AI-The Gamechanger in HR

How Artificial Intelligence has reshaped the face of recruitment?







What You Can Expect

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An Introduction to Artificial Intelligence

Who doesn't know about Artificial Intelligence these days? Gone are the days when human beings performed each task manually. With the advent of AI, our personal and professional lives have changed drastically. The term 'Artificial Intelligence' was coined by John McCarthy in 1956. This was the time when a lot of development was carried out in this field in various areas such as natural language processing, machine learning, game playing, robotics, data mining etc. AI has now become a vital part of every business.

AI and other technological innovations are adopted and implemented in many firms. In fact, it is becoming the today and tomorrow of our lives. lot of emphasis is laid on making each process automated to make it uniform and systematized.

Source: PwC

By the **2030s**, they predict that around **38%** of all U.S. jobs could be replaced by AI and automation.

Source: PwC





Screening resumes takes up to 23 hours for just one hire. Source: Ideal

75 percent of employers said they have hired the wrong fit and one bad hire costs them nearly \$17,000 on average. Source: CareerBuilder survey

Need of AI in HR

Human resource is a crucial department to be considered where implementation of automation has become the need of the hour. The core functions of HR include recruitment, onboarding, benefits and compensation, payroll and much more. Recruitment is one such area in which artificial intelligence has proved its worth.

HR managers and professionals always have their hands full with day-to-day tasks. They need a solution which can reduce their workload and speed up recruitment process.

With automation, HR managers can save a lot of time and focus on other components of recruitment.

A recruiter gets numerous resumes for a single job position. Sorting out these resumes and shortlisting relevant candidates according to job description is a herculean task.

53% of companies are revamping their HR programs to deploy digital tools, while 22% have already leveraged AI to deliver HR solutions.

Source: India Report of Deloitte's 5th Annual Global Human **Capital Trends**

A recruiter has to go through resumes one by one and read candidate's qualification and experience to see if it is relevant or not. In this process, many quality resumes are misplaced and ignored. As a result, recruiters tend to appoint bad hires.

In case of urgent hiring, recruiters need a solution which can help in **closing jobs quickly**. Manual processing of resumes consumes a lot of time which does not let HR managers pay attention to other business tasks. Because of these reasons, automation becomes necessary for carrying out HR activities.

Source: Ideal Source: CareerBuilder survey Source: India Report of Deloitte's 5th Annual Global Human Capital Trends



Transforming HR with AI

Artificial intelligence has played a deep role in reshaping the concept of hiring. New technological innovations, HR has not only simplified the recruitment process but also changed the way HR works while hiring candidates. Smart technologies now easily manage the boring and monotonous tasks which consume maximum time of HR professionals.

Here is how AI has redefined recruitment process: **Source: Korn Ferry Global Survey**

PARSE

Resume parser extracts data from candidate's resume and makes the information available in 100+ fields such as education, experience, qualification etc. It can parse any document format of resumes, for example, doc, pdf, html, rtf and docx.

MATCH

Matching technology makes use of synonym matches for skills/competency, location, education, job title etc and provides relevant recommendations to recruiters as well as candidates. These are made by generating keywords from skills/jobs alias.

ENRICH

Resume enrichment provides comprehensive details of candidate social information, experience, network, jobchanging behavior and company insights. Also, make your passive resume database active by enriching resumes with recent candidate information. **48%** state AI is making their job easier **40%** believe AI provides valuable insights **27%** say AI has freed up their time

Source: Korn Ferry Global Survey

Impact on Talent Acquisition

Artificial intelligence has seeped into every aspect of the recruitment industry. Where at one point, talent acquisition was a challenge, it has now been simplified with automation. The recruitment industry is witnessing a significant change in hiring candidates with increasing usage of recruitment analytics solutions.

33% of employees expect their jobs will become augmented by AI in the near future.

77% believe automation results in "better jobs," and only **20%** see job reductions.

Source: Bersin

Less Human Bias

AI eliminates human bias by screening candidates on behalf of their qualifications, skills and experience. There is no scope of favoritism when resumes are sorted out through automation.

Enhance Candidate Assessment

Predictive analytics talks about candidate's job changing behavior in future. Relevant information about candidates helps in better assessment and promotes quality hiring.

Quick Hiring Decisions

Recruiters can shortlist candidates by merely looking at the parsed data and based on their interview, jobs can be closed quickly. This simplifies the entire recruitment process.

Smart Talent Acquisition

Relevant resumes are often ignored when screened manually. When resumes are screened with the help of a resume parser, what recruiters get is quality hire.

Source:Bersin by Deloitte

AI: Now to Next

So, what is the future of AI in HR?





Chatbots

Chatbots are the best way of communicating with candidates on behalf of recruiters. The delivery of candidate experience actually starts from them. A tinge of personalization is the foundation of providing excellent candidate experience.

Predictive recruitment analytics

Predictive analytics helps recruiters to close jobs quickly than manual candidate evaluation. Candidate behavior in future can be anticipated, based on which hiring decisions can be taken quickly.

Virtual reality

A disruptor in hiring process, virtual reality is another way of delivering an effective candidate experience. This concept gives potential candidates a chance to experience the workplace environment in a high-tech fashion by sitting at just one place.

Mobile apps

Candidates expect a prompt reply for recruiters, be it about the status of job application, selection or any other intimation. Social media and SMS messaging are gaining popularity while communicating with candidates. There are now more than 100,000 chatbots on the Facebook Messenger platform, up from 33,000 in 2016.

32% of executives say voice recognition is the most-widely used AI technology in their business.

Source: VentureBeat, Narrative Science

Myths about AI in HR

Along with every innovation comes a few myths. Human beings are always reluctant towards change. While adopting and implementing a new tool or feature, they have a few notions which need to be overlooked to progress further.

AI means death of recruiter

Many HR professionals believe that AI will take up the job of recruiters. As automation will complete most of the tasks done by recruiters, recruiters feel that soon, organizations will start relying on only AI to hire candidates. But this is just a myth. The final decision of hiring a candidate always rests with HR manager/recruiter.

Machine intelligence will leave behind human intelligence

With increasing usage of machine learning, it is felt that there will be an end to human intelligence and dependency will remain solely on automation. But this myth needs to be debunked. Humans will always have control over important decisions. Automation is implemented only to simplify our lives.

AI is a robot

When we talk about artificial intelligence, people start imagining robots working on solving our problems. But this is not true. AI is present in the computer system and works in the background. You can only hear this technology through voice recognition.

Learning is the same in AI and Humans

This isn't true. The learning ability of both human beings and AI is different. AI learns from a process known as machine learning. The system will be shown examples and this is how it learns a procedure.

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About RChilli

RChilli is the trusted partner for parsing, matching, and data enrichment, providing companies, in 50+ countries, with solutions built for the future of technology and recruiting. RChilli's innovative products, backed by an industry-leading tech stack, power the processing of 4.1 billion+ docs a year for 1600+ top global recruiting platforms. Enabling companies to hire better talent faster since 2010, RChilli is ISO 27001:2013, SOC 2 Type II, and HIPAA certified and GDPR compliant.

RChilli also has its multilingual resume parsing app available on Oracle Cloud Marketplace and Salesforce AppExchange.

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