights to help companies reach equality, diversity and inclusion targets by reducing the unconscious bias that often exists when selecting applicants. It could also match the ideal candidate based on working style or personality type if psychometric tests are done throughout the recruitment process. >



Companies might be aiming to fill a specific position, but may actually be missing out on potential talent because the job description's language or skills are biased to a particular gender or other identity, or just not accurately written for the target candidate. All can not only recommend ways to improve job advertisements, so they're more welcoming and inclusive, but it can also generate insights by using talent analytics data to help businesses filter through the gaps in diverse talent that they need to fill.

This also spreads to retention. Analytics and AI algorithms can help HR teams look at the skills their teams have and can make impartial decisions to evaluate a person's suitability for a role or promotion. This is because AI is much more analytical and able to process masses of data much quicker than humans. As a result, it can help businesses pinpoint factors that have resulted in high employee turnover by evaluating previous data. by helping with data processing and analysis, AI also frees people to focus more on the company's goals and how to meet them through strategic hires. But it's important to note that research shows AI recruitment tools are powerful, but they still need human input to build and maintain them.

Another concerning trend we are seeing is that many recruiters are wanting to hire quickly, so they don't miss out on competitive talent. An issue with this, however, is that some end up regretting their decision. Research we conducted earlier this year revealed that nearly half of UK managers (46 per cent) have said they regret being too hasty when employing staff. In such instances, AI can also assist. An example of this is our AI-powered interview question generator tool, which uses a unique algorithm based on custom criteria to identify interview questions for any role, in any sector, to meet the individual skill requirements for a business.

This tool helps hiring teams to ask the right questions to potential candidates. Not only can this save researching time, but it also reduces the chance of asking the wrong questions – which in the long term, can reassure recruiters they are picking the right person to hire. This is especially pertinent Reed's recent research found that three-fifths of hiring managers wished they had asked different interview questions before making their decision to take on a new employee. >

What recruiters should be wary about

Earlier this year, Reed Talent Solutions conducted a survey looking at the role automation plays in recruitment and how it's received. This found that the majority of candidates (72 per cent) felt frustrated with not being able to speak to someone directly during the recruitment process. Al can result in candidates and recruiters finding it difficult to not only understand how decisions are being made, but it can also result in a lack of trust on both ends, which can negatively impact candidates' experience with your business.

A generational gap also remains for the use of technology, and this is impacting how AI is received. Highlighting this, when asked about the effectiveness of chatbots, Gen X and Boomers were the least impressed. Nearly half of Gen Zs (43 per cent) stated chatbots were helpful, whereas only a quarter (25 per cent) of the older generations agreed. Knowing when to implement human interaction or AI chatbot assistance, therefore, can really change the recruitment experience for potential candidates. Ensuring that the recruitment process still has the human element throughout is vital.

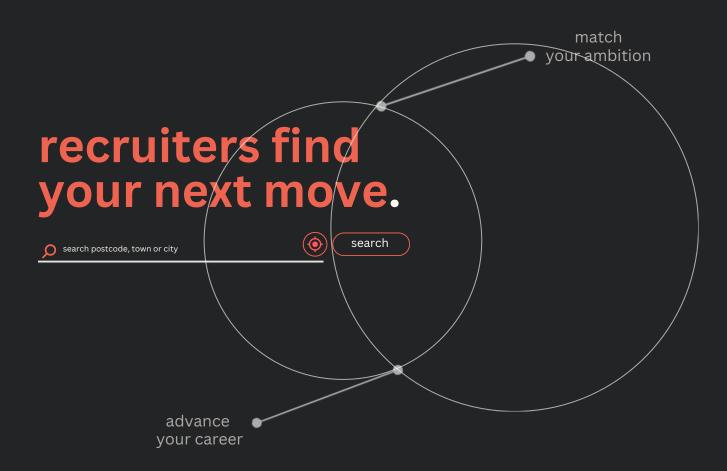
As well as this, Al is only as good as its users and creators. So even though it could

help with diversity and inclusion agendas, it still could perpetuate existing biases in the recruitment process if its creator also had such biases. It's critical to ensure that the data used to train the AI is also diverse and unbiased and that AI tools are consistently tested for fairness. In line with business trends, we are seeing more companies focussing on their values and ethics and trying to find the right talent that supports this. If companies are relying on Al to look through masses of CVs, they need to, again, have a human eye to ensure potential talent that may have the particular experience that fits the job description isn't missed. Finally, but just as importantly, there are also cyber security concerns that need to be handled and addressed sensitively and appropriately.

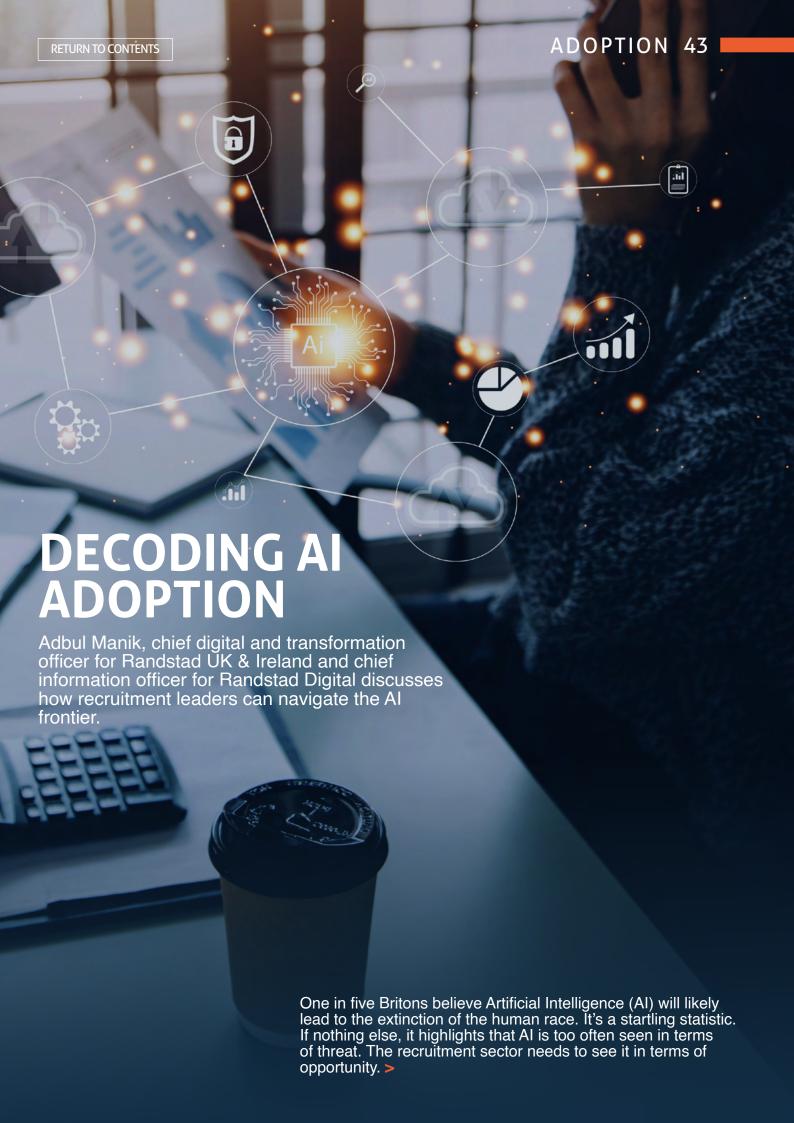
Al has slowly been transforming businesses, their processes and the way they operate on the whole. When managed effectively, it can allow recruiters to truly focus on the human element associated with hiring and HR procedures, but with any technology, a lot can potentially go wrong. This means businesses need to make sure any Al has been effectively trialled and tested. However, once businesses have audited and found the best way for Al to support their business goals, it has the potential to really transform recruitment processes.



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We are in the midst of a technological revolution that will fundamentally alter the way we live, work and relate to one another. In a recent speech, the Prime Minister of the UK, Rishi Sunak, said that AI will bring new knowledge, new opportunities for economic growth, new advances in human capability, and the chance to solve problems we once thought were beyond us. He's right. AI is set to improve public services, find cures for diseases, and make us more productive. From medicine to sports, food and manufacturing to communications, AI has the potential to unlock a healthier, easier and much longer life for humans.

But what, as recruiters, do we need to consider when introducing AI into our businesses? What do leaders in the recruitment space need to understand to ensure they are making the most of the opportunity that AI represents? How can we harness the technology for the benefit of our clients, our talent, and our businesses — while minimising its risks?

Aligning with company goals

First, we need to ensure that the adoption of AI aligns with our company goals and will complement our processes. A quarter of UK workers (24%) are already utilising AI at work but we all know of businesses where the AI misses the mark. Even sophisticated newgeneration generative AI might not suit every consultancy's model or every recruiter's brand. Don't 'over AI'; this has to be a tool that you use — an enabler. It shouldn't drive the business.

You need to keep the talent experience at the forefront of AI implementation, ensuring that technology enhances, rather than hinders, interactions with potential hires. The best way to transform the way people and jobs connect is to combine genuine human interest and expertise with the best digital solutions.

The same is true for clients. This has to be customer-focused. It would be a sure miss if your team became so preoccupied with whether or not they could write job adverts or assess potential talent using AI, that they didn't stop to think whether they should. Don't be too proud of the technological titan you have at your fingertips. We need to remember the core role of putting people in front of clients and our very human role in making sure that the match fits for both. >



Delivering ROI

You need to undertake a cost-benefit analysis and determine the ROI of introducing AI. Just as you would any other tech investment, you need to do the analysis to make sure that the cost of hiring or developing AI tools — even training staff to use free tools — is justified, and that how and when you decide to integrate it is a cost you can afford. Don't miss the upskilling costs for your own workforce. AI is just another technological investment. Amazon Alexa was launched a decade ago, machines were playing draughts (checkers) in the sixties, and considering how long automatic cars have been selecting gears — generative AI is just the latest incarnation in the march of progress. Don't be dazzled: the normal rules still apply.

Think of AI software as a human child learning the data. AI is data-driven and you need to assess the quality of your data as it's only as good as the data it feeds on. Clean and well-structured data is essential for AI to be effective; poor data is one of the big potential blockers of a successful AI introduction. This is not just a case of volume recruiters holding the data and the smaller-scale specialists not having it. Even in the volume space, your data is not always going to be of sufficient quality. In fact, the data risk is arguably higher in a volume business — it is potentially easier to verify data within smaller data pools. Either way, data quality is absolutely critical as is ensuring the 'humans' who input it are aware of its impact. With the wrong data, AI will make the wrong decisions, and you'll be left with the wrong outcomes.

Be wary of legacy systems. Plan for integration of AI with your existing recruitment tools and databases, making sure they work together efficiently. Your AI needs to integrate seamlessly with existing software, and your processes need to be factored in.

Choose the right provider. Select a reputable AI solution provider with a track record of success in the HR and recruitment industry. As with any technological advance, one size does not fit all. They need to understand the business and your service offering — primarily we are in the people business. Pick a digital enablement partner who can apply a talent-first approach to accelerate your digital journey. If you don't, they aren't going to help you unleash your full potential — they'll fail to unlock opportunities and you could end up with a big bill with very little to show for it. So look for a partner with a proven approach to accelerating your AI and digital enablement; a specialist provider who is going to help you do the right thing, for the right reasons. >



Upskilling for effective use

You'll need to look at change management and employee upskilling. You have to foster a culture that embraces technology-driven solutions and train your employees to use AI tools effectively. Develop a change management plan to help employees adapt to Al-driven processes and minimise resistance. But you can't rest on your laurels. Change management is not a one oneoff approach. Technology is growing so far, so fast, that change management and upskilling programmes need to be continuous. Al is set to keep evolving -Dario Amodei, the CEO of Anthropic, an Al start-up, believes human-level Al will arrive within two to three years — there's no question that you will need to switch to a train and deploy model.

Data security and monitoring is important. Implement robust security measures to protect sensitive data. Don't abuse the trust people may have built up with you, over decades in the case of some clients. Regularly monitor AI performance and gather feedback and to make improvements.

Get the ethics right

Ethical angles and regulatory compliance are critical. The Trades Union Congress has already warned that the UK government is failing to protect workers against the rapid and uncontrolled adoption of AI – systems that are set to determine hiring (as well as firing, pay and promotion, outside recruitment consultancies). So, aim to stay informed about – and adhere to employment laws, especially those regarding discrimination. Implement bias mitigation tools to minimise bias within the algorithms, including regular audits of your systems and data to identify and rectify any problems. You need systems that not only avoid bias but are also transparent to ensure fairness and diversity. You need to walk the walk; Randstad undertook a partnership with an American multinational technology company a couple of years ago. It was potentially game-changing but we found the data we were being given contained too much bias and we had to reverse out of the programme. You need to put your money where your mouth is. With the use of Al soaring ahead at such speeds, you need to ensure that control is not lost in the slipstream.





Susan is a manager, used to working hard and delivering on operational targets in her organisation. She's used to success, and so was crestfallen at her latest performance report and the negative ratings in it. It confirmed what she had already been sensing – things have somehow got out of her control over the last few years.

Susan, of course, is not a real person, but is an aggregation of many individual reports of pressures managers find themselves under. The biggest trend in 2024 will be the ongoing digitisation of the workplace. The overall impact is that problems have become more complex and managers find themselves leading cross-departmental or even cross-divisional teams in virtual spaces, which presents new challenges. Many also find themselves taking on responsibility for upskilling their teams in data and digital skills, and they may not be prepared for this role.

Human Resource Managers will find themselves at the epicentre of this seismic change, but preparation today can ease the process.

The impact of technology on social skills

One of the key changes, ironically, is that the new complex environments require higher social skills and empathy than ever before. Nurturing complex teams needs talent, but at the same time, the cost of hiring the wrong person is increasing. If you have staff with poor social skills, channels like Glassdoor share the dissatisfaction of all those working with that individual rapidly and extensively. Those records are hard to challenge and 'difficult managers' are now the most cited reason for leaving an organisation. One bad person can damage retention across the organisation.

These skills are not easy to evaluate through traditional methods. Core competencies, such as specialised knowledge or managing a budget, could be identified through educational qualifications, reports and recommendations. Traditionally, C-Suite have tended to come through personal recommendation of someone on the board. While this can tell the recruiters about how the individual will communicate with other board members, it may not predict their positive impact across the organisation.

Al can help identify some interpersonal skills through simulation technologies. These will help you predict how applicants will respond in specific situations, but they don't give the full picture of how well adapted the applicant is to a wide spectrum of scenarios they might face. >

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Scoping applications

Back in 2018, text recognition algorithms were developed to carry out the initial sifting of applicants. They matched the skill sets and experience of new applicants to the resumes of those already successfully employed by an organisation. It was a nice concept, but these algorithms never made it out of the laboratories where they were developed. They all had to be shelved because they broke the laws on equal opportunities.

Machines learn from historical data and we don't always want the future to unfold as it did in the past. The algorithms noticed obvious historical hiring biases, assumed they were desirable, and started rejecting all female applicants to senior or technical positions. Today, we are still not in a position to automate the sifting processes entirely, but a hybrid model of human and machine insight can reduce the burden. Companies such as Gloat and Eightfold use artificial intelligence to support skills mapping, and can be used for external hires and internal promotions.

Automation within HR

Automation of parts of the recruitment process can free up skilled staff. It is easier today to target specific sectors, schedule ads, track spending and conversions and monitor effectiveness with a hands off approach. This work is facilitated by the move to mobile platforms for job searches.

Job adverts need to be compatible with mobile delivery or even optimised for it. There are plenty of apps like LinkedIn that operate as hiring portals that showcase best practice in this field.

The breakdown of trust in 2024

The year 2023 has been a landmark year when trust has broken down. Now almost anything mediated by a computer – documents, voices, video calls etc. – can be faked with minimal or no digital skills. The AI generated CV or application letter may also present challenges for recruiters through the use of tools optimised to persuade. Fake certifications or testimonials may also become problematic as these technologies embed themselves in the short term.

Watermarking on digital objects created by generative AI is likely to be introduced in 2024 which will help to mitigate this problem. This is a digital marker that is not visible to the human eye but becomes apparent on inspection of the back end. Blockchain, the means of storing and safeguarding data used with crypto currencies, also works well on educational certifications. It is a technology that provides privacy protections on tamperproof documents. We will be getting 'Blockchain libraries' in the year ahead, meaning that the skills needed to produce and run a blockchain will come down substantially. >





Retention, upskilling and re-skilling

Given the pressures on recruiting the right individual, it makes sense to consider how to deploy technologies to improve internal hires and retention. Unifying data into one 'source of truth' data set on staff means that we can mine the data to identify experience and potential across the organisation. Graph analysis, the approach used to track how people navigate through online pathways, is well suited to the complex pathways that staff take. Think of it as bringing the social media algorithms that predict your interests in the vast array of content available on the internet to your HR function.

Roles will start to disappear from organisations at the precise time when the new culture of work demands empathy. Reducing the number of staff on the team will be challenging. The majority of roles seem unlikely to disappear entirely, but may have some aspects automated.

HR Capabilities

The challenges for HR going forwards is that the same functions that people needed to excel in for decades – technical skills and knowledge, delivering operational and administrative efficiencies, and effective customer engagement – all still matter. Next year, there will be additional requirements. >



Competition for staff already with data skills is growing, and while there have been some interventions from the government to fill the skills gaps in this area, demand is unlikely to exceed prevision over the coming year. This means that the majority of staff may need to be upskilled, still carrying out their existing roles but with new technical abilities. For example, some members of warehouse staff may be able to run the logistics more efficiently with some data skills. There are simple entry points into the field and not everyone will need to be a computer programmer to be successful.

At the trickiest end of the staff spectrum, senior leaders from companies with legacy systems that predate the data revolution currently underway will need to start using data insights before making decisions and they are the least likely to have the time to invest in this.

We have support for Human Resources staff looking to either become more digitally proficient themselves or just to be able to hold a meaningful conversation on these emerging topics. Visit our page at https://ioaglobal.org/how-hr-teams-can-become-digital-negotiators/

Dr Clare Walsh is Director of Education at the Institute of Analytics (IoA) and is one of the world's leading academic voices in data analytics and AI, with her mission at the IoA being to help people in any field feel empowered by technology and understand its benefits. Having studied under Professor Tim Berners-Lee and Dame Wendy Hall, she was also an academic tutor at the University of Southampton's Data Science Academy and, during this time, worked for the Government as a researcher within the Office of AI.

Clare contributed to the recently-published Government White Paper on Al Regulation, has published peer-reviewed research papers and is often called upon as an expert witness to advise governments in complex legal cases. ■

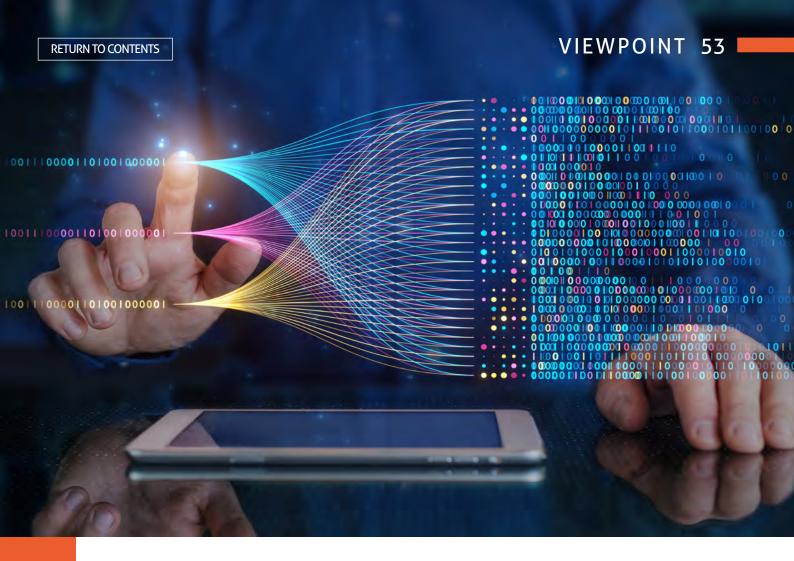
FROM THE FRONTLINE

Recruiters give their view on the emergence and use of Al in recruitment.

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Sim Hall, Managing Director, Populus Select

Al is undoubtedly has the potential to revolutionise the recruitment industry, enhancing productivity and broadening our choices. While Al already aids us with candidate research and sourcing, it primarily serves to support, not replace, the human touch in recruitment. >



We've been using a CRM which has elements of AI integrated within it for the last two years. The biggest benefit to us has been the way it can help with researching, sourcing and initial sifting candidates. Many of whom aren't easily discoverable using typical methods. This enhances the volume of quality options we can present to a client. We've also used it to then help represent candidate skills in the best way possible.

Al also has great potential in pre-qualifying candidates through advanced chatbots, which assess their knowledge. Furthermore, soon, video analysis will help candidates to refine interview techniques and provide feedback on job-related criteria to hiring managers.

I think, in the near future, AI will be able to produce suitability scores from recorded interviews, but I'm positive that ultimate hiring decisions will remain human-driven. We've long had tools to aid in the recruitment process, that provide valuable insights into IQ, EQ and suitable personality traits, and, like them, AI, although much more advanced, should always be used to inform rather than make decisions.

We are a long way off Al being able to fully decipher the complexities of human communication and interaction, and the understanding of how an individual may fit into the workplace. The most enjoyable - and often challenging part - of this industry is dealing with people and managing the nuances, helping clients through a process to discover or refine the role and person they want in their team. I think Al is becoming an increasingly powerful weapon in our arsenal, but I am not worried that it will be taking my job in the very near future.

Peter Wood, CTO, Spectrum Search, www.spectrum-search.com

As we navigate through an era where Al's capabilities are increasingly sophisticated, the recruitment industry stands on the cusp of a new dawn. Within the next year, I foresee Al transforming from a mere efficiency tool to a fundamental pillar of recruitment strategy. In my decade-plus experience in tech, particularly with Al at Spectrum Search, I've seen the potential of Al to offer unprecedented personalisation in the recruitment process. >

Recruiters must be ready to adapt to this shift by embracing Al-driven insights and leveraging them to make more informed decisions. The technology I'm developing, which integrates a large language model with vector databases, exemplifies the future: deeper data insights, highly interactive chatbots, and a more nuanced understanding of both candidate and client needs.

The challenge for recruiters will be to strike a balance between technology and human judgement. All can process data at incredible speeds and suggest matches that might elude human recruiters, but it's the human touch that finalises these matches and builds relationships. My advice to recruiters is to become fluent in All capabilities, understand its potential, and apply it to enhance human interaction rather than replace it.

In essence, technology is an enabler, not a replacement. The successful recruiters of the near future will be those who use AI to augment their capabilities, providing a service that's both highly efficient and deeply personal. This is the direction I'm steering my current projects towards, and I encourage the industry to follow suit.

Joanne Lucy, Managing Director, Majar Group, https://www.majargroup.com

Enabling greater autonomy in recruiting fosters greater innovation, growth and problem solving. The emergence of generative AI tools can help recruiters automate their routine tasks, thereby creating resource to focus upon more value-add activities and develop more meaningful relationships with candidates and clients.

That being said, there is still plenty of discovery to be had with AI, and recruitment leaders need to establish standardised approaches to ensure that the output quality from these tools has the desired effect. Otherwise, very quickly, messaging or processes will become impersonal, diluted, or fragmented. Across our talent solutions businesses, we have implemented an AI superusers group who are responsible for navigating the world of AI, and ensuring we implement with due processes to ensure positive outcomes.

Ultimately, recruiters who embrace, test, and endorse AI, will help their workforce adapt quicker to this new digital age, however they must ensure they protect the integrity of their business and people. The use of AI is inevitably the next iteration of technology that will enhance human capability and leaders should embrace this. I think recruiters should also ensure their employees know what AI to use, when to use and should set clear boundaries on using it safely, legally and keeping inclusivity in mind.



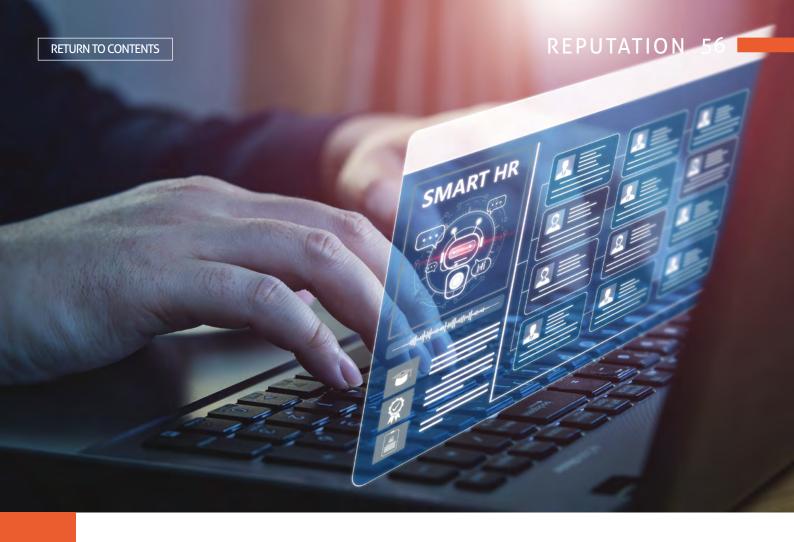
A TECH TOO FAR?

James Kingston, Owner and Founder of Kingston Barnes asks if Al and Automation ruining the reputation of recruitment.





I'm a firm believer that AI and automation in the recruitment industry should improve its reputation and not hinder it. From receiving emails from top-ranking, celebrity CEOs starting with, 'Hi First Name', to making one of his biggest hires via a LinkedIn automation app, elements of AI and automation are crucial to improving your company's reputation and reach. But, some elements need to be left at home when starting your working day. And if they are to be used, these tools need to be handled like a baby, with an overwhelming abundance of care and attention.



In 2018, I remember reading about Amazon, and their so-called state-of-the-art recruiting tool that should have made the hiring process at the retail giant easier, quicker, and more effective. I thought: 'What a fantastic idea. Al and automation will revolutionise the recruitment industry, and my day-to-day at Kingston Barnes.' However, Amazon soon found that this 'genius' piece of equipment implemented a bias against hiring women.

Workers responsible for delivering this 'genius' piece of AI said the idea was: "...give the AI technology 100 CV's, it will spit out the top five and will hire those." This was when my skepticism about AI in recruitment started. I wasn't going to allow AI and technology to make a consultative decision and potentially ruin my company's reputation. How could AI and automation be so unreliable in delivering recruitment results? The biased, and defective AI program was shocking and made me lose my trust in AI and automation tools. I decided to wear my AI skeptical head from that day forward.

Al for the good

Naturally I understand the benefits of AI, automation, and technology, and how they can drastically improve the speed, reliability, and even quality of everyday tasks in the recruitment industry.

I have had some fantastic and wondrous experiences using AI and automation in my day-to-day role managing my recruitment company. I used an automation tool to trial the impact, be it positive or negative, to reach a wider audience to promote my book: 'The Art of Recruitment', and to also contact top-tier candidates and reduce forgetfulness in follow-up emails. The results have been positive in some areas, however, mistakes have been made too. I hired a very successful, senior person off the back of the AI tool I had used, but, at the same time, approached one of my wife's consultants which didn't go down too well in the Kingston household, and looked incredibly unprofessional at the same time.

I'm a big fan of LinkedIn, however, even this platform has removed the in-person experience between recruiters, candidates and clients, thus converting recruitment into a more transactional experience and because of the sheer speed and volume of messages being actioned, it's easy for that message to be lost, and forgotten or not even seen. >



Communication needs

There's a famous rule that states seven per cent of meaning is communicated through spoken word, 38 per cent through tone of voice, and a massive 55 per cent through body language. A study conducted by Indeed in 2021 also showed that 82 per cent of employers now conduct virtual interviews. It concerns me that we are losing – and fast – the in-person experience that the recruitment sector has worked so hard to uphold.

Another example of when AI and automation lost to human efforts was when Steven Bartlett, the entrepreneur, BBC Dragon and podcaster, accidentally emailed subscribers a live launch event invitation. The email started with: 'Hi, FName...' I was shocked at the lack of attention to detail for someone of such notoriety. There was no 'test send' before sharing his email with potentially thousands of people. Instantly the message felt less personal when the whole point in using someone's first name is to make the recipient feel that the email was intended just for them and not a large database of subscribers.

While the email hasn't done any major damage, I couldn't help but ponder, what if this was an email to my database of contacts trying to introduce our services? Or contact candidates regarding a confidential position?

The buck stops with the recruiter

The impact of a bad recruitment experience with both clients and candidates could be detrimental to your company's reputation, so the buck mustn't stop with Al and automation programmes. It's very much down to the recruiter to check, and check again that Al and automation programs are reliable, and are delivering successful results that benefit the client, candidate and the recruiter."

I'm not against implementing AI tools at Kingston Barnes – specific tools, such as AI scanning and tracking programs can be very beneficial for the company. I once read that a customer experience management company with over 1,250 employees worldwide, increased sourced hires by 43% after implementing a recruitment automation tool and these numbers can't be ignored.

Ultimately, we live in a world where technology rules and businesses have to adapt quickly to stay afloat and keep them reputable, innovative businesses. Al and automation are continuously adapting and changing the way everyone works. If Al can complete a task in five minutes that may take my team 45 minutes, I'm all for it. We need to, however, ensure Al is doing the job well and not damaging your company's reputation, the candidate experience and under no circumstances remove the consultant in a recruitment consultant.