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REAL IMPACT

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CAN AI TRANSFORM RECRUITMENT

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WELCOME

SIMON KENT
EDITOR

The recruitment industry is heading for the end of the year at a fine rate of knots. Through a number of conversations – including those held across our Recruitment Live online round tables – there is a recognition that the markets are settling down a little now, marking a return to something approaching normality, or at least not the frenetic rise and fall of the past few years.

What this means for recruitment companies is that it is time to take stock, take a long view and make plans for the future. Perfect turn of the year stuff.

Technology is offering recruiters an interesting future, one where the heavy lifting is done for the consultant, and where the unique added value they can bring is foregrounded. But whatever AI or automation offers there are some things technology can't fake and the personal touch is one of them.

The Global Recruiter's Industry Award also made this clear. Through identifying the best of the best, on a level playing field and through merit only, it was clear the outstanding performances of the year are not just those that come with zeros on the end. Care, consideration, and straight forward communication is all valued highly by clients and candidates alike. And long may that continue. ■

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THE AUTUMN STATEMENT

Overall positive news for the sector although more could be done



The autumn statement from the Chancellor has drawn a mixed response from the recruitment industry. Identifying good news for the industry, Tania Bowers, global public policy director at the Association of Professional Staffing Companies (APSCo) said: “For the professional staffing sector, the news that HMRC is proceeding with the set off proposals to off-payroll rules is welcome. This latest development – outlined in the full details of the Autumn Statement – has followed three years of lobbying by APSCo on this issue which started when we held the co-chair position of the then named IR35 Forum. Although it doesn’t mitigate the dampening impact overall of off-payroll on professional contractors, who should be included in the Chancellor’s broad appreciation of the self-employed, it does reduce the unfairness of the rules on recruiters, who are the deemed employers.

Bowers reported APSCo also pleased that the Chancellor paid heed to calls to expand Investment Zones and proceed with legislation to deal with tax avoidance promoters.

“Making full expensing permanent should also encourage recruitment firms to invest in growth plans, which will certainly be a boost following an arguably difficult year for them after the highs of 2021 and 2022,” she added. “Any targeted investments in innovation and advanced sectors should boost job creation across technology, engineering, and life sciences which are key sectors for our members. However, there is still a candidate skills deficit and unfortunately continuing to

plough on with a singular policy on technical skills, namely apprenticeships, and the dismissal of an opportunity to review business visas, means that our members expect that the much sought-after productivity boost will, as a result, be slower.”

Neil Carberry, REC chief executive, gave his view that the Chancellor had taken some significant pro-business steps, although the downgraded growth forecasts prepared by the OBR show the scale of the challenge he faces. “We need to get the UK powering on all its cylinders to really make progress,” said Carberry, “and we should remember that – despite today’s news – we are still heading for a post-war high on the tax burden over the next few years.

“Reducing employees’ NI is a great way to make work pay – and we also welcome the extension of the Restart programme and reform of fit notes as these steps will help ensure that we make the most of the UK’s labour force,” said Carberry.

“By delivering real terms cuts in public investment, the Chancellor has put the ball into the private sector’s court. It is for business to drive growth, we agree. But the public sector must provide a framework. We saw some of that today in the support and incentives on offer – but it does not yet add up to the industrial strategy the country really needs. And in some areas – like skills – the investments announced today were woefully inadequate. Really engaging with firms on apprenticeship levy reform is long overdue.” ■

COMPLIANCE SIDE

Autumn Statement opinion from Professional Passport and IR35 Shield

In recent years work status compliance issues have rarely far from a Chancellor's statement and this year's Autumn initiative was no exception. Dave Chaplin, CEO of IR35 Shield gave his assessment of the ideas and initiatives introduced: "Jeremy Hunt today claims he focused on growth. If he is so focused on growing the economy, he should have unshackled the UK's flexible self-employed workforce by repealing the unworkable and deeply flawed Off-payroll legislation," said Chaplin. "The Tories failed the self-employed by allowing HMRC to push the damaging off-payroll reforms through Parliament, which harmed the people who facilitated growth and gave the UK an edge.

Chaplin noted that the Government has confirmed that a long overdue fix will happen in April 2024, eliminating the double taxation flaw that has seen contractors and firms paying combined tax rates over 100%. However, he said, "a legislative lick of paint doesn't help rev up the economy. Off-payroll has been a non-runner from the outset."

Chaplin did welcome the Chancellor's decision to reduce taxation on self-employed workers operating as sole traders: "It was an important acknowledgement by the Chancellor that will support a key group of workers who do so much for the UK economy," he noted.

Crawford Temple, CEO of Professional Passport, saw an added issue with these tax breaks saying that the move "could put

increased pressure on the umbrella market where we could see an increase in the use of false self-employment models. That risk will require greater enforcement by HMRC across the sector to prevent further market distortions. The decrease in Employee National Insurance to be introduced in January by 2% will also be welcome news to umbrella workers who will see more money in their pockets.

"We also noted in the detail that the government is legislating in the Autumn Finance Bill 2023 to introduce tougher consequences for promoters of tax avoidance schemes," added Temple, "these include a new criminal offence for those who continue to promote avoidance schemes after receiving a notice requiring them to stop; and a new power enabling HMRC to bring disqualification action against directors of companies involved in promoting tax avoidance, including those who control or exercise influence over a company.

"These are nice words full of good intentions but they need to be supported by effective enforcement action which has been sadly lacking across the sector," said Temple. "HMRC has access to all the data it needs to identify the criminals peddling these schemes quickly and if HMRC also worked more closely with the accreditation standards bodies it would further limit their access to the markets.

"Tax avoidance is costing the Treasury millions of pounds each year which our economy can ill afford," he concluded. ■



AI BENEFITS

LinkedIn finds 4 out of 5 UK business leaders say Generative AI will benefit employees

Four out of five (81 per cent) business leaders in the UK say Generative AI will benefit their employees, according to new research from LinkedIn, the world's largest professional network that recently reached 1 billion members.

The top ways that UK executives believe Generative AI will benefit employees is by removing boring, repetitive tasks (64 per cent), increasing productivity (52 per cent) and freeing up time for bigger and more creative thinking (59 per cent). One in three (31 per cent) also believe that the rise of Generative AI will create brand new roles at their organisation.

AI is reshaping the world of work

LinkedIn's latest Future of Work: AI at Work report shows that AI is already reshaping the world of work as companies look to maximise the technology's potential. 'Head of AI' roles have tripled globally in the last five years, and job posts mentioning AI have more than doubled (2.3x) in the UK in the last two years. In the UK, some of the top industries hiring for AI-related roles are administrative and support services, professional services, technology, manufacturing and finance.

Professionals are keen to improve their AI skills – LinkedIn has seen an 80 per cent increase in members watching AI-related learning courses on LinkedIn over the last three months, as well as a 60 per cent month-over-month increase in Generative AI skills – such as Chat GPT, prompt crafting, and Copilot for Microsoft 365 – being added to members' profiles since January 2023.

Despite the rise in AI, business leaders and professionals agree that people skills will become even more valuable. 9 out of 10 UK executives agree that soft skills are more important than ever, and employees believe skills such as adaptability (48 per cent), communication (42 per cent), and problem solving (46 per cent) will become even more important as work continues to evolve.

Ngairé Moyes, UK Country Manager, at LinkedIn, said: "AI holds huge potential to improve the way we work, and we're seeing business leaders across the UK figuring out where it makes sense to implement the technology within their organisations.

"However, it's not just about introducing the technology, businesses will also need to ensure their workforce is AI-ready. There's a real opportunity for Generative AI to remove the drudgery from day-to-day work, giving people more time to focus on the strategic and human aspects of their roles. So leaders that encourage a culture of learning, not just to boost AI literacy and hard technical skills, but to build great soft skills like leadership and problem solving, will create a more resilient and agile workforce."

Adam Hawkins, Head of Search & Staffing, EMEA & LATAM, LinkedIn, says: "AI is reshaping hiring needs, demanding a significant shift in skills and opening doors to new possibilities. There's a tangible enthusiasm for AI among professionals, and we've seen a huge increase in our members taking AI-related learning courses. To capitalise on this interest, business leaders will need to provide their workforces with the tools and opportunities for learning and discovery, as well as guidelines on how the technology should be used. Recruitment professionals will need to make sure they're well versed in presenting the opportunities around AI to clients, as well as to candidates – particularly as we know that applications to job posts mentioning AI are growing faster compared to those that don't mention AI." ■

GI GROUP TAKES KELLY

Gi Group Holding to Acquire Kelly European Staffing Business in €100 Million Deal

Gi Group Holding has announced that it has entered into a definitive agreement to acquire the European Staffing business of Kelly, a leading global specialty talent solutions provider, for a total consideration of up to €130 million, comprising €100 million in cash and an additional earnout potential of up to €30 million. The transaction is expected to close in the fourth quarter of 2023, pending necessary regulatory approvals and customary closing conditions.

Under the terms of the agreement, Kelly will transition its European staffing business within its international operating segment to Gi Group Holding, providing staffing services to customers in 14 countries.

This agreement highlights the strong growth trajectory for Gi Group Holding as a leader in the global staffing and recruitment industry through an HR ecosystem that offers a full suite of tailored solutions through seven complementary brands present in more than 30 countries worldwide. The transaction marks Gi Group's 51st acquisition since 1998, underlining its continued journey of growth.

"Today is an exciting step for Gi Group Holding, as we advance our ambition to grow both organically and through strategic acquisitions," remarked Gi Group Holding Founder & CEO Stefano Colli-Lanzi. "Kelly's European staffing business will strengthen our presence and capabilities in Europe, allowing us to scale up and draw on Kelly's expertise in the region, while staying true to our commitment to contribute to the positive evolution of the labour market."

Gi Group Holding has been assisted by Baker McKenzie as legal advisor and Deloitte as tax and financial advisor. ■



LUCKY SEVERN FOR MORSON

Morson Talent appointed by Severn Trent with focus on hard-to-fill roles

Severn Trent, one of Britain's largest water companies, has appointed recruitment specialist Morson Talent to place contractors and temporary workers across key areas of its business, from engineering and technology to data analysis and customer service.

Having identified a requirement to expand its contingent workforce across key areas such as engineering and technology, Severn Trent was keen to find a supplier that could not only deliver across niche markets and technical skillsets, but also contribute to its ED&I strategy.

Following a rigorous, multi-stage tender process, it appointed Morson Talent, the UK recruitment arm of global talent solutions specialist, Morson Group, as its Managed Service Provider (MSP) for a minimum three-year period. It will oversee a period of change for Severn Trent, including a recruitment push to fill a wide variety of specialised roles.

Steve Birnie, resourcing manager at Severn Trent, commented: "There are areas where we're really focusing on strategic workforce planning within the business as we are gearing up for the next AMP and looking at how we're going to deliver projects in a way that continues to consider things like nature-based solutions. This requires us to keep evolving and thinking broader in terms of the skillsets we will be recruiting, and it is imperative we have our contingent workforce delivery model aligned to this."

"We also need to fill niche roles in the engineering design space, such as hydraulic modellers, along with a huge drive in our Group Technology space to name just a couple. These are technical skillsets that can be extremely difficult to recruit for, but Morson is known for its ability to work niche markets and verticals, so they'll have a big part to play over the coming years."

Severn Trent will benefit from a dedicated on and offsite account team at Morson, as well as access to its award-winning ED&I experts who will help to put inclusion at the core of the contractor worker recruitment process. Morson has already begun to implement diversity questionnaire for new starters, which will help them shape candidate attraction schemes moving forward.

Juliet Rice, head of client services at Morson, said: "What we noticed immediately on meeting the team at Severn Trent was a cultural synergy, so much so that three of our core values are actually identical! They have a really friendly, all-hands-on-deck organisation and we left our initial meetings with them feeling like we were already part of their team."

The partnership between the two businesses will also give Severn Trent access to a range of solutions from across the Morson Group, including Morson Digital Studios and Morson Forces, which will help the water company elevate opportunities for ex-services personnel, following its recent achievement of gold status with the Armed Forces Covenant.

Severn Trent will also benefit from Morson's technology solution, Vencuro, which provides access to pay rate analysis utilising data from over 16,000 live contractors with the view to ensure market rates and cost effectiveness.

"What impresses us about the Morson delivery model is its focus on adding value," said Birnie. "Their reporting and dashboard solutions are a particular strength, giving us access to real-time data we need to make business-critical decisions. As a data-driven organisation, that's a massive benefit."

"When you combine all of these value-adding solutions with their strength in filling niche roles and their cultural alignment with us as a business, Morson clearly comes out on top as the natural partner for Severn Trent. I look forward to seeing what we achieve together over the next few years." ■

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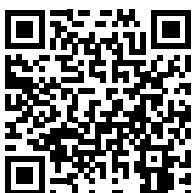
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GROWTH AMONG SKILL SHORTAGES

Camelia Slivneanu, Executive Director of the Romanian Association of Human Resources Services Providers, AFSRU, discusses what's driving the labour market in her country



Q: What are the main challenges and opportunities currently facing your labour market?

A: Romania's labour market is characterised by financial insecurities and economic fluctuations, combined with an insufficient correlation between labour force demand, on the one hand, and the training offered by the educational system, on the other.

National Statistics Institute figures show the average unemployment rate during the second quarter of 2023 was 5.4 per cent. However, unemployment among people aged 15-24 years was 21.2 per cent. A skills mismatch, inadequate training and retraining programmes, the relatively low mobility of the labour force, and a shortage of information concerning vacancies are key obstacles for the unemployed. >



Despite a relatively low overall unemployment rate, more and more Romanians are willing to move jobs. We are in a 'candidate's market' with people becoming increasingly selective and demanding. They come with requests and expectations at the very start of the recruitment process, with criteria ranging from the working atmosphere and the safety of the buildings in which they work, through to how far it is from their home.

Our own AFSRU survey from September 2023, reveals the most important criteria for candidates to be salary – 95 per cent, followed by competitive benefits – 65 per cent and job security – 62 per cent. It confirmed that recruitment has become more difficult with recruiters struggling to find people to fill positions. 55 per cent of recruiters said they needed to contact more than 15 candidates for white collars positions, while for blue collars positions, 53 per cent needed to contact more than 10 candidates.

New fiscal measures being introduced at the end of 2023 – including an increase in the minimum wage, taxation of holiday and meal tickets and the scrapping of some fiscal facilities - will have a direct influence on recruitment. We anticipate stagnation at the current level and, if the situation calls for new taxes on the private sector, it will be more difficult to recruit in 2024.

Q: How do you see the industry's role evolving in both the short and longer-term? What is the outlook for flexible staffing?

A: A shortage of the skills that employers need, together with the inadequacy of schools in teaching the competences needed to secure a job, are causing rising unemployment among young people.

As a result, interest in part-time work and weekend jobs has increased substantially. Questions posed by candidates at interview show a willingness to apply for part-time and project-based jobs and most applications for a second job are from those with no previous professional experience.

With candidates wanting flexibility and no commuting time, we also see greater interest in applications for part-time positions in remote jobs. After the pandemic, many companies called their people back to the office – something that few expected or welcomed. Despite the fact that 49 per cent of employers still operate a system of hybrid work and 25 per cent have fully remote workers, the number of jobs that can be done from home has begun to decrease. We expect a massive, and perhaps definitive, return to the office in 2024. >

Q: How is agency work perceived in your country and has that changed following the Covid crisis? We see some markets struggling to get recognition for the value that they bring to labour markets.

A: While our survey found that 44 per cent of employers in Romania see temporary work as a first solution for flexibility, only 0.9 per cent of people employed in the country are defined as temporary employees.

Nevertheless, there is now a growing need for temporary workers and a pool of people ready to work on a temporary basis. Companies in sectors including IT, retail, services, automotive and production are now trying to implement projects that were placed on hold due to the pandemic and so have increasing demands for workers. This has placed pressure on an already competitive labour market and led companies to relax their policies in order to attract candidates. We see many now giving employees the opportunity to work 100 per cent remotely for certain types of jobs. Companies are also taking their talent search more widely and considering candidates from other countries and cities or accepting alternative methods of collaboration such as freelancers.

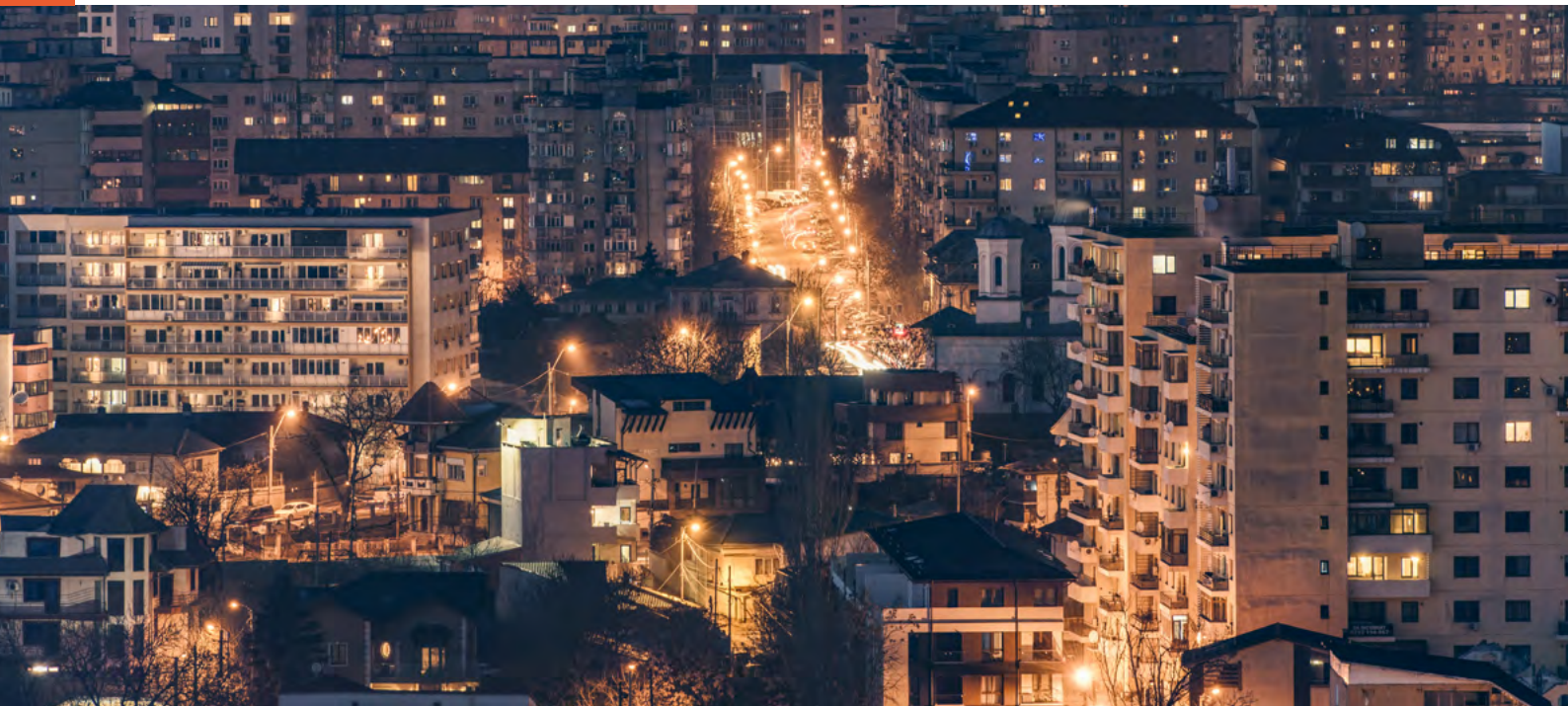
Client companies that have invested in digitisation have started to reconfigure their business models in order to stay competitive and this has prompted a need for specialised employees with either high qualifications or very few. This 'job polarisation' trend has led to a rise in employment rates among both well-paid specialists and managers, and low-paid workers in services. Some 66 per

cent of employers want to employ specialists in various fields of activity but only 16 per cent want to recruit technicians and other specialists in technical fields. There has been a reduction in the demand for workers in the manufacturing sector and among employees performing repetitive tasks.

Temporary staffing offers fast and flexible access to a pre-selected, qualified workforce and is a solution used in most regions of the country. Data from our association members shows that most projects are concentrated in the South, Bucharest and Ilfov, as well as in the Centre and West of the country. Most temporary work hirings were made on entry level profiles, specialists and qualified staff. The industries using temporary work solutions most often are transport and logistics, production, IT&C industry, agriculture, automotive industry, mass market retail, pharma, but also SSCs and BPOs. 50 per cent of temporary workers are employed in production - 18 per cent in the automotive sector, while service industries employ 38 per cent of temporary workers in Romania.

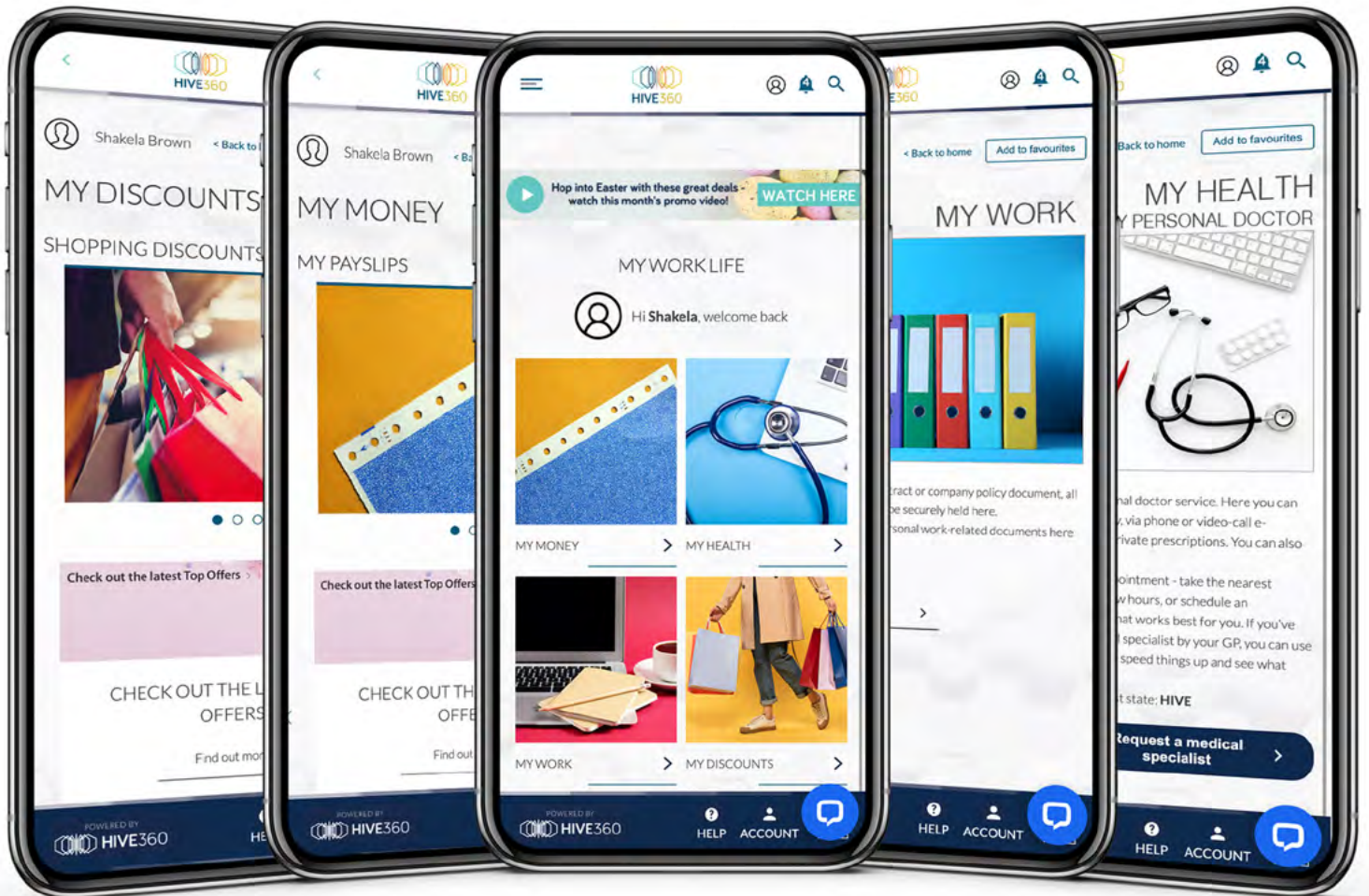
Challenges abound and time is rarely on the side of our employer partners. They need to focus on their core competencies and strategic, value-added activities and rely on the flexibility that temporary work provides in periods of uncertainty.

With the legislative changes that will enter into force by January 2024, our survey found that four out of ten companies expect to increase their temporary employees, but labour force shortages are expected to negatively impact the number of temporary workers available. ■





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REAL IMPACT

In part two of his look at ED&I, Miles Lloyd, Co-Founder & Partner of Northstar People shows how recruitment professionals can take positive action.

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Bias exists in us all. We are all biased, whether we are aware of it or not. This means we need to find ways to remove it where we can and manage it and mitigate it where we can't. The process of recruiting with a an advert with lazy copy posted in the usual places asking for a CV and letter of application, reviewed by one person is as biased as you can get. >

Mitigating bias in the hiring process can have a significant and positive impact on organisations, job applicants, and society as a whole.

Bias in hiring can manifest in various forms, including racial, gender, age, and other forms of discrimination in the nine protected characteristics as per the Equality Act and also many areas of discrimination that at this time are unprotected.

Doing something about bias isn't just morally right, it has clear benefits for stakeholders:

- 1. Social Progress:** Addressing bias in hiring contributes to broader societal efforts to combat discrimination and inequality. It sets a positive example and helps create a more equitable society.
- 2. Diversity and Inclusion:** By ensuring that hiring decisions are based on merit rather than biased perceptions, employers can create more diverse teams. Diversity can lead to a broader range of perspectives, ideas, and experiences, which can enhance innovation and problem-solving.
- 3. Better Decision-Making:** Reducing bias in hiring leads to more objective and data-driven decision-making. When candidates are evaluated solely on their qualifications and abilities, organisations are more likely to hire individuals who are genuinely the best fit for the job.
- 4. Legal Compliance:** The UK has laws and regulations in place that prohibit discrimination in hiring. By mitigating bias, employers can reduce the risk of legal disputes, fines, and damage to their reputation that can arise from discriminatory hiring practices.
- 5. Improved Employee Satisfaction:** When employees believe that their employer is committed to fair and unbiased hiring practices, it can boost their morale and job satisfaction. This, in turn, leads to a more positive inclusive and diverse workplace culture.
- 6. Enhanced Reputation:** Businesses that are known for fair and unbiased hiring practices are likely to have a positive reputation, which can be attractive to both job seekers and customers. A good reputation leads to increased brand loyalty and trust.
- 7. Improved Retention:** When candidates are matched with roles that align with their skills and abilities, they are more likely to succeed in their positions. This can lead to reduced turnover rates, as employees are less likely to leave a job that they are well-suited for and satisfied with.
- 8. Broader Talent Pool:** Finding good people is not easy and bias mitigation allows employers to tap into a broader talent pool by considering candidates from a wide range of backgrounds and experiences.
- 9. Economic Benefits:** Studies have shown that diverse teams and inclusive workplaces can lead to improved financial performance. By mitigating bias and promoting diversity, a business can gain a competitive edge in the market. >





As mentioned in my previous piece, it's not just those nine protected characteristics we should concern ourselves with but other aspects of bias that exist in aspects such as; accent, housing, wealth and income, appearance and attire, BMI, health, education and academic qualification level and hair and body modification.

As a nation the UK sits aside the USA with the lowest level of social mobility of any developed country for which there is data. Both are below (in order of bottom to top); Italy, France, Spain, Japan, Germany, New Zealand, Sweden, Australia, Canada, Finland, Norway and on top... Denmark.

It's the ongoing reinforcement of the status quo by those with vested interest in that remain, who keep the UK there and we as recruitment professionals have the opportunity to fight back by making change happen, by changing what we do and how we do it.

So what needs changing? In summary, almost everything, but don't be put off. You can do this with step change and we also need to be careful of not throwing the baby out with the bathwater. Hiring and recruiting process is due an overhaul and needs to evolve to make it a better and more fulfilling experience for all stakeholders. >

Becoming Consciously Inclusive – Steps Forward

- Collect DEI data early on and track that data right through the process. We need to see that there are appropriate levels of diversity throughout.
- Language needs to be gender decoded. Keep language simple, think about inclusive benefits, position a flexible work environment and be clear with clients that flexible work arrangements such as remote work options, flexible hours, and job-sharing programs are hugely attractive to prospective employees.
- Make DEI targets on outreach – more than just job boards, Indeed and LinkedIn advertising. Hunt out those with disability, neurodiversity, the older, the younger, the gender fluid, those with intersectionality and invite them in directly.
- Application process must be inclusive, engaging and accessible. Use tech that is intuitive, but also offer a non tech option. Make sure tech has accessibility functionality built in – offer audio to compliment text, text language options, sign language options.
- Make it more about the use of fair assessment to drive meritocracy, and away from the individual. Give anonymity (full or partial), look for use of relevant skills, relevant pre-screen questions and work based scenario questions. Interviews must always be panel based using structured questions with an agreed scoring methodology and make those panels diverse. The real biggy is REMOVE THE CV COMPLETELY.
- Handle people well throughout the process. Provide feedback, manage timelines and ensure expectations are given and met. No one minds rejection if it's done well and right – in fact I've seen instances of huge levels of advocacy where one applicant is successful and more than 600 are not. The positive impact on brand can be massive. ■





Protect and grow revenue streams with clarity

We are working with recruiters and their clients to raise awareness of HMRC's renewed focus on IR35 compliance within the private sector, along with the increased risk for recruitment agencies.

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Recruitment agencies in HMRC's firing line

We are beginning to warn of a renewed and robust HMRC focus on IR35 off-payroll legislation and compliance within the private sector, and the increased, and often unknown, risk for recruitment agencies.

The IR35 off-payroll legislation is aimed at ensuring contract workers, who operate via their own limited company, pay tax and National Insurance Contributions at employed levels where their contractual engagements amount to disguised employment.

“Since the off-payroll legislation inception in April 2021, we've seen limited HMRC compliance activity in the private sector,” said David Harmer, associate director at Markel Tax. “What we have seen is large public sector bodies caught out, often by using CEST, HMRC's own online assessment tool, to the tune of close to £300 million in fines and liabilities.”

More recently, however, Markel Tax is reporting that HMRC are more actively contacting private sector firms to ask about their processes in relation to off-payroll legislation. Their aim is to gather information to enable a decision about whether to investigate the organisation's activity. Markel Tax has seen an increasing number of enquiries coming through their insurance claims department as well as direct approaches by customers.

Harmer advises that “recruitment agencies need to be absolutely clear that their clients' processes around establishing if IR35 applies and issuing status determination statements are robust.”

“End clients are typically responsible for making their own IR35 decisions,” continued Harmer. “However, if that decision is found to be incorrect, but the client is judged to have shown reasonable care, liability would rest with the fee payer, which is the recruitment agency responsible for paying the limited company contractor.”

Knowing that liability may not rest with them means that some clients will more easily roll over under HMRC scrutiny and accept liability, leaving their agencies exposed.

We believe HMRC is under pressure to demonstrate that the IR35 off-payroll legislation does work and can raise significant revenues for the Treasury. This is especially true in light of the Government's near decision to repeal the legislation in October 2022 and the danger that this might still happen with pressure to find votes in the upcoming election.

“The revenue is being assertive in its approach to this issue, not like the softly, softly line they



sometimes take. Their letters contain specific questions such as the number of contractor clients engaged and whether they are now working under an umbrella structure. This is another sign that they are going after firms and agencies that don't comply in a very focused way,” said Harmer.

The use of online tools in isolation to determine the IR35 position is another risk for recruitment agencies.

Firms relying solely on automated tools can be left exposed. They are at risk of HMRC challenging whether or not reasonable care has been used. Placing all reliance on technology without looking carefully at how someone is actually working in practice (especially in grey areas), as well as their contractual terms and conditions, could be construed as not taking reasonable care.

“There are a number of things agencies can do to protect themselves” says Harmer. Insurance is a good idea because not only will it cover for any additional tax, National Insurance, interest and penalties due to HMRC, it also means experts will be available to support when facing an HMRC challenge. And if online tools are used, choose one that has experts on hand to assess the written contracts, because if the contracts do not match up with the working practices, you will not have an accurate decision which could cause problems.

Get in touch with Markel Tax's IR35 experts today by calling +44 (0)345 066 0035 or emailing IR35@markel.com.

MOVING ON UP

Simon Kent listens in on a Recruitment Live online discussion among some of the leading recruitment business' financial experts.

Corpay[^]

One of The Global Recruiter's online Recruitment Live discussions this month brought together financial specialists and leaders from recruitment companies to examine what has been happening across their businesses over the past few months, to take stock and explore where recruiters are now finding themselves. Without a doubt, the frenetic and unprecedented activity around and after the pandemic presented a super-charged environment for recruiters, one where at times it was easy to make a sale and growth the business. Now, however, that demand has cooled. The world, in this respect at least, could be seen to be righting itself and it seems that it is now time for recruitment companies to take a breath and re-consider their priorities. >



On the call, sponsored by Corpay were:

Lloyd Cremer, Chief Revenue Officer, Halian

Nick Baxter, CEO, The IN Group

Paul Day, Group CFO, deverellsmith

Aytan Oztekin, Senior Finance Business Partner, SThree

Francesca D’Arcangeli, Chief Operating Officer, Kingsley Gate

Leslie Stroope, Chief Financial Officer, Cielo Talent

Jonathan Porter, UK Managing Director and Head of EMEA Operational Delivery, PeopleScout

Simon Kent, Editor, The Global Recruiter

David Earl, Business Development Manager, Corpay

There was overwhelming agreement that the past few years have been exceptional in terms of business demand with companies reporting increased revenues, expanding headcount and more. The impact of the pandemic, plus the resulting surge in demand has meant the past three years have simply not been like any ‘normal’ year with one business reporting 11 consecutive quarters of growth which have only started to slow in the second quarter of this year. Jonathan Porter was among those suggesting this cooling of the market offered a time for recruitment businesses to reflect and perhaps to examine whether their existing structures and operating practices were still fit for purpose as the market moved on.

“To some extent we’re only now feeling the impact of the pandemic commercially,” said

Nick Baxter. “There’s been a lot of market stimulation from the government and various other sources over the last year as well as a backlog of work. There has been nothing normal about the last two years and this one is very different again,” he added. “I don’t think it’s a bad year, it’s a normal year – but this is off the back of the two best years I’ve ever seen.”

Baxter’s company has near doubled in size as a result of demand for recruitment services and the slow down is raising a few questions for the business. He is not alone in taking this time to ensure the business and its personnel match the evolving circumstances, and whether further changes are required to adapt to the current scenario.

Leslie Stroope added that making these kind of decisions can be harder to do at the moment since recovery and the market in general are hard to forecast. That in turn makes it difficult to assess how much investment a business should make and even what level of fixed costs are acceptable moving forward. Decisions on these issues are further complicated for recruitment companies split over different regions. The performance of the same market in one country can be different to that in another. Financial costs, interest rates and more can impact differently on these businesses from region to region, compounding the challenge. The business may not want to invest in the same way in every location, but making that call, achieving the right balance and preserving the company’s brand can all be a challenge. >

“We’re all comparing and budgeting against the previous year when actually next year is not going to be like that at all,” explains Francesca D’Arcangeli. “Some companies had a good 2020 and 2019 was still a good year for executive search but you have to be clear about the whys.” D’Arcangeli adds that uncertainty around the world – economically and in terms of global conflict is also promoting insecurity, causing decision-making among clients to take longer and slowing down the business.

Some of the recruitment companies on the call are currently undertaking internal assessments of their processes and infrastructure. For some this is a large-scale project involving most areas of the business and spanning many months. The objective is to find efficiencies and ensure everything is targeted correctly for a smooth running business. In some cases, this involves identifying areas where technology can be deployed in order to take some of the general administration work away from consultants who could be adding more value for the business.

Others, however, are finding it is more important to examine the market they are serving. Paul Day’s business is investing in new central technology, but his focus is primarily on understanding and addressing the market, looking outwards rather than in.

“We’re trying to focus on lead generation, growing our markets and seeking opportunity,” he explains, adding that the company has also recently bought a small flexible working platform called Daisy Chain, which has to some extent diversified the company’s activities.

Speaking from the UAE, Lloyd Cremer notes that his business is currently addressing the issue of productivity. There’s a need for new recruiters to become productive quicker than before – taking a 6-9 month time scale closer to 4-5 months. “We want people coming in with warm tyres,” he says, “they need to have opportunities and potential clients to get going with.”

The issue of people within recruitment businesses was raised by others. Retention has become an issue for many partly through every-rising salary offers, partly because consultants who had found the previous years ‘easy’ due to market conditions, and now less than enthusiastic about working in a less active sector. >





Lloyd reported that his business had taken on a new Learning & Development resource, reporting that the impact on candidate attraction and retention has been tangible. L&D was also cited as an important investment for consultant retention as well as for bringing on good consultants by others on the call.

However this is also part of the evolving expectation of recruitment consultants and indeed candidates across the board: “In general we see people looking for more purpose,” explained Francesca D’Arcangeli, “They’re asking more questions about the company – what are their values, the equity and inclusion policy and so on.” Company culture among within the recruitment industry is clearly now an important consideration.

There is no doubt that this year has seen a cooling of the market, but this might not be entirely a negative thing. With the benefit of the recent boom in business, recruiters now have a chance to reset their businesses, identify what works and what can improved. How they can manage their finances and how they can use the resources they have for maximum benefit. To this extent they will then be ready for the future.

As sponsor of the discussion and listening in to the recruiter’s thoughts and concerns, Corpay’s David Earl said: “With this being our fourth Recruitment live, it certainly lived up to expectations. What seems to be a recurring theme when successful leaders come together, is they are all forward thinking problem solvers, who stay calm and calculated when challenges arise.

“Growth is still on the very much alive at many businesses, and it is on the horizon for others who are fighting through the current landscape,” he concluded. “We’re looking forward to following the attendees journeys over the new few years.” ■

THE DRIVE FOR BETTER FROM TECHNOLOGY

Simon Kent listens in on a technology discussion among recruiters focussed on the future, sponsored by Bullhorn.





Chiming in with The Global Recruiter's current examination of technology and AI, one of our Recruitment Live discussions last month set out to explore the current and possible future use of tech in the sector. Armed with Bullhorn's support and insight, the discussion began by looking at what role technology current took, before addressing the future, AI and more. On the call were:

David Madden, Director, mustard jobs
James Walker, MD BWD Search
Amy Morris, UK Managing Director
Gary Cordery, Regional Sales Director, UK&I, Bullhorn
Gary King, Publisher, The Global Recruiter
Simon Kent, Editor, The Global Recruiter

To kick off proceedings the question was asked to identify the most important new or improved technology for recruitment businesses. The question was met with something of a stoney silence. While there's no doubt that technology has played a part in enhancing re-cruitment, the impact does not seem to have been so game changing or radical as to dis-place other aspects of the job. At the end of the day recruitment still depends on great relationships, understanding client needs, and keying into the motivations and needs of candidates. While technology may be progressing in some areas of administration and support, it has not – and perhaps cannot – replace the fundamental aspect of a recruiter's job.

As the conversation progressed it became clear that getting the technology part of a recruitment business right is very important. If the systems can help recruiters in their work they are worth the investment. But equally there needs to be ongoing investment to

ensure the data they use is accurate and the contribution they make valuable.

CRM systems are still integral to effective technology use. The central technology piece, holding details of clients and candidates and interactions between the recruitment consultant and these parties is the main powerhouse for recruiters, but keeping this technology up to speed remains a challenge. Data needs to be hygienic – retaining useful information for businesses as well as being kept up to date by users. But while it is in the interests of the business and individual consultants, to have access to real time information on candidates and more, consultants seem less than motivated to ensure records are kept up to date. Systems still hold out of date information and consultants are keener to move on to the next sale than log the details of their last interaction.

One top of this, the introduction of any new technology comes with the caveat that it needs to talk to the CRM. There is little point in investing in a shiny new piece of kit that does not interact with the central system. Also a distinction was made between technology that actually 'talks to' the CRM and those which simply 'tell' the system. A clear example of this is a systems which might identify candidates from linkedIn or another source and simply im-ports them into the CRM, compared to a system which finds those candidates and then checks they do not already exist in the CRM before importing them. Technology which simply 'tells' rather than 'talks to' is likely to create duplicates within the central system, making it more inefficient and frustrating to work with. >

To some extent, then, recruiters still need the basics to be sorted for the technology they use. There was some discussion among the participants about the use of video within recruitment with mixed reaction as to its value. Again, while video might have the potential to cut a few corners for recruiters it does not necessarily take away all the crucial parts of what a recruiter does – what ever the video interaction is like, the recruiter and certainly the client, will still want to meet face-to-face. That said, video may be of more use to recruitment businesses who are dealing with volume recruiting and would benefit from a fast way of getting candidates to respond to questions to move them on to the next stage. From this point of view perhaps the key to a successful piece of recruitment technology is that it needs to do better something that recruiters already do.

“Is it Artificial Intelligence or just a form of machine learning?” asks Dave Madden. “I am a firm believer that this technology can be a huge help at all levels of the recruitment sector as long as there is some joined up conversations.”

Such conversations need to occur between the developers and the actual users says Madden, and then with the software suppliers that will integrate it into the day to day systems. “Our industry, sadly, is full of very shiny bits of add on software that just doesn’t do everything it purports to,” he says. “The ‘meaningful connection’ just doesn’t come from a machine but what it can do is really help nurture a relationship through regular digital contact that isn’t just a generic ‘we haven’t spoken for a while’ message. The human touch is so important in recruitment as we are still talking about people and not robots, yet. It can also help with a consultants information gathering and understanding which are the warm buttons for prospective clients. I, for one, am excited about it.”

What was interesting to find was that some of the recruiters involved had been assessing their processes and operations with a view to understanding where and how technology could help them. By looking at the flow of work around the business and the stages which consultants had to go through to achieve placements and so on, it was possible to identify efficiencies and bring in technology at a point where it could play a significant part. Alongside this process it was possible to identify potential benefits of automation, enabling technology to play a crucial role in making things run smoothly, or to remove some of the low value administrative work away from those operating at the front line. >





“Self-service automation platforms that work with an integrated/consolidated dataset are hugely beneficial with agencies able to maintain that data integrity so much more cost-effectively versus the traditional methods of recruiters updating manually or expensive developers writing custom code to perform certain automated actions,” notes Bullhorn’s Gary Cordery. “No agency wants expensive consultants wasting time updating records that automation could otherwise be taking care of and automation will also ensure consistency is achieved whereas anything relying on human intervention will always be subject to misses and/or mistakes.”

Cordery adds that a database offering high levels of data integrity and trust is also paramount for firms looking to reduce their spend and dependency on external sources but, he adds, “if agencies are relying on costly development to help them in their pursuit of becoming ‘database first’, they are merely robbing Peter to pay Paul if spending thousands on development – and this is then somewhat ironic to say the least.”

When it comes to AI the technology is already in many recruiter’s businesses. Some consultants are already turning to Generative AI as a matter of course for writing job advertisements or even drafting letters to candidates and clients. In other cases recruiters are opening their data up to these systems so they can better identify candidates and hopefully make better placements for clients as time goes by. The general view towards this technology is that it has to be engaged with and adopted by the recruitment industry. There is no ignoring the potential of the technology, and no one wants to miss out on the potential benefits of these fast growing systems.

“AI is an opportunity we can’t ignore, but we must prioritise two crucial elements: human relationships and quality data,” said Amy Morris. “They’re the foundation on which any success in the AI space will be built. Let’s embrace the new possibilities, but stay grounded in what has always mattered most: the people and the insights.” ■

What can I help you with?

AI HELPING TECH?

Simon Kent assembles a significant round table of recruiters sponsored by Atlas Cloud to discuss the potential of AI and Microsoft's Copilot for recruiters.

A packed and popular Recruitment Live online discussion last month placed AI and recruitment at centre stage among leading recruitment companies. With Atlas Cloud as sponsors, the discussion had been created to examine the potential of AI and in particular the introduction of Copilot, an integration of ChatGPT into the Microsoft 365 suite. Will this availability of new AI tools be a game changer for the recruitment industry, or is this again a case of something new that has yet to prove its worth? >



On the call were:

Meryem Mernissi, Delivery Director, Venquis
Olly Harris, Global Managing Director, Page Outsourcing
Ashleigh Fitzgerald, Operations Director, Antal International
Rob Grant, Chief Operations Officer, Harrington Starr
David Nesbitt, Founder & Managing Director, Core Talent Recruitment
Jade Brar-Hasse, Associate Marketing Director, Murray McIntosh
Andy Heyes, Managing Director, Harvey Nash UK&I
Abdul Manik, Chief Digital and Transformation Officer, Randstad
Jonathan Morris, Managing Partner & Co-Founder, TritonExec
Jonathan Ellerbeck, Group Chairman, Gravitas
Matt Smith, Chief Revenue Officer, Investigo
Nigel Redwood, Non-Executive Chairman, Atlas Cloud
Ben Tomlinson, Marketing Manager, Atlas Cloud
Andrew Jacques, Head of Technology, Atlas Cloud
Simon Kent, Editor, The Global Recruiter
Gary King, Publisher, The Global Recruiter

The discussion began with an overview of current AI use by recruiters the call. Maryem Mernissi from Venquis said they introduced AI almost a year ago finding it to have delivered benefits to all three pillars of their business – the candidates, the clients and the recruiters. AI has streamlined processes, and carried out the ‘heavy lifting’ around data thereby enabling recruiters to concentrate on building relationships with the clients and candidates they have contact with.

Andy Heyes also noted their systems were using AI, and part of the business has created its own AI powered chatbot. He also noted, however, the need to create a clear policy around AI use in part to protect the business and ensure consultants were not unwittingly putting confidential information into an external AI system, thereby constituting a security risk. Picking up on this, Matt Smith said it was difficult to frame a single and certainly stationary policy for AI when the technology is so fast moving and proliferating in its use across functions and businesses. >

Randstad's Abdul Manik also noted that one of the biggest challenges to using AI use was the training of systems. Before a solution can start delivering any value it must be given sufficient data on which it can base its decisions and actions. "The data you're using might have unintentional bias within it," he explains, "so we have looked at data quality across the business. Without increasing data quality there's a danger that you can't adopt AI. Data will therefore either be an enabler or a blocker."

Jonathan Ellerbeck tempered this part of the discussion with the question of whether re-cruiters were using true AI or whether this was actually automation. There is a clear distinction to be made between the two and in his opinion many of the solutions described as AI were not actually that. His view was supported by others who felt pure AI had yet to make a significant impact on the sector.


"Generative AI promises to bring more efficiency, equity and excellence to Recruitment Process Outsourcing and total talent acquisition to find a perfect fit between candidate and role," commented Olly Harris. "The challenges we experience today will sculpt GenAI's potential tomorrow. Within recruitment, Page Outsourcing's goal will be to balance technology and humanity to build on strengths and overcome obstacles."

Enter, then, Copilot. The opportunity to use true AI functionality across Microsoft 365, a system which is common to recruiters and other business. According to Atlas Cloud's Ben Tomlinson the launch brings generative AI to the space, making these tools easily accessible for a variety of purposes. As well as helping with the general administration side of things, the system could make light work of specific recruitment related tasks, for example analysing a candidate's video or audio interview and creating a summary as a result which can be shared with clients.

While the following discussion certainly recognised the potential of these tools, it also served to highlight the need to balance technology use with the skills and approach of people. Put simply, there are aspects of the recruitment service that are unique and can only be delivered in person.

On the positive side, Copilot certainly holds promise for the recruitment sector and comes already design with certain security features – such as your data staying inside your company rather than being shared externally or to train other's AI systems. However, it was suggested that if everyone uses the same technology for the same reasons is there a danger that everyone will simply get the same answers. >



A hand is pointing at a laptop screen. Overlaid on the image is a network of white person icons connected by thin lines, representing a recruitment or social network. The background is a blurred office setting with a laptop and a tablet.

For example, it is possible to get Copilot to produce a market report on whether it would be a good idea to move into a new sector – asking it to analyse internal and external information in order to identify future prospects for the business. But as one person on the call noted, if the same process is occurring based on the same basic data then arguably every company that carries out this task will get back the same information. Certainly the technology can take some of the guess work out of making such a move and perhaps offer some quick insights which may otherwise take weeks to attain, but it would seem to remove the individual, personal viewpoint from the equation which, at the end of the day, might make the difference between success and failure.

Building on this the discussion the recruiters on the call noted that technology cannot take the human element out of recruitment itself. It is certainly attractive to be efficient and swift in finding candidates, but it still requires a person to place the right talent with the right employer. Abdul Manik highlighted that, for this reason, AI might not suit every consultancy's model or every recruiter's brand. "Don't 'over AI'" he said, "This has to be a tool that you use – an enabler. It shouldn't drive the business."

David Nesbitt agreed that some automation in the process is to be welcomed and can help recruitment agencies do better, but said it still takes a trained recruiter to know who the best candidate is and to explain to an employer why that person is the right one.

"We walk our clients through every candidate we offer because we want them to know how they're going to contribute to their business and so on," added TritonExec's Jonathan Morris. "Yes, you could write that down in a report but it wouldn't have the same impact."

Harrington Starr's Rob Grant said he felt there was a danger that too much technology could ultimately strip away the recruiter's skill from the equation and even compromise their credibility. "If we're good and skilled we should have enough credibility for our clients to not even worry about seeing the CV," he said. "If you have the credibility and reputation you should be able to do that – we should be good enough at selling. I worry we're losing the fundamental skills of being a good sales person and influencer."

Certainly the future of recruitment does hold AI in it, but some on the call felt that recruitment was one of the areas of work that would ultimately be protected from the march of AI because of its dependence on people. The ultimate balance between the two will evolve over time, and without a doubt what works for one recruitment agency may not work for another, but for now this is one area of technology development that could pay dividends for recruiters to explore.

"The capabilities of generative AI offer a significant opportunity, as well as threat, to the recruiting sector," noted Atlas Cloud's Ben Tomlinson. "With Microsoft's new Copilot, recruiters can use it as their own personal sales coach and a virtual assistant to complete admin tasks. It remains to be seen if it will be capable of shortening the candidate search process or performing outreach, but we'll be watching with a keen eye." ■



CELEBRATING THE BEST OF THE BEST

The Global Recruiter Industry Awards 2023 shines the spotlight on a highly successful sector.



The brightest and best in the UK's recruitment industry gathered together at Lio London – an exciting and atmospheric venue in the heart of the capital city – to celebrate the success of the recruitment industry and in particular, to recognise the companies and individuals who have delivered stand-out performances in the UK's recruitment world.

Hosted by The Global Recruiter's publisher, Gary King, and with floor filling entertainment from the IT Girls and IDolls, this was a chance for the recruitment industry to let down its hair and party like never before.

And the celebrations were all in a good cause. Faced with some huge challenges over the past few years, the industry is in good shape, still turning in a healthy contribution to the economy and delivering the talent required by businesses to succeed and thrive as conditions improve – or at least become more predictable.

"You cannot overstate the importance of industry awards," said James Osborne, judge and co-founder, The Recruitment Network, "especially off the back of another extraordinary year for the recruitment sector, because it showcases those organisations that buck the trends, that create their own paths irrespective of economic fluctuations and that rightly should be celebrated.

"This year, the standards were as high as they have ever been, and again proved that to be excellent in our industry, to achieve those high standards, you need a healthy dose of resilience, smart focus and agility – those shortlisted this year demonstrated that in spades," he said.

"The standard was high, and what is clear is that there is no easy way to win," commented Awards judge Miles Lloyd, co-founder and partner of North Star People. "The organisations who received recognition as finalists, those who were highly commended and that group of exemplars who were category winners all invested time, energy and effort to earn the recognition that they all truly deserve. >

“That recognition is seen not just internally but also externally, and will help attract the best talent to come and work in those organisations as well as be a differentiator and mark the recruiter out as one to partner with for clients.”

To see a full list of winners and highly commendeds from the evening, go here: <https://ukawards.theglobalrecruiter.com/>

“I am so proud of the team at Oliver Sanderson for all they have achieved this year, and I am so honoured that our efforts have been recognised with this award,” said Natasha Makhijani, group CEO of Oliver Sanderson who scooped Best Employer Brand. “To be commended by the judges on our focus on pioneering ED&I, the use of cutting-edge technology, our deep HR sector knowledge, and inspirational leadership is amazing as they are the key elements of the Oliver Sanderson brand. To see that these elements are becoming synonymous with our brand really means a lot and I couldn’t be happier. We will continue to break ground in these areas moving forward and are just as committed as ever.”

Rohan Shah, co-founder and managing director of Reuben Sinclair was similarly thrilled with his company’s success in the category of Best Specialist Recruitment Business, saying the win underscored their “unwavering commitment to excellence in our field.

“This recognition validates the dedication of our team, who consistently strive to match exceptional talent with unique opportunities,” he added, “carrying an incredible understanding of and dedication to their markets. Winning this prestigious award affirms our position as a leader in specialised recruitment, showcasing our ability to provide tailored solutions that meet the evolving needs of our clients and candidates.”

It was not just a night for businesses, however. Richard Shorrock’s personal achievement came to the fore as he walked away with top position for Best Temporary Consultant: “I was truly humbled just to be nominated for this award but to win is beyond my wildest dreams,” he said. “I’m so proud to be recognised for our approach to candidate care as it underpins everything which we stand for at Spencer Clarke Group. I’d like to say a massive thank you to all my hard-working team as I genuinely couldn’t have won this award without them. I’m on cloud nine!” >





Amy Hambleton of RedLaw, won Best Perm Consultant. “I love what I do, but being recognised by leaders in the industry is always really humbling and I’m really proud to fly the flag for the recruitment industry and the great work that we do,” she said.

“The award is also a celebration of the collective dedication and expertise of the entire RedLaw team,” she added. “Winning this award is a testament to the hard work, passion, and collaboration that define our team’s approach to excellence in the recruitment industry and having an impact within the legal sector within which we work.”

Jennifer Robinson, VHR’s marketing manager also spoke of how their award for Best Client Service was the result of the efforts of their entire team: “VHR are proud to fly the flag for Great Britain in over 52 countries across the world and our team work extra hard to provide the best service possible to our clients,” she said. “With ethics at the heart of our business we believe in doing things right. Awards like this prove to us that we are heading in the right direction.”

PlacingFaces topped a highly competitive pile for ‘Best Candidate Attraction Through Social Media’. “We are constantly working hard to stand out from the crowd, grow our following, and in turn attract the best talent from the mortgage sector,” said Erin Sargeant, the company’s social media executive. “We work tirelessly to make sure we cover all of the social media channels, from Instagram, right through to LinkedIn.

“It’s great to receive some recognition for all of our hard work on our industry related posts, research and surveys, but most importantly, recognition for our fantastic viral TikTok dances :D”

As the industry partied into the night it was good to know recruiters and recruiting businesses are committed and determined to deliver excellence to their clients and candidates. Buoyed up by this fantastic event, which in some ways is the first sign of the oncoming New Year, everyone in attendance could reflect on a successful 2023 and anticipate even better things in 2024.

So look out - entries for next year’s Awards open in April 2024 ■



HOW USING DATA HELPED GROW MY AGENCY BY 400%

Anthony O'Neill, founder Clarity Locums & AER Temp takes you on his journey

Only 4% of recruitment agencies currently use a platform for their temporary recruitment needs.

When I originally read this statistic I was somewhat shocked, but then I remembered my own experience when looking to implement technology. I launched Clarity Locums in 2012 from my home in a suburb of Dublin. Being a trained pharmacist I felt that I understood what locums really wanted from an agency and how technology could benefit these locums while allowing me to scale my business through automation, thereby controlling costs. I explored introducing technology in 2016 but ultimately found that nothing was right for me, so it was either to keep working as I had been or build my own tech. I decided on the latter. >

It took just over 12 months (and a lot of money!) for the first iteration of the technology to be ready. From running a temp agency, I designed the technology to be focused on the key processes and functions around temp recruitment. While our initial build was focused on the locum pharmacist market in Ireland, the next 4 years allowed the tech to evolve and improve as we expanded into both the UK and New Zealand, alongside nursing and medical markets. We launched AER Temp in 2023 to service temporary recruitment markets across the world.

As with all tech, the amount of data you have access to is staggering, so it's important to harness this and interpret this data to make better and more informed decisions. The tech naturally provided a process and workflow, but analysing the data has driven how we work as an agency, and ultimately how the technology has evolved to the product we have today.

The first aspect we looked at was candidate behaviour. We started to see a pattern emerging by candidates who were more likely to fill a shift. We identified behaviour where 90% of successful candidates came from within the platform. With this knowledge, the tech was changed to allow the ability to quickly see candidates with this behaviour. By giving the recruiters this information at a click, we managed to reduce the average fill time from 2 hours to 46 minutes, driving a 60% reduction in time. This meant that the team was able to fill 2.6x more shifts per week and drive revenue exponentially.

We also looked at the communication processes and how to automate the majority of these. After analysing this info, we created over 150 automations to significantly reduce the amount of time recruiters were spending on comms. We introduced the ability to target bespoke SMS messages to candidates while automating general reach outs via email and push notifications. >



We used the data plus feedback from candidates to further develop the native apps. We introduced unique candidate tools to ensure that candidates only saw shifts that were relevant and they were able to actually work. These improvements were crucial in growing our marketplace from 8,000 temps/locums to over 30,000 in less than 4 years. 70% of the temp marketplace actually referenced that the app was key for them working with Clarity. We used data added by candidates to improve the automated notifications allowing for location, distance, availability among other points to drive shifts to candidates.

By tracking rates and shift data, we are able to understand the market and advise clients on best practice. This includes rates based on time of the year and day of the week, amount of time required to fill a shift, and the best start time to attract staff.

We were also able to track candidate engagement to help predict churn and profile workers into categories. This allowed clients to develop bespoke engagement messages to their marketplace to help reduce this churn.

When I started the journey of building a temp agency, then building technology to help the agency grow, I would not have predicted how important the data, or moreso the analysis of the data, was for the evolution of both the tech and for how we work. With AER Temp I wanted to help other agencies benefit from these learnings. The solution has been built to be highly configurable, as I learnt very early on that agencies may be 80-90% the same but each has its own way of working so we wanted to allow for this when providing the technology.

If you want to learn more about how you can partner with AER Temp and drive efficiencies, increase revenue and allow your agency to really scale, you can set up a demo here - [DEMO](#). ■





MAN AND MACHINE

Technology in partnership
with recruitment

THE AI CANDIDATE

Robert Newry, co-founder and CEO of task-based psychometric assessment provider Arctic Shores explores the implication of candidates using Generative AI in the application process.



With so much noise around ChatGPT and its usage, how do you separate the reality from the hype and understand the impact that tools like ChatGPT are already having on selection? Of course, you get your head into the data. Here are the headlines on what you need to know. >



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 AI 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 GenAI 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 AI 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 GenAI 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 **inherently more robust against ChatGPT than their text-based counterparts** 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 GenAI 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 AI will make traditional selection processes redundant.



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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 AI. It's also important to consider how to use these tools effectively.

How AI can help with recruitment

Earlier this year, statistics revealed that AI could potentially replace up to a fifth of jobs. Further surveys also unveiled something very interesting: 95 per cent of HR professionals feel that AI 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 AI 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. AI 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 as 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. AI 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, AI 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 AI 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.

AI 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 AI has been effectively trialled and tested. However, once businesses have audited and found the best way for AI to support their business goals, it has the potential to really transform recruitment processes. ■



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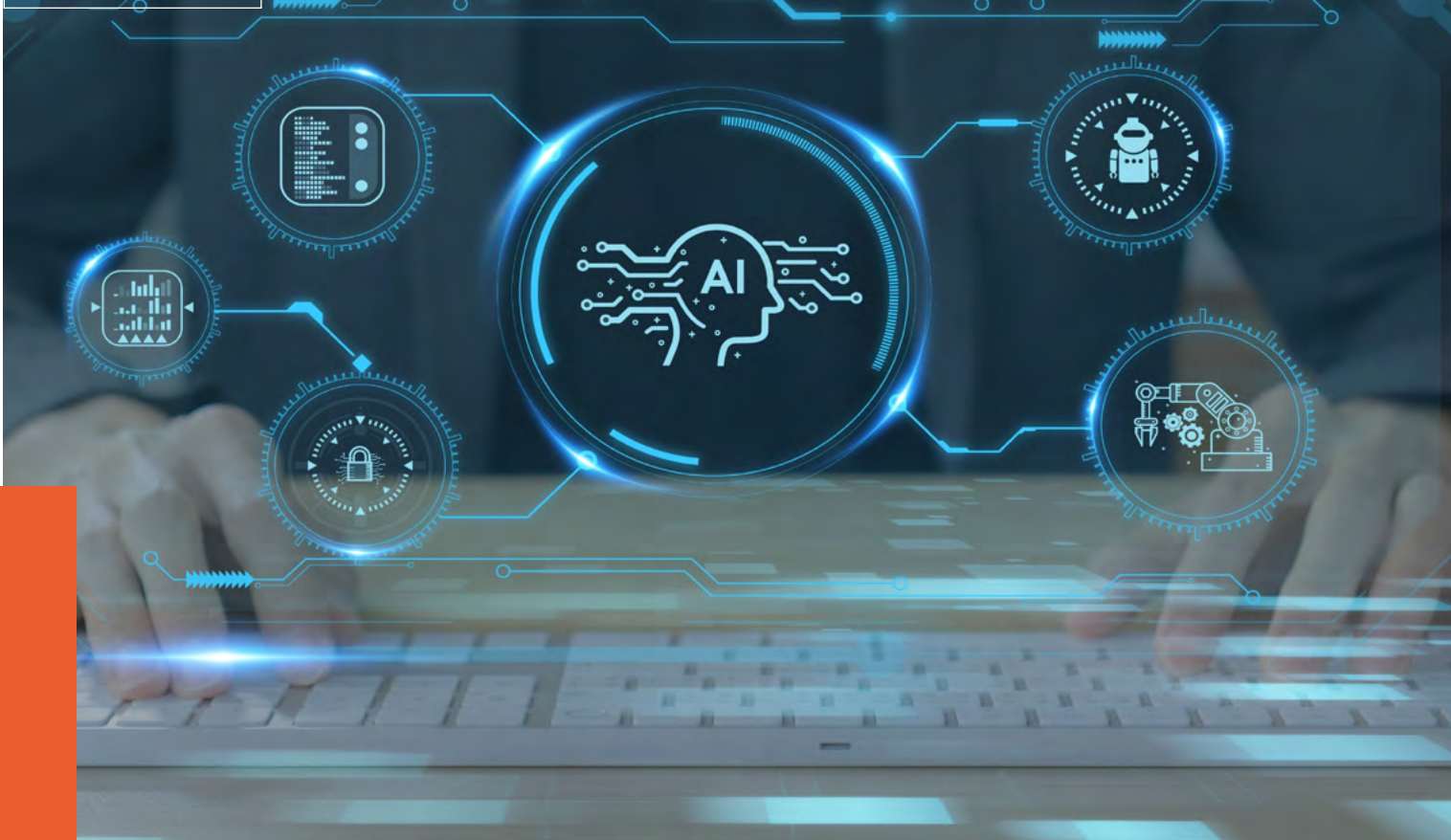
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DECODING AI ADOPTION

Adbul Manik, chief digital and transformation officer for Randstad UK & Ireland and chief information officer for Randstad Digital discusses how recruitment leaders can navigate the AI frontier.

One in five Britons believe Artificial Intelligence (AI) will likely lead to the extinction of the human race. It's a startling statistic. If nothing else, it highlights that AI is too often seen in terms of threat. The recruitment sector needs to see it in terms of opportunity. >



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 new-generation 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 AI-driven processes and minimise resistance. But you can't rest on your laurels. Change management is not a one-off approach. Technology is growing so far, so fast, that change management and upskilling programmes need to be continuous. AI is set to keep evolving — Dario Amodei, the CEO of Anthropic, an AI start-up, believes human-level AI 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 AI soaring ahead at such speeds, you need to ensure that control is not lost in the slipstream. ■

TECHNOLOGY AT WORK

Dr Clare Walsh, Director of Education at the Institute of Analytics (IoA), discusses the impact of technology in recruitment, now and in the future.



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 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.

AI 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. >

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 tamper-proof 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 AI 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 AI in recruitment.



Sim Hall, Managing Director, Populus Select

AI undoubtedly has the potential to revolutionise the recruitment industry, enhancing productivity and broadening our choices. While AI 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.

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

Recruiters must be ready to adapt to this shift by embracing AI-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. AI 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 AI 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.

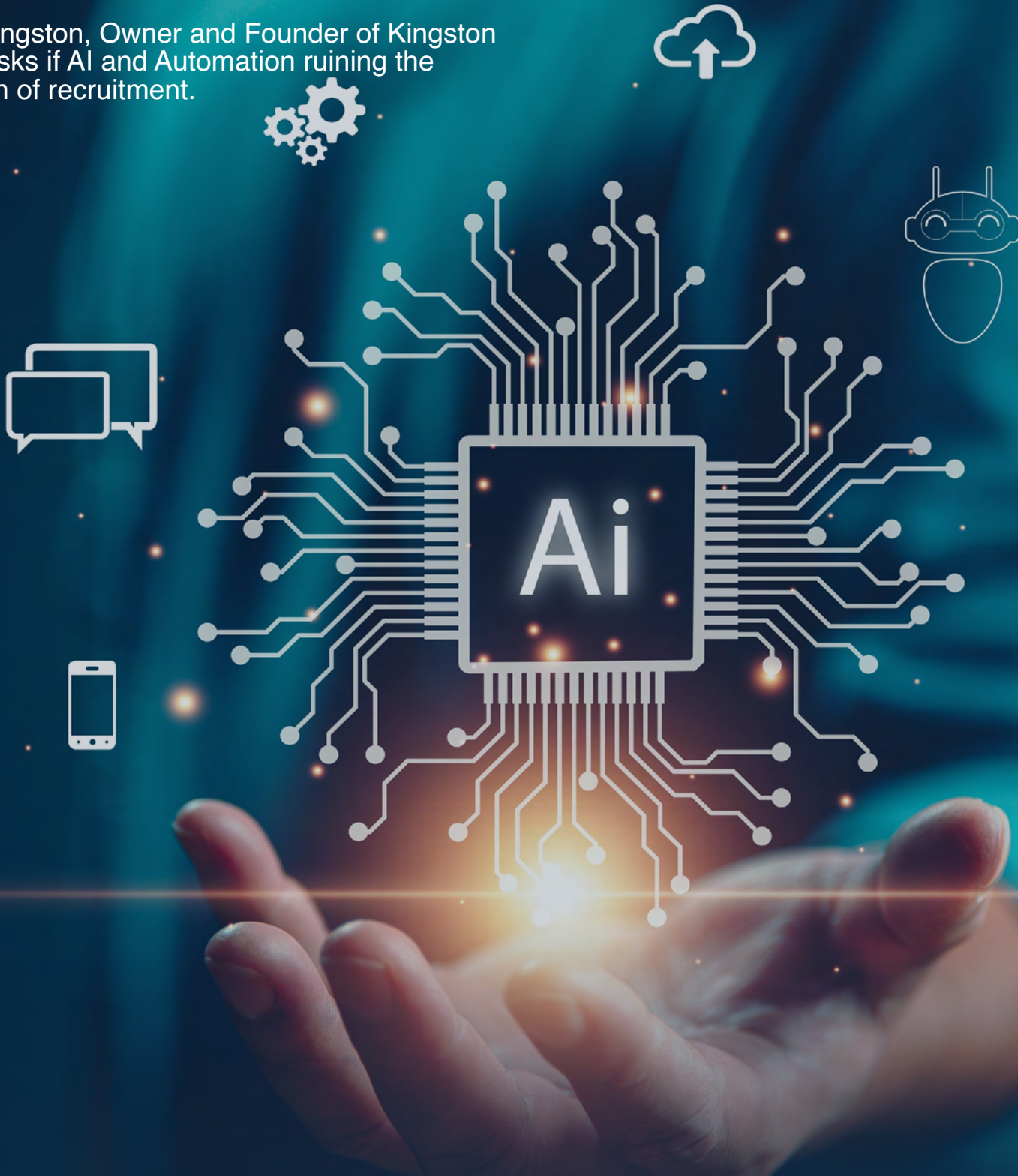
That being said, there is still plenty of discovery to be had with AI, and recruitment leaders need to establish standardised approaches to ensure that the output quality from these tools has the desired effect. Otherwise, very quickly, messaging or processes will become impersonal, diluted, or fragmented. 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 AI 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. AI 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.

AI 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 AI and automation programmes. It's very much down to the recruiter to check, and check again that AI 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. AI and automation are continuously adapting and changing the way everyone works. If AI can complete a task in five minutes that may take my team 45 minutes, I'm all for it. We need to, however, ensure AI 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. ■