



S T R A T E G I E S

Human Resources

Using AI for Hiring – the Pros & Cons

BY **NANCY HUCKABA**

Artificial Intelligence (AI) is becoming an essential tool in the hiring process to reduce recruiting dollars, spend less time sifting through resumes, and identify and hire the right candidate, faster. The technology can be beneficial to companies looking to hire several, low-level positions in a short period of time but may not be best for hiring at the executive level.

There are some key issues to be aware of before exclusively relying on AI for your hiring and onboarding process. And it's important to get it right; bad hires can cost companies hundreds of thousands of dollars, resulting in lower productivity, fewer sales and reduced morale.

Here are a few pros and cons of using AI for hiring:

Identifying Candidates – Executives would be excluded from the AI search functions. A “passive” candidate, who is not actively looking for a career change, doesn't usually put their resume online. Rather, that person is recruited by an experienced team who knows what criteria a hiring company is looking for and encourages them to confidentially explore the opportunity without jeopardizing their current role.

Automating Interviews – Some companies do not want to hire from certain competing or partner companies or they require other distinctions that simply can't be automated. That requires a set of eyes to ensure time isn't wasted interviewing a candidate who does not meet those criteria.

Most often, in-person interviews are the best interviews, giving the organization a more complete picture of their candidates. Virtual interviews using video applications like Skype or FaceTime work for first-round candidates who do not live locally. Taped interviews may be the most cost-effective approach to determine which candidates should move to the in-person interview round.

Increasing Diversity – Using AI could eliminate human bias in hiring and therefore could increase a company's diversity hires, which is extremely beneficial. According to a recent study of 1,700 companies in eight countries by the Boston Consulting Group, companies that have more



diverse management teams have 19% higher revenue due to innovation. Be aware that AI systems begin to learn bias based on the hiring managers decisions. This means the system is no longer unbiased.

A better approach is to use an executive search consultant who has gone through bias training and uses a checks-and-balances system with each candidate. More than one search consultant may be used to interview serious candidates to validate that their perceptions are on target.

Streamlining Approval and Onboarding – AI can easily automate sign-off or decline emails that are sent to candidates who don't make the final round. While convenient, there are some concerns that AI will accidentally sign-off a candidate who really should have been given an interview.

With executive candidates, especially those who have been interviewed, a phone call to decline is the best way to close the loop for them in a respectful and professional manner. If they have interviewed with the hiring manager or board of directors, a phone call becomes even more important as they have potentially invested several hours in the process.

The hiring process for most organizations is usually time consuming and stressful. While AI can help streamline a recruiter's efforts, it should come with a distinct set of human checks-and-balances to ensure the right candidate is not being overlooked. On the executive level, with few exceptions, using AI will not guarantee a strong hire for the organization. 🚩



NANCY HUCKABA
EFL Associates, a CBIZ Company
nhuckaba@eflassociates.com | 816.945.5418