

Revolutionize Your Recruitment Process Through Unleashing the Power of AI

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Introduction

With the increase in competitive candidates and the growing responsibilities of human resources management, the recruitment processes are in a dire need of improvement. The use of artificial intelligence (AI) in the recruitment process allows firms to eliminate the current challenges faced by human resources departments, increase efficiency, and add value to CPA roles. This technology is not here to replace the key roles in human resources, but rather to enhance it.

As per data collected by Predictive Hire, about 55% of firms are already utilizing artificial intelligence in their recruitment processes.¹ While many think of just utilizing AI to screen resumes using technologies such as CVViZ, AI is able to aid in much more effective ways. Some firms, such as the Big 4 accounting firms, utilize softwares such as Vervoe AI to send skill assessments to candidates to determine whether their demonstrated skills align with the needs of the role.

Opportunities

One of the main challenges faced in the traditional recruitment process is the inherent bias being applied by recruiters when reviewing applications. Based on numerous studies, the standard process results in significant bias against women, older individuals, as well as minorities.² With the use of AI, by programming it to only look for the key requirements and the characteristics of a great candidate, the inherent human bias can be eliminated.

Another challenge includes the extensive amount of applications recruitment

managers receive each hiring round, resulting in an inability to review all applications in a timely manner. As such, human resource professionals tend to limit their review to about 10% to 20% of the total pool, with a focus on candidates from prestigious schools or past roles, as opposed to reviewing the full application.² With the use of AI, resume screening can be done efficiently by programming it to, for example, look for keywords in a resume or understand lengthy cover letters to match with the job requirements.

Through addressing the above mentioned challenges, AI is able to provide an objective assessment of a large pool of applications by eliminating mental fatigue and inherent bias typically experienced by recruitment teams.

Case Use Examples

Unilever, a consumer goods company who owns over 400 brands such as Dove and Ben & Jerry's has implemented AI to pioneer their recruitment process by creating an online platform which uses aptitude, reasoning, and logic of candidates determined through a gaming activity.³ This information is analyzed for the role and compared to those of successful employees. In addition, in 2018 they deployed a video analyzing software where candidates' facial expressions, word choice, and body language were examined using machine learning algorithms.³ This brought value to Unilever as it allowed them to double the amount of applicants hired within the first 90 days and increased racial and socioeconomic diversity. The average time spent on hiring

went from four months to four weeks and recruiters spent 75% less time reviewing applications.³

Another example of a company successfully implementing AI in their hiring processes is Hilton, a multinational hospitality company that operates a number of hotel brands.⁴ With the use of HireVue, a digital interview platform, they have been able to interview multiple candidates at the same time without the need of a recruiter present. This allowed Hilton to reduce their time-to-hire process from 45 days to five.⁵ Not only does this provide value to the company but also the candidates as it eliminates transportation issues, stressors, or difficulties in finding the office. Hilton has also implemented an AI-powered chatbot which answers queries that candidates have and can help to schedule interviews and provide feedback.⁴

Challenges

The use of AI tools during the recruitment process has several challenges which include legal, ethical and efficiency issues.

Legal Issues

Employers are required to comply with various laws, one of them being the Americans with Disabilities Act (ADA).⁶ They are generally forbidden from asking about the candidate's physical disability, mental health or any clinical diagnosis. However, the use of AI can pose legal issues as it can inform employers about their physical or mental disabilities. Employers are also required to comply with the General Data Protection Regulation (GDPR). However, AI tools can collect

data about the candidate which can include personal information and social media profiles without obtaining an explicit consent from the candidate. To mitigate the risk of companies infringing on candidates' rights or privacy, they must ensure that their AI tools meet with any legal requirements.

Ethical Issues

AI tools can pose ethical concerns during the hiring process which include the privacy and consent, and bias of potential employees. For example, AI tools can collect personal data from candidates without the company's consent which overall raises an ethical issue as their privacy rights were not respected.⁶ Moreover, some of the AI tools have raised questions regarding the bias and fairness relating to race and gender during the hiring process as some programs do not rate candidates in a gender-neutral way. This can overall impact the diversity and equality in the workforce if companies are not performing a regular audit to reduce bias and ensure fairness by balancing the data and representing all groups. Moreover, to mitigate the risk of violating the candidate's privacy, companies should implement data privacy and security measures to protect the candidate's personal information in their AI tools.

Efficiency Issues

Lastly, AI tools can result in some concerns relating to their efficiency during the recruitment process. This can include the overreliance on the technology given the AI tools lack human intelligence which can sometimes not be able to identify potential or creativity.⁷ This can result in the AI tool overlooking certain information

that human recruiters can better identify and understand. Moreover, given that AI tools rely on technology, technical glitches or system failure can overall negatively impact the hiring process resulting in inefficiencies. To mitigate this risk, companies can use a balanced approach between AI tools and human involvement during the hiring process to ensure personalized human interactions.

Impact to CPAs

As AI continues to evolve and gain traction in various organizations, CPAs should upskill their AI knowledge to take advantage of this technology and improve their recruitment processes. First, CPA firms can use AI to automate routine recruitment tasks such as resume screening and candidate sourcing. According to Forbes, AI is able to quickly screen through a large quantity of job applications to match company requirements with candidates' skills.⁸ In this case, CPAs can let their HR team know the specific requirements they are looking for in an applicant to help the AI tool provide better screening results. Additionally, by streamlining routine tasks, recruiters will have more time to focus on higher-value tasks such as conducting in-person interviews.

Second, AI can provide a skill assessment platform to evaluate the applicant's technical accounting skills such as their knowledge of financial reporting standards, auditing processes and tax law.⁹ The tool uses machine learning algorithms to measure the applicants' technical knowledge based on their responses to accounting questions asked through written

responses or online interviews. Since the CPA profession is a highly technical job, AI will help CPA firms to save recruitment time by automatically filtering out unqualified individuals that will not bring value to the company. As a result, the AI platform can help firms to obtain a more precise evaluation of a candidate's capabilities, rather than solely relying on the accuracy of the skills listed on the applicant's resume.

Third, AI can help CPA firms to develop better recruitment practices based on information obtained from successful hires in the industry. AI can obtain historical information on successful hiring strategies and talent market trends to identify patterns and characteristics associated with high-performing CPAs. Afterwards, firms can use this information to identify any weaknesses within their recruitment practice and make changes to their hiring model. This will help the firm to make informed hiring decisions in order to recruit more accountants that have a higher potential for success. Since AI is able to provide a number of benefits to help CPA firms recruit high-performing accountants, it emphasizes the need for these firms to upskill their AI knowledge in order stay competitive within their industry.

Likely Perceptions

Although there are numerous benefits to using AI for CPA recruitment, there are negative perceptions against using this technology. Generally, people do not trust in AI-driven decisions as they do not understand how AI works and do

not like having the decision control taken away from them.⁹ As CPAs are bound by strict accounting regulations, most accountants prefer to have full control over their work rather than relying on an external party to make decisions for them. However, it is important to remember that CPAs do not have to place their full control on AI to perform their work. As discussed earlier, CPAs can just use AI to automate routine tasks such as resume screening for recruitment purposes. This will help CPAs to delegate more time on tasks that require more critical thinking and creativity such as developing ways to retain top-performing accountants. As studies have shown that AI could improve productivity for employees and the company by 40%, CPAs should consider taking courses that specialize in AI and data management to make full use of this technology.¹⁰ As a result, CPAs are encouraged to embrace the use of AI in order to maintain competitiveness within the industry.

Limitations

As accounting is a highly-technical profession, accountants need their work to be accurate and precise. This means it is essential that CPA recruiters are able to utilize AI to hire accountants that possess highly detail-oriented and critical thinking characteristics. However, AI may be limited from providing highly accurate results for recruiters as the technology is not protected against biased opinion. In 2018, Amazon stopped using their AI-powered recruiting platform since it detected discrimination against female applicants.¹¹ From this example, it is evident that AI is

not able to provide fully accurate and objective hiring results for CPA recruiters. As a result, it is of utmost importance for recruiters to receive extensive training on utilizing AI tools. This will help them to identify any potential biases and make a greater use of the results produced by AI.

Conclusion

While AI does present challenges and drawbacks such as legal, ethical and efficiency, we can however learn from these limitations and adjust the program for improvement. Our ability to improve the programs allows us to adjust issues such as bias, privacy concerns and compliance with specific laws. This would allow us to refine our decision making process and amplify our human potential. We are also able to leverage the AI's strengths to tackle complex problems as well as create innovative solutions. Even though AI has its drawbacks, we can embrace the beauty in being able to adjust the program to create a world where AI serves as a reliable, responsible, and trustworthy technology.

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