

# Recruitment Leadership in the Age of AI

By Kevin Wheeler



# Forward

*In this digital era, where technology continually reshapes industries, the realm of recruitment stands as no exception.*

As organizations navigate through the complexities of modern workforce dynamics, the integration of AI has emerged as a pivotal force, revolutionizing traditional recruitment paradigms and presenting both unprecedented opportunities and challenges.

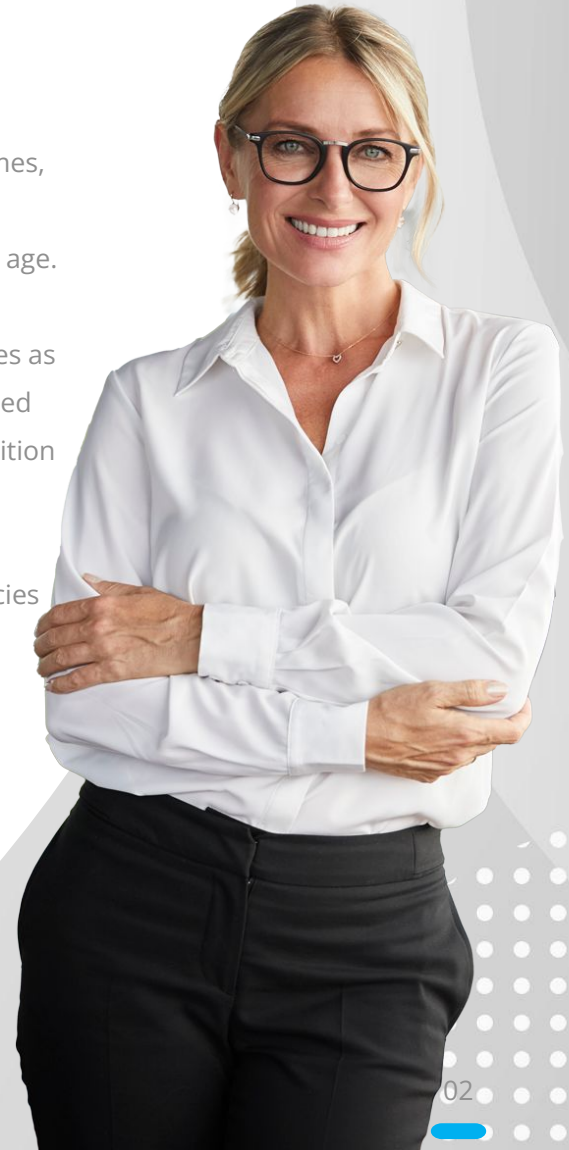
The impact of AI on recruitment has been profound, redefining the way companies identify, attract, and retain top talent.

We recently asked Recruitment expert Kevin Wheeler to share his insights and the resulting eBook "Recruitment Leadership in the Age of AI" is packed with insights.

Over the following pages Kevin will delve into these critical themes, offering insights, strategies, and best practices to empower recruitment leaders in navigating the complexities of the digital age.

Through a synthesis of his expert perspectives, this eBook serves as a comprehensive guide for leaders seeking to leverage AI-enabled solutions, foster innovation, and drive sustainable talent acquisition strategies in an era of unprecedented change.

Join us on this transformative journey as we unravel the intricacies of recruitment leadership in the age of AI.





## Introduction

*From streamlining candidate sourcing processes to leveraging data analytics for informed decision-making, AI has catalysed efficiency and accuracy in talent acquisition strategies. However, this digital revolution has not been without its repercussions.*

The proliferation of AI-driven automation has led to significant shifts in employment patterns, marked by massive layoffs and realignment across various industries.

As businesses strive to optimise operational efficiencies, the human element of recruitment has undergone fundamental transformations, necessitating adaptive leadership approaches to navigate this evolving terrain. Moreover, the paradigm shift towards remote work, accelerated by global events, has challenged traditional notions of workplace dynamics.

The dichotomy between remote work and the return to office has posed intricate dilemmas for recruitment leaders, prompting a reevaluation of organizational structures and cultural norms. Against this backdrop, corporate recruiting faces a new reality, characterized by the imperative to embrace digital transformation while fostering human connections in a virtual landscape.

There is a lot to consider and I hope you will join me as we explore this important topic.

*Kevin Wheeler*

# Recruitment Leadership Challenges and Focus Areas



40%

AI will affect almost 40 percent of jobs around the world



## AI & LLMs Will Dominate Recruiting

*It can be said with near certainty that Artificial Intelligence and Large Language Models (LLMs) will dominate recruiting.*

A recent study by IMF declared that AI is set to affect nearly 40% of all jobs, but that doesn't mean it's going to replace those jobs.

More so it means that those jobs will be impacted, either by making them easier to do or giving recruitment teams the ability to do more with fewer people.

This technology is already being used today to help augment sourcing, screening, and assessment tools — allowing recruiters to engage candidates, and rewrite job descriptions.

Most talent acquisition products today are already building and incorporating AI into their products.





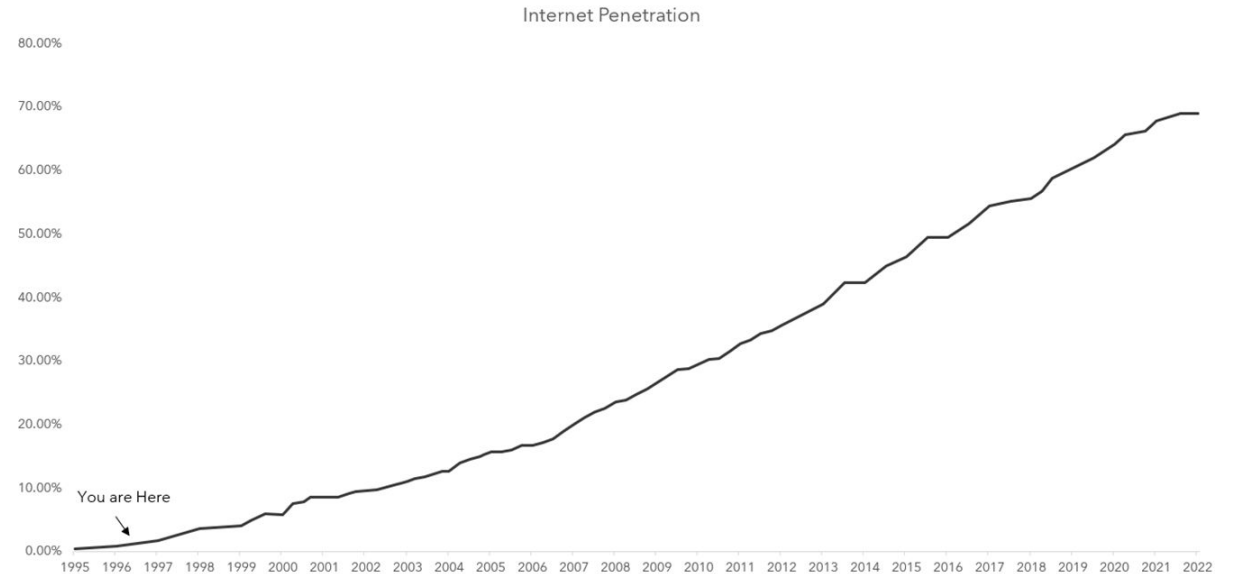
## Is AI Overhyped?

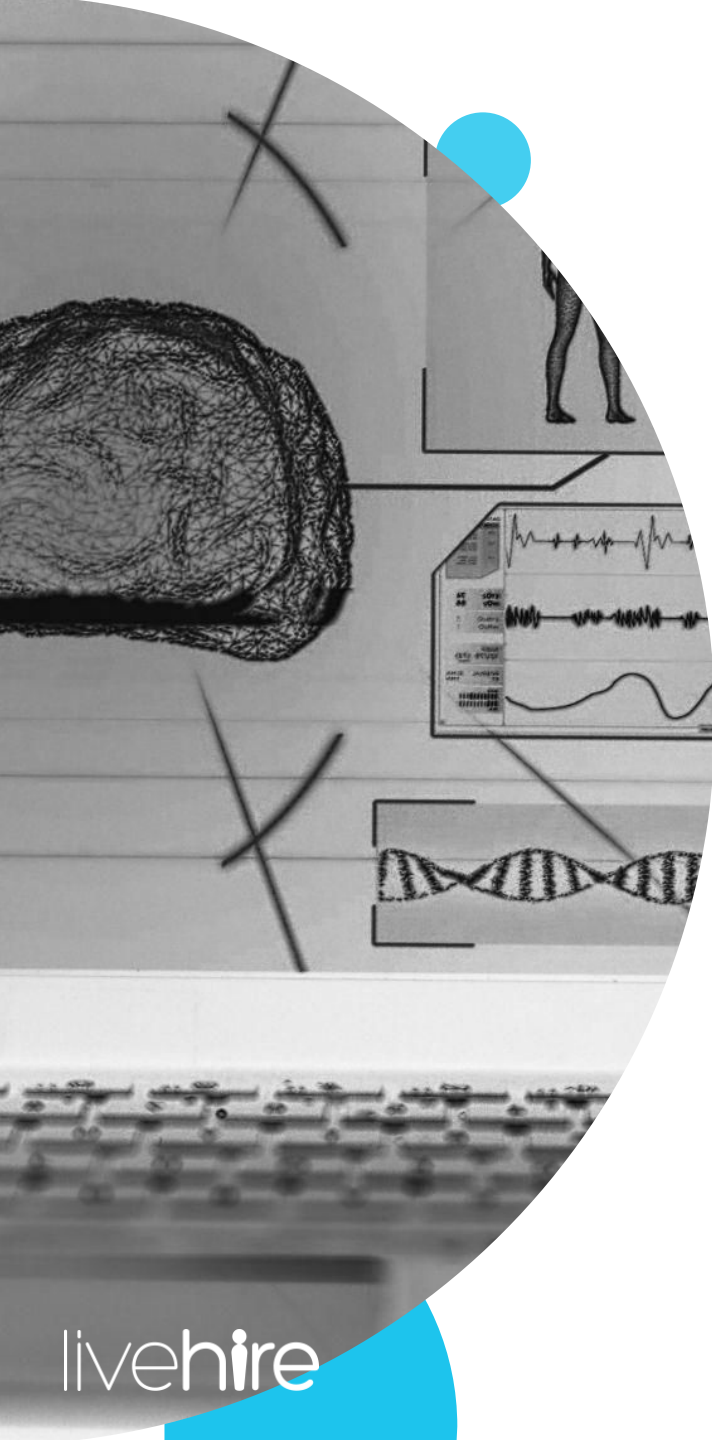
Many are questioning the promotion of AI, particularly systems like ChatGPT, and wondering if it is “overhyped”. However, if we look at historical data we know that it took between 20 and 30 years for the internet to reach 70% penetration and even today only about 70% of people in the world have access to the internet.

Today LLMs are reaching penetration of less than 5%, about where the internet was in 1996. However, with the rapid growth of LLMs, it is predicted that they will be in line with the internet at 70% in a year from now.

Experts are astounded by the speed at which people are adopting and using large language model systems, like Chat GPT, in both their personal and professional lives. Further proving the idea that these systems are not only here to stay, but here to make an impact.

### Internet Penetration vs. LLM Penetration





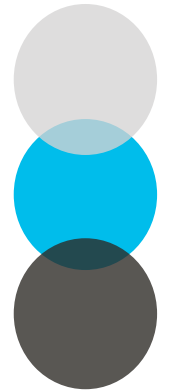
## Recruitment Process Automation

*Today, there are many parts of the recruitment process that are already being automated at different levels.*

Aspects like sourcing and screening on the front end are seeing anywhere from 75% to 100% automation as well as back end parts like admin tasks, offer and close management, onboarding, and measurement analytics.

Automation is a powerful tool, but that does not mean it will completely replace human intervention in aspects like sourcing and screening. Leveraging automation will make the job easier and likely require fewer people, resulting in a significant decrease in the number of recruiters that companies hire.

The reality is recruitment is changing and instilling fear in many in this profession. Continuous upskilling will be pertinent to recruiters forging through the technology tidal wave.



# Job and Wage Growth

We are seeing a shift in the job market entirely with the number of jobs being posted steadily declining for the last year. Though this is not indicative of a recession and certainly does not mean that organizations are not hiring people, moreover the pace and demand for talent in certain industries have changed significantly since the pandemic.

*There are a few key industries where job and wage growth are still booming, at least for the near future, including healthcare, hospitality and travel.*

However, industries such as financial services and technology are shrinking in terms of the number of people they employ. There has even been an impact on industries like delivery services, which are laying employees off and slowing hiring in large part due to a decrease in consumer purchasing.

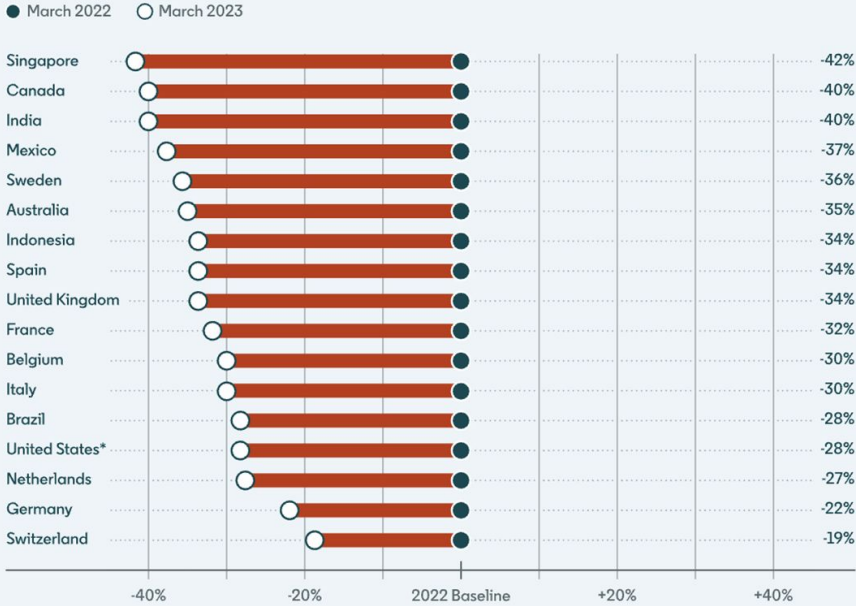
Aside from a few key industries mentioned above, industries are probably going to slow down their hiring with some, not doing much hiring at all.

### But what does that mean for wages?

Inflation is projected to continue to decline throughout 2024, although not as swiftly as many would hope. However, salaries are not expected to increase dramatically in the near future.

So what does this mean?

In a sample of 17 countries, the hiring rate decreased over the past year.



\* Seasonally adjusted.



## The Gig Economy and Contingent Workforce Grow

*With many industries cutting their workforce, salaries remaining steady and only a few industries projected to stay booming, many are left wondering what the future of work holds. Additionally, we are experiencing a seismic shift in work preferences and demographic changes in the workforce.*

It is projected that the gig economy will grow tremendously as many companies are now opting to hire gig workers and part time workers rather than hire permanent employees to really broaden and diversify their workforce.

### **The leading factor in all this? Generation Z.**

Gen Z is leading this change with preferences for working remotely rather than in a physical location and by being more willing to be self-employed. This is further encouraged and followed by Gen Alpha, the newest and youngest generation, who also prefer gig employment.

This leads to real demographic challenges. On one hand you have a much older workforce in countries all over the world including Australia, New Zealand, Singapore, Japan, China, the US and Europe, and on the other hand very few babies are being born relative to what has happened in the past. So the birth rates are way down and people are getting older.

Moreover, older generations have much different attitudes about work than younger generations. So, what does this all mean when it comes to talent?

Organizations need to shift — recruiters and companies that are only focused on hiring permanent employees are going to suffer.

*There needs to be a broader and much more diverse discussion about the workforce and who firms should hire, how many people they should hire, and what kinds of people they should hire because it's not just all about hiring permanent people that work 40 hours a week.*



# Internal Mobility

*The circular supply chain, meaning the talent available to organizations that can be tapped into, is growing in importance.*

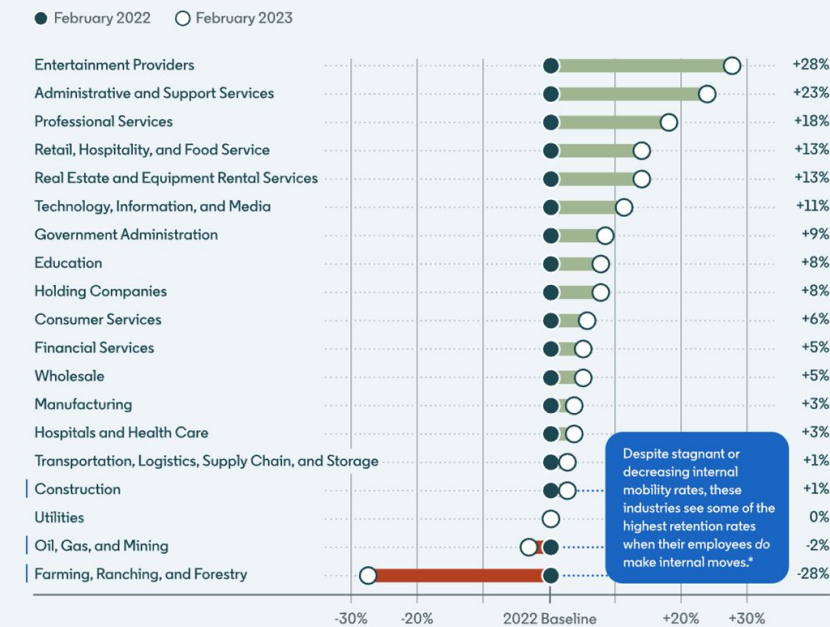
This is commonly referred to as internal mobility and is more cost effective than hiring externally. Additionally, internal mobility keeps talent engaged and reduces turnover within the organization.

The current demographic shift in the workforce and skill shortage that we are facing will continue to impact hiring, so organizations should be building a loyal workforce through training and development that can be utilized to fill needs as they arise rather than going externally for talent.

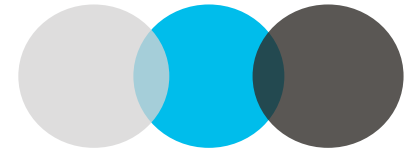
Traditionally, organizations are very wasteful with talent. Many organizations employ skilled, talented people and when the particular skill isn't needed immediately they are made redundant.

They then end up having to hire somebody back in for another short step, rather than focusing on a long-term development approach where we take people and move them into different jobs, anticipate some of the skills needed and therefore have people ready to fill them ahead of time.

In the past year, 16 of the 19 global industries we analyzed saw an increase in internal mobility (via promotions and internal role transfers).



\* See the October 2022 Global Talent Trends report for more information.



## A Recruiting Leader's Role in Internal Mobility



Work with HR to develop/ access a database of current employees and their skills



Develop/use sourcing and assessment tools that find and validate skills



Develop simplified application process for current employees



Work with HR to ensure that HR policy supports internal movement and provides appropriate salaries



Help hiring managers overcome objections and urge them to consider internal as well as external candidates



Partner with L&D to help them develop training that syncs with skill needs and demand



Communicate open roles with employees underlining the skills required



Be open to information interviews with employees seeking new roles



## Increasing Recruiter Productivity

*Recruiter productivity hasn't changed much throughout the last few decades, despite technological advancements increasing tremendously.*

On average, recruiters are filling 15-20 recs for mid to senior level professionals, but with AI and automation recruiters will soon be able to double that if used effectively.

AI and automation tools can enable recruiters to find people faster, screen and assess talent without conducting multiple interviews.

Utilizing AI and automation not only makes recruiters jobs more efficient, but it also allows recruiters to spend time making meaningful connections with candidates — something many recruiters find difficult because of time spent in administrative tasks.

By streamlining these processes, companies can rely on fewer recruiters, increase productivity, and ultimately make better quality hiring decisions.



By looking at every step in the process, streamlining it and identifying what AI can do for recruiters, it should increase productivity significantly.

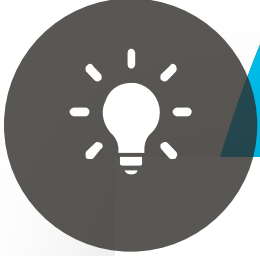


# Kevin's Six Recruitment Leadership Imperatives

1. Data-Driven Recruitment
2. Strategic Workforce Planning
3. Adopt Advanced Recruitment Technology
4. Candidate Experience and Engagement
5. Employment Brand and Marketing
6. Skills & Competency - Based Hiring







# 1. Data-Driven Recruitment

*Data-driven recruitment is a key element of leadership in this space and something that should be leveraged extensively, especially compared to its influence in the past.*

*Using data and predictive analytics helps recruitment leaders tell a story of what has historically worked and lends to more accurate “what if” scenarios when it comes to recruiting.*

*By leveraging data and predictive analytics we can look at successful hires from the past and measure the skills and competencies that led to their success.*



## Feedback

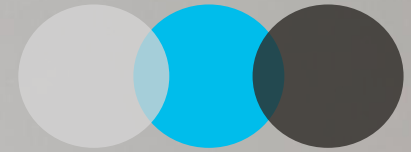
Gathering candidate feedback is another recruitment leadership imperative.

Finding ways to collect feedback from candidates, that were hired and were not hired, in a more systematic way can not only accelerate the recruitment process but also contribute to better quality hires and a more positive candidate experience.



## Trends

Looking at market trends can tell a lot about the talent you’re going to need and predict it more accurately. This area of talent intelligence is crucial in aligning your organization’s strategy with the skills needed to execute. This approach also allows companies to assess the skills they have internally, how they can develop the talent they already have, or if they need to recruit externally.



## 2. Strategic Workforce Planning

*When it comes to strategic workforce planning it is deeply important to understand the organization's current and future needs in a deep strategic way.*

Typically, in recruiting, it is very reactive. Many wait until the hiring manager needs to hire somebody and then recruiters will go out and look for the person, a very old fashioned approach.

The way of the future is to anticipate the skills hiring managers are going to be asking for and to do this recruitment leaders need a deep understanding of where the organization is going and where the growth will happen.

This could also be impacted by market trends or other external factors depending on the industry. For example, if you are in healthcare we know the aging population is going to drive the need for greater and more extensive healthcare services than your organization may currently have. Anticipating these trends and starting to build or find the people who have the skills needed now and in the future can set apart your organization's recruitment function.



### 3. Adopt Advanced Recruitment Technology

*Let's face it, technology isn't going anywhere. So, recruitment leaders must embrace the tools available to them.*

Now, many recruiters will argue that the technology is not as good as they are... and they are right. However, even if technology is 80% as good, that may be good enough if we are looking at the 80-20 rule, it's important to ask if that extra 20% is worth the extra cost. Many organizations and senior leadership will decide that it's not.

Although technology like AI, machine learning, and algorithms are not perfect and still require human judgement, they can increase productivity and efficiency significantly without sacrificing quality.

Since these tools are evolving, recruiters benefit from staying on top of technology trends and understanding what is going on. By understanding the trends in AI and machine learning and knowing how algorithms work, recruiters can leverage that information when evaluating technology vendors and their products.

Additionally, take a proactive stance and experiment with the tools.

Experimenting will allow recruiters to understand how they work, and find out where there is a benefit and where it lacks. This is key information to understand how to strategically optimize technology use and fill the gaps with people.



## 4. Candidate Experience and Engagement

*Candidate experience and engagement has been top of mind for ages and we know there is still room for improvement. Most of the process is with the recruiter in mind.*

How can we streamline this? How can we make it easier? However, that does not translate to a more seamless and engaging experience for the candidate, in fact many think it is a negative experience.

The experience often lacks personalization, an area where chatbots and artificial intelligence can make a huge impact in making the process more fun and engaging.

But it doesn't have to be this way...

We have the tools and technology to make the experience better and it starts with shifting the mindset.



## 5. Employment Brand and Marketing

Now, recruiters are unlikely to be proclaimed as the world's best marketers. However, there are subtle changes that would greatly enhance the way recruiters market to candidates.

Many recruiters send out messages for everyone and rarely have targeted marketing, but your employment brand and EVP may be good for some but it's not for everybody.

With targeted messaging and leveraging analytics, recruiters can learn what is resonating among talent and continue to refine and test. Similar to how companies do for their products and what they are selling.

Targeting social media more effectively and designing career sites to attract the people who are the hardest ones to find, or the most critical talent is a key area for recruitment.





## 6. Skills & Competency - Based Hiring

*Skills and competency-based hiring is another key area that has been talked about for some time now. According to a recent report by Harvard Business Review, many companies talk about hiring for skills, but very few actually do.*

This leaves many to fall back on hiring based on degrees and experience because they lack the systems and strategy to actually hire for skills

A lack of communication or even lack of good assessment tools to screen for skills can hold organizations back when it comes to finding the right talent for roles.

Hiring for skills will become a more prevalent area for organizations to focus, especially as we anticipate the rise of the gig workforce. The gig workforce is largely hired based on skill and hiring someone who has that skill.

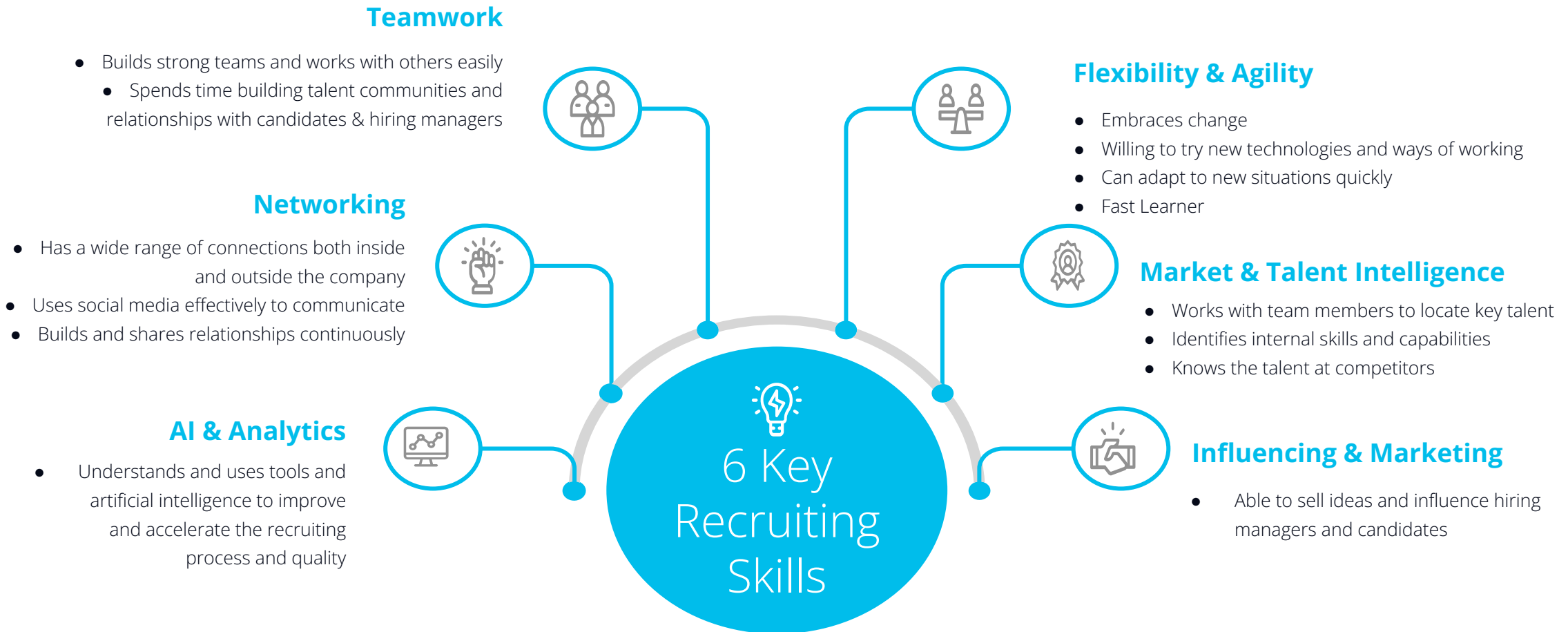


Instead of looking for a job title, we have to start looking for skills and competencies. This has to be done in partnership with hiring managers and in partnership with HR and we have to build new ways to assess for those skills.

# Learning & Development

Learning and development is critical to the future of recruitment and these two functions need to partner. Recruitment needs to invest in learning and development so that they know what the recruitment needs are, what needs to be developed, and can ultimately place people into jobs.

Now many recruiting and L&D teams don't even talk to each other, but a deep partnership between the two will be a critical aspect to organizations.





## Final word from Kevin...

*There are five imperatives that I believe are critical to have.*

1.

First is we need a **new mindset**. You need to bring in new ideas and new practices to recruiting.

2.

Second is **vision**. We need to envision a new recruiting model that incorporates AI, the gig workforce, & the global talent market.

3.

**Urgency is the next imperative**. There is no time to waste and anticipating needs as they arise and moving quickly to meet them will be key.

4.

The recruitment landscape is evolving quickly making **experimentation** another key imperative. Recruitment functions need to experiment, explore new ways of recruiting, and apply technology where possible.

5.

Lastly, recruitment needs **networking**. There is power in the networks of recruiters, candidates, gig workers, the global talent market, automation, and AI.

# Author Bio

## Kevin Wheeler

### Director & Founder, Future of Talent Institute

Kevin Wheeler is a renowned thought leader and innovator in the field of talent management and workforce planning. As the founder of the Future of Talent Institute, he has dedicated his career to studying and shaping the future of work, focusing on emerging trends, disruptive technologies, and evolving workforce dynamics.

With over three decades of experience in human resources, talent acquisition, and organizational development, Kevin brings a unique perspective to the global conversation on talent strategy. He is a sought-after speaker, consultant, and advisor to Fortune 500 companies, startups, and academic institutions, helping them navigate the complexities of talent acquisition, retention, and engagement in a rapidly changing world.

Kevin is known for his insightful analysis, practical insights, and forward-thinking approach to talent management challenges. He has authored numerous articles and publications, sharing his expertise on topics such as recruitment strategies, talent analytics, workforce planning, and the impact of technology on HR practices.

As a thought leader and influencer, Kevin Wheeler continues to inspire and empower organizations to embrace innovation, diversity, and agility in their talent strategies, driving sustainable growth and success in the digital age.



# About LiveHire

Transform how you attract, engage and hire contingent talent with LiveHire's powerful Direct Sourcing and Total Talent platform.

Supercharge sourcing so you can easily connect, engage and hire contingent and permanent talent with a superior candidate experience. Leverage your employer brand, native 2-way texting, talent pooling, intelligent matching, live search and more to deliver recruiting excellence.

## Branded Talent Communities and Talent Pools

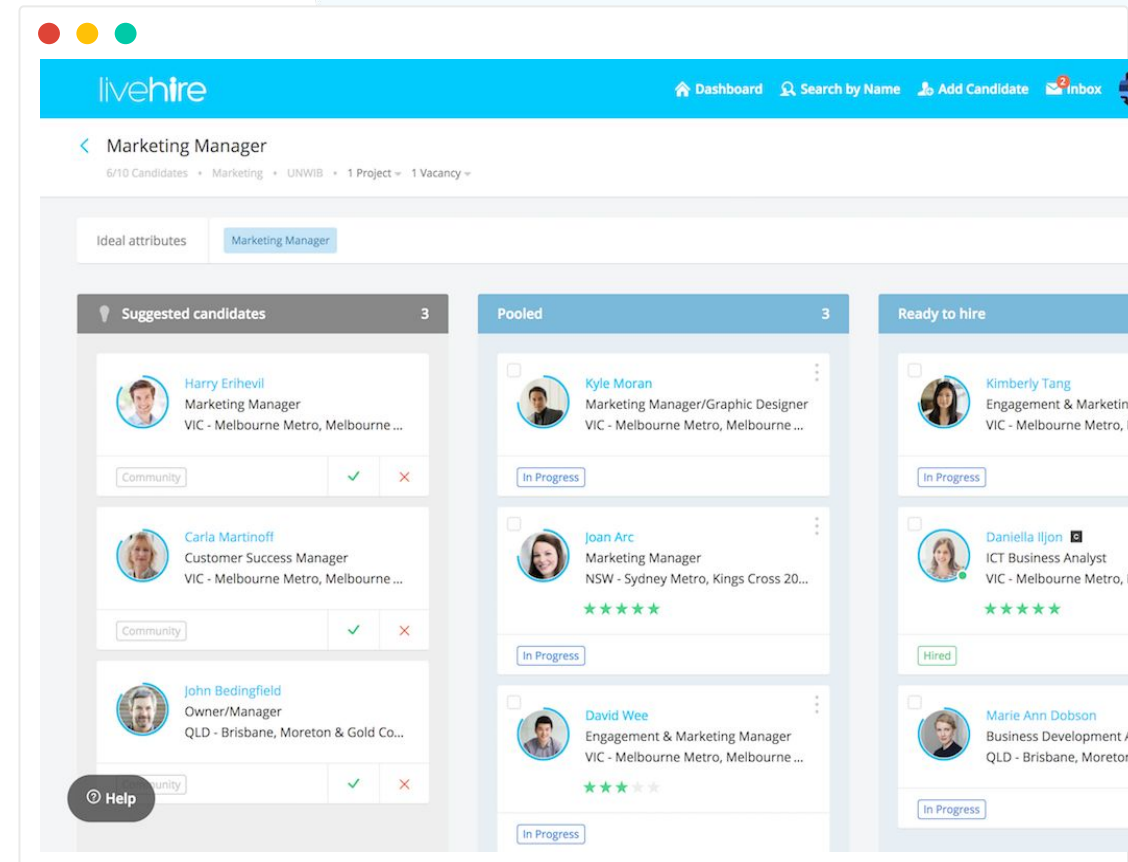
Your private Talent Community is the destination for all talent interested in your employer brand, offering visibility across contingent and permanent candidates. Within your Talent Community, curated Talent Pools are used to create pipelines of pre-qualified candidates before a hiring need arises.

## Intelligent Matching and Live Talent Search

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LiveHire's interactive analytics dashboards allow you to translate data into actionable insights to make better decisions. Advanced dashboards provide data filtering and drill-down capability, including powerful visualization tools and industry benchmarking.





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