

The Role of Artificial Intelligence in Recruitment and Talent Acquisition-An Empirical Study

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Abstract

The employment process is now much more efficient and effective thanks to artificial intelligence (AI), which has completely transformed talent acquisition and recruitment. AI-powered solutions expedite candidate sourcing by searching enormous databases for prospective employees who meet particular job requirements. Through automated resume parsing, these systems also improve candidate screening, allowing recruiters to concentrate on the most qualified candidates. Furthermore, AI promotes diversity and inclusivity inside organizations by reducing human biases in the screening process, which enables unbiased hiring. The applicant experience is enhanced by chatbots and virtual assistants, which give candidates prompt answers and updates. Another application of AI is predictive analytics, which uses past data to forecast candidate success and retention. Identification of passive candidates—those who match the required profile but may not be actively seeking new opportunities—is another use for AI. Moreover, AI-powered tools can handle monotonous jobs like interview scheduling, freeing up recruiters to focus on making strategic decisions. A sample of 287 is collected from professionals in the HR department. The factors that identify the Role of Artificial Intelligence in Recruitment and Talent Acquisition are Resume Screening and Matching, Chatbots for Initial Interaction, Bias Reduction, and Enhanced Candidate Experience.

Keywords: Artificial Intelligence (AI), Talent Acquisition, Recruitment, Candidate Sourcing, Resume Parsing, Unbiased Hiring, Chatbots, Predictive Analytics.

Introduction

Artificial Intelligence (AI) has become increasingly important in India's talent acquisition and recruitment process. It now serves to both address specific regional issues and mirror worldwide trends. Gupta et al. (2018) claim that automation opened up new possibilities for the hiring process and fundamentally changed conventional approaches. AI-driven technologies expedited finding candidates, allowing businesses to quickly search for qualified applicants through enormous databases and social media sites. Using "automated resume parsing," recruiters could quickly go through resumes, extract important details, and more precisely match candidates with job requirements than they could have done using manual approaches. Improved hiring decisions and

increased organizational performance resulted from this technical breakthrough, which shortened the time to employ and raised the total calibre of shortlisted applicants.

The use of AI for talent recruiting, particularly in India's IT/ITeS sectors, was emphasized by Pillai and Sivathanu (2020). They pointed out that using AI techniques made it easier to hire people objectively, which is crucial for encouraging diversity and inclusion in these fields. Artificial intelligence (AI) algorithms reduce human prejudices by evaluating candidates based on their credentials and abilities rather than on arbitrary criteria. AI's applications in talent acquisition go beyond simple hiring, too. Predictive analytics was applied to predict applicant success and retention, yielding insightful information that aided decision-making within organizations. AI also found passive candidates—people who met the requirements for a given career but did not actively search for other chances. Companies were able to create a strong pool of prospective workers who were prepared to be engaged when needed by taking a proactive approach to talent acquisition.

Recruiters could concentrate on more strategic parts of hiring due to AI-driven platforms handling administrative and repetitive activities like organizing interviews and following up with candidates, as noted by Vedapradha et al. (2023). By giving candidates rapid responses and updates throughout the hiring process, chatbots and virtual assistants have been implemented, improving the applicant experience. In addition to increasing productivity, these AI applications ensured that candidates had a reliable and engaging means of contact. Furthermore, the research emphasized the significance of "predictive analytics" in the talent acquisition process. This approach enables organizations to foresee future recruitment requirements and adjust their recruitment tactics accordingly. In general, AI's incorporation into India's talent acquisition and recruitment processes has sped up procedures and helped create a more nimble and responsive workforce.

Literature Review

Kalia and Mishra (2023) emphasized that AI had a crucial influence in changing how businesses conducted talent acquisition in India in the context of redefining human resource management. A more customized and engaging applicant experience was made possible by the integration of AI into HR management tools. Chatbots and virtual assistants driven by artificial intelligence (AI) help job seekers in real time by addressing their questions and assisting them with the application process. These "AI-driven interactions" improved the employer brand's reputation by improving candidate happiness and engagement. Moreover, HR professionals might anticipate future talent requirements and create proactive recruitment strategies with predictive analytics provided by AI-enabled systems. Organizations were able to create HR departments that were more responsive and flexible, able to change with the always-changing demands of the labour market by utilizing AI.

AI-driven solutions, according to Paramita et al. (2024), the hiring process by automating tedious processes like resume screening and arranging interviews. This resulted in a considerable reduction in the time and effort required from human resources (HR) experts. These algorithms evaluated candidates' suitability for the position and qualifications based on their online profiles and resumes using "natural language processing" and "machine learning algorithms". This reduced human biases and errors and increased the accuracy of candidate selection while also increasing the efficiency of the recruitment process. AI systems have the speed and capacity to evaluate massive amounts of data, giving HR departments important information about the talent pool and facilitating better decision-making.

Mehrotra and Khanna (2022) looked at how AI was used in a few Indian organizations' hiring processes and found that the quality of hires had significantly improved. To find the top candidates for job opportunities, AI algorithms examined a variety of candidate criteria, including skills, experience, and cultural fit. This data-driven methodology ensured a more objective assessment of candidates by reducing subjective opinions. Furthermore, AI technologies made employment more inclusive by lessening implicit prejudices and encouraging diversity. For example, artificial intelligence (AI)-enabled blind recruiting methods to anonymize candidate data, freeing recruiters to concentrate only on skills and qualifications. According to Garg et al. (2021), artificial intelligence (AI) was essential in automating the identification of candidates and the first round of screening. AI systems saved recruiters a great deal of time and work by searching through enormous databases and online profiles for possible candidates who fit the job requirements. Furthermore, applications and resumes were evaluated by AI-powered technologies with incredible speed and accuracy, guaranteeing that only the most qualified applicants moved on to the next round.

Ramesh and Das (2022) assessed a conceptual framework in talent acquisition that illustrated how AI changed conventional approaches. Artificial intelligence (AI) platforms evaluate candidates' communication abilities, cultural fit, and prospects for advancement inside the company using "machine learning" and "natural language processing" algorithms. These platforms might analyze candidates' reactions to hypothetical situations that mimic real-world situations, giving employers more information about how well candidates solve problems and make decisions. Additionally, AI tools enabled virtual assessments and interviews, improving accessibility and convenience for recruiters and candidates in the employment process. The capacity to conduct evaluations remotely broadened the pool of potential candidates, enabling organizations to draw in top talent from various geographic areas. Through AI in talent acquisition, businesses improved their capacity to quickly and efficiently find and hire the finest people.

Pandey (2020) found that artificial intelligence (AI) enabled recruitment solutions benefited both the candidate experience and operational efficiency. For example, candidates may get immediate support and information during the application process via AI chatbots, which respond to their questions in real time. As a result, people felt more educated and involved, which improved the applicant experiences. The recruiting and talent acquisition procedures have been entirely transformed by artificial intelligence (AI), which has resulted in notable improvements in efficacy and efficiency. How AI technologies have been incorporated into different human resource functions was evaluated by Bhardwaj et al. (2020). AI-driven technologies like "candidate matching systems" and "resume screening algorithms" have automated the first hiring steps, saving human labour in sorting through a high volume of applications. Using machine learning to evaluate resumes and match candidate profiles with job descriptions, these tools ensure a more unbiased and data-driven process.

The use of AI in human resource management was examined by George and Thomas (2019), emphasising how it affects hiring. AI-driven "chatbots" were used to interact with prospective applicants, providing answers to their questions and assisting them with the application process. These chatbots enhanced the applicant experience by being accessible around the clock and offering prompt responses. Furthermore, the candidate's future performance and cultural fit within the company had been predicted using AI-enabled "predictive analytics". These AI algorithms could forecast which applicants will succeed and remain with the organization longer by looking at past data and finding trends. By lowering attrition rates and improving the hiring process's overall efficacy, these predictive capabilities helped HR managers make better judgements.

The potential of AI to improve employee engagement in corporate India was explored by Saxena and Mishra (2023), with implications for hiring and talent acquisition. Thanks to "talent intelligence platforms," which offer comprehensive insights into candidates' abilities, goals for their careers, and possible areas for growth, artificial intelligence (AI) has made hiring more individualized. By matching candidates' objectives with company requirements, these platforms leveraged AI to provide personalized suggestions for training courses and career routes. Artificial intelligence (AI)--powered "video interviewing platforms" have become increasingly common. These platforms allow for the remote evaluation of applicants' soft skills and cultural fit using sophisticated algorithms that read their speech patterns, body language, and facial expressions. Kaur and Kaur (2022) talked about the application of AI to "job matching," "candidate sourcing," and "initial screening." AI technologies significantly decreased the time and expense involved in these procedures. The researchers also mentioned how AI might guarantee that all applicants were assessed according to impartial standards, which could help reduce unconscious prejudice. Furthermore, AI's capacity for ongoing learning and adaptation made it a valuable tool for changing hiring requirements.

The use of artificial intelligence (AI) tools such as "chatbots," "resume screening algorithms," and "predictive analytics" to automate monotonous processes and reduce human bias has been highlighted by Premnath and Arun (2020). They found that by using these tools, HR professionals could concentrate more on strategic duties like building relationships and interacting with prospects. Moreover, "AI-driven tools" offered real-time analytics and insights, supporting HR managers in making data-driven choices and, more precisely, projecting their future employment requirements.

Geetha and Bhanu (2018) observed that artificial intelligence (AI) technologies, like "machine learning algorithms" and "natural language processing," were utilized to evaluate enormous volumes of candidate data swiftly. This capacity enhanced candidate selection accuracy while also speeding up the hiring process. The researchers noted that compared to traditional approaches, AI could evaluate candidates' talents and cultural fit more accurately. Using the utilization of "recruitment through artificial intelligence," organizations can improve the effectiveness of their talent acquisition initiatives by better-aligning candidates with organizational goals and culture.

Objective

To identify "The Role of Artificial Intelligence in Recruitment and Talent Acquisition"

Methodology of the Study

The study was done with 287 respondents working in HR departments of manufacturing and service organizations. Random sampling method was used to collect data and examined by "Explanatory Factor Analysis" for results.

Findings of the Study

The table below shows the demographic details of the participants. It shows that 55.75% are male and 44.25% are female participants. Regarding the age of the respondents, 26.83% are between 20 and 25 years, 41.46% are 25 to 30 years, and 31.71% are above 30 years of age. At HR Level, 37.28% are Consultants, 33.80% are HR Assistants, and 28.92% are HR managers.

Details of Participants

Variable	Participants	% age
Gender of Participants		
Male	160	55.75%
Female	127	44.25%
Total	287	100
Age in years		
20 to 25	77	26.83%
25 to 30	119	41.46%
Above 35	91	31.71%
Total	287	100
HR level		
Consultant	107	37.28%
HR Assistant	97	33.80%
HR manager	83	28.92%
Total	287	100

“Factor Analysis”**“KMO and Bartlett's Test”**

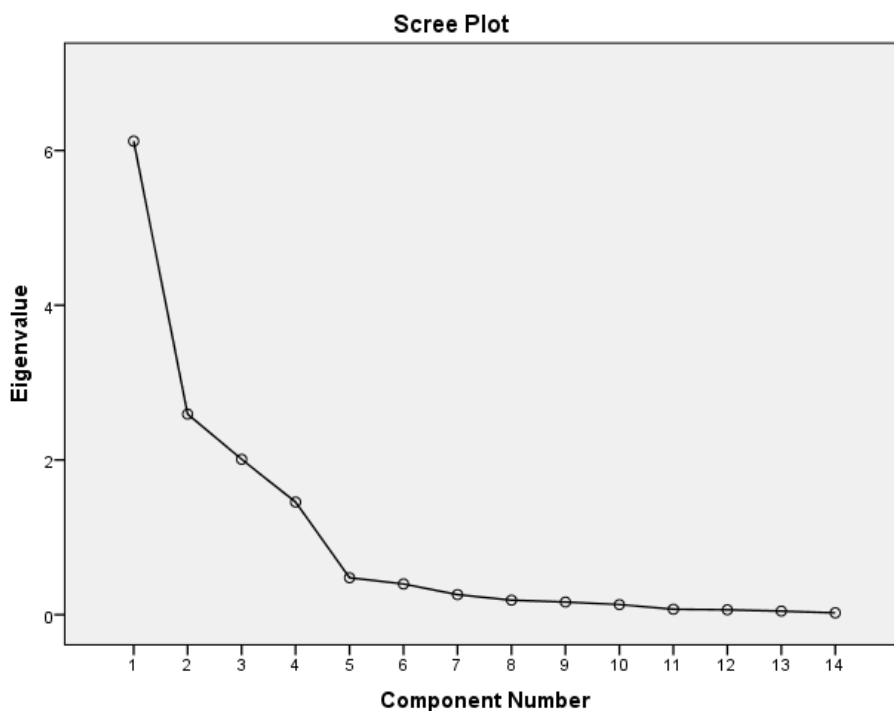
“Kaiser-Meyer-Olkin Measure of Sampling Adequacy”		.776
“Bartlett's Test of Sphericity”	“Approx. Chi-Square”	4743.069
	df	91
	Significance	.000

“KMO and Bartlett's Test”, value of KMO is .776

“Total Variance Explained”

“Component”	“Initial Eigenvalues”			“Rotation Sums of Squared Loadings”		
	“Total”	“% Of Variance”	“Cumulative %”	“Total”	“% Of Variance”	“Cumulative %”
1.	6.121	43.721	43.721	3.708	26.487	26.487
2.	2.592	18.518	62.239	3.692	26.370	52.857
3.	2.009	14.350	76.589	2.464	17.598	70.456
4.	1.456	10.398	86.987	2.314	16.532	86.987
5.	.478	3.411	90.398			
6.	.398	2.840	93.238			
7.	.260	1.855	95.093			
8.	.188	1.344	96.438			
9.	.164	1.169	97.606			
10.	.131	.937	98.543			
11.	.071	.508	99.051			
12.	.063	.450	99.501			
13.	.046	.330	99.831			
14.	.024	.169	100.000			

All four factors contribute to explaining a total of 86.987% of the variance. The variance explained by Resume Screening and Matching is 26.487%, Chatbots for Initial Interaction is 26.370%, Bias Reduction is 17.598%, and Enhanced Candidate Experience is 16.532.



ScreePlot

“Rotated Component Matrix”

S. No.	Statements	Factor Loading	Factor Reliability
	Resume Screening and Matching		.957
1.	AI can analyze resumes and job descriptions to identify the most suitable candidates	.951	
2.	Resume screening is done based on skills, experience, and qualifications	.896	
3.	It results in a reduction in the time and effort required from human resources experts	.890	
4.	It has automated the process, saving human labour in sorting through a high volume of applications	.880	
	Chatbots for Initial Interaction		.969
1.	Chatbots engage candidates, answer their questions, schedule interviews, and provide feedback	.956	
2.	It enhances the candidate experience by providing immediate responses	.933	
3.	It helps in freeing up human recruiters' time for more complex tasks	.918	
4.	Chatbots enhance applicant experience by being accessible around the clock	.910	
	Bias Reduction		.879
1.	AI helps mitigate unconscious biases in recruitment by focusing on objective criteria	.899	
2.	This promotes diversity and inclusivity in hiring practices	.851	
3.	It ensures that candidates are evaluated based on their abilities and qualifications	.816	
	Enhanced Candidate Experience		.837
1.	AI personalize the recruitment process by providing tailored communication and feedback	.924	
2.	It creates a positive experience for candidates, even if they are not selected	.920	

3.	People feel more educated and involved, which improves applicant experiences	.683	
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Factors and the associated variables

The first factor of the study is Resume Screening and Matching, which includes variables like AI that can analyze resumes and job descriptions to identify the most suitable candidates; resume screening is done based on skills, experience, and qualifications, it results in a reduction in the time and effort required from human resources experts, and it has automated the process, saving human labour in sorting through a high volume of applications. Chatbots for Initial Interaction is the second factor, including variables like Chatbots engage candidates, answer their questions, schedule interviews, and provide feedback; it enhances candidate experience by providing immediate responses, helps in freeing up human recruiters' time for more complex tasks, and Chatbots enhanced applicant experience by being accessible around-the-clock. The third factor is bias reduction; the variables that fall under this factor are that AI helps mitigate unconscious biases in recruitment by focusing on objective criteria, which promotes diversity and inclusivity in hiring practices. It ensures that candidates are evaluated based on their abilities and qualifications. The last and fourth factor is Enhanced Candidate Experience. The variables it includes are AI personalising the recruitment process by providing tailored communication and feedback, creating a positive experience for candidates, even if they are not selected, and making people feel more educated and involved, which improves applicant experiences.

“Reliability Statistics”

“Cronbach's Alpha”	“Number of Items”
.892	14

The total reliability of 14 items that include variables for The Role of Artificial Intelligence in Recruitment and Talent Acquisition is 0.892

Conclusion

The hiring landscape has substantially transformed by incorporating artificial intelligence (AI) in recruitment and talent acquisition. AI-powered solutions expedite the employment process, from finding applicants to assisting with onboarding. AI frees recruiters from tedious work so they may concentrate on making strategic decisions and cultivating relationships with candidates. The accuracy and effectiveness of the hiring process can be improved by using AI-powered algorithms that can evaluate enormous volumes of data to find the best candidates. Additionally, by offering unbiased evaluations of applicants' backgrounds, experiences, and qualifications, AI reduces unconscious bias in hiring. Encouraging diversity and inclusion inside companies creates work cultures that are more creative and dynamic. Another AI tool that helps businesses retain top personnel, plan their workforce more effectively, and anticipate hiring needs is predictive analytics. Even though AI has many advantages, specific issues may need to be resolved. These include the necessity for transparency in AI decision-making processes, the possibility of algorithmic bias, and data privacy concerns. Organizations must guarantee that AI systems are developed and deployed ethically and responsibly, with ongoing oversight and maintenance. Artificial intelligence (AI) is a strong enabler in hiring and talent acquisition, promoting effectiveness, equity, and strategic insights. Technology will probably play a more important part in HR as it develops, providing fresh chances to improve personnel management and promote organizational expansion. Ethical concerns and technical improvements

must be balanced to profit fully from AI in employment. The factors that identify the Role of Artificial Intelligence in Recruitment and Talent Acquisition are Resume Screening and Matching, Chatbots for Initial Interaction, Bias Reduction, and Enhanced Candidate Experience.

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