



2020 Vision for Recruitment



Introduction:

In any industry, a company's success, trajectory, and ability to innovate all revolve around one core resource: its people. As such, companies are always concerned with hiring the best human capital. According to PwC's 2017 CEO survey, the greatest threat to a company's survival is a lack of available talent and skills. Businesses are spending more time, effort, and money on recruiting than ever before. However, the practices and new technologies that businesses are incorporating are extremely inefficient, expensive, and oftentimes ineffective. CEOs, hiring managers and talent professionals across the globe are constantly tackling this challenging question: why has recruiting become so difficult? [1](#)

The scope of hiring talent has significantly changed over the past 50 years, and not for the better. After World War II, up until the 1980s, "corporations filled roughly 90% of their vacancies through promotions and lateral assignments". Recruiting has become so difficult because companies today fill less than 1/3 of openings with internal promotions, and current hiring practices are extremely inefficient and expensive. According to Korn Ferry, a global

organizational consulting firm, 40% of companies in the US have outsourced the majority of their hiring work to “recruitment process outsourcers” who will use subcontractors, often located in other countries. These subcontractors carefully sift through LinkedIn and other social media platforms to look for possible candidates for a position. Oftentimes, they contact the candidates directly to see if they are interested in the position. The other 60% of companies who do not outsource their recruiting processes, designate the responsibility of hiring talent to specific employees within the company. These employees have to determine what the position entails and how to develop the advertisement for the job. ⁱ These companies then use applicant tracking software that searches for keywords for that position. Leading companies in several industries across the globe have employed all kinds of technologies, particularly machine learning algorithms that can analyze and track body language and voice recognition. It must be noted that all of these technologies come at a steep price. According to the Society for Human Resources Management’s 2016 Human Capital Report, US companies will spend an average of \$4,129 to fill one position, and around 66 million jobs are filled in the US each year. Despite these costs, it is unclear whether these new technologies are actually finding effective, long-term hires. Only around 33% of U.S. companies believe that their hiring processes are producing stellar new employees. ⁱ

Furthermore, recruiting has become so difficult because the era of “lifetime employment” no longer exists. It has become more and more commonplace for employees to switch positions and companies throughout their career. Deloitte’s 2019 Global Human Capital Trends discovered that more than 1 in 4 American workers switch their job each year. ⁱⁱⁱ According to data from the Census and Bureau of Labor Statistics, 95% of hiring is completed to fill a position that already exists, and the majority of these openings are the result of elective turnover. ⁱ The fierce competition between businesses has resulted in a culture where companies are constantly spending money to fill positions left vacant by employees who went to work for another company within the same industry.

On top of all of this, the COVID-19 outbreak has created massive pressure on the economy and jobs. 22 million Americans are now receiving benefits from not being able to run their business or being unemployed. There is a supply shock, where in the past with the 1930s depression or 2008 recession it was a demand shock. If workers are not getting laid off, their hours are being cut and the offices are on a hiring freeze. Offices that are operating are working remotely which has been dubbed “the new normal.” Some believe they may not return for months and months, others believe remote work is much more efficient and then you do not need to pay for an office space. Regardless, It will be awhile before the economy will return to normal and the job hunt will begin to become even more challenging and competitive.

Recent LinkedIn research has determined that by 2022, 75 million jobs across the world will be replaced by technology, however 133 million jobs will be created as a result of this new technology. ^{iv} As the demographic of the workforce continues to change and the prevalence of technology within hiring practices only increases, companies must shift the way they recruit new talent. In most current hiring practices, there is a missing link preventing a company from

hiring the best talent. The 40% of companies using subcontractors to sift through LinkedIn and other Social media platforms are basing employment decisions solely on a candidate's previous professional experiences. Because LinkedIn experience screening does not utilize video interviewing, candidates are never given an opportunity to showcase their soft skills. However, video interviewing platforms are only effective if the artificial intelligence (AI) being used to analyze candidate videos is unbiased. It is evident that companies need a way to alleviate many of their recruitment frustrations while still providing a stellar candidate experience. Not to mention, it is especially advantageous in today's times when it is extremely difficult to meet in person. When searching for a job, candidates should feel supported and empowered by the companies they are applying to join. A successful hiring process should not only make candidates feel comfortable, but also make them excited to showcase their skills, talents, and abilities. Thus, the 2020 vision for recruitment involves the use of video to allow candidates to showcase their soft skills, while utilizing AI that is unbiased.

Soft Skills:

What Types of Soft Skills are there?

Throughout the past decade, talent professionals and CEOs across the globe have emphasized the importance of analyzing a candidate's soft skills throughout the hiring process. Soft skills can take many forms from thorough listening skills, to being able to have thoughtful or difficult conversations. Sometimes soft skills can be learned; however, most employers expect employees to have them and thus do not teach them. There are several critical soft skills that employees can have. [v](#) First and foremost, employers value employees who feel empathy towards others. Being empathetic is a skill that allows employees to understand challenging situations at work and accurately adapt to them. It thus enables employees to build trust with their colleagues. [v](#) Another soft skill valued by employers is openness, one of the big five personality traits. Being open to learning is important at all stages in one's career, especially as a new hire. New employees need to be open to gaining valuable feedback and information from their surroundings and their superiors. [v](#)

Why are Soft Skills so Important?

The list of critical soft skills is endless, whether it be communication skills, creative problem-solving, active listening, resilience, willingness to ask questions, or having the courage to make recommendations. As employers begin to incorporate new technologies into their hiring processes, it is important that they understand why a candidate with soft skills is so valuable.

According to psychologist Nicolas Humphrey, people are often known more by their social intelligence or their "soft skills, than their quantitative intelligence or their "hard skills". [vi](#) According to LinkedIn's 2019 Global Talent Trends, 92% of "talent professionals" believe that

soft skills are as or more important than hard skills. 89% of those surveyed believe that if a new hire isn't successful, it is because they do not have the necessary soft skills.

Because the aforementioned soft skills are so important, it is crucial that employers must give candidates the opportunity to demonstrate whether or not they exhibit these skills. The CEO and co-founder of Pymetrics, Dr. Frida Polli, has an extremely thorough resume filled with very impressive academic experiences, such as her MBA from Harvard and a postdoctoral fellowship in neuroscience from MIT. However, she feels that listing these experiences on her resume does not accurately demonstrate her personality and abilities. Thus, it is vital that employers look beyond a candidate's experience (as expressed on a resume or their LinkedIn page) to understand what soft skills they bring to the table. [iv](#)

It is important to note that having strong soft skills not only serves a candidate well during the hiring process, but throughout their career. According to research by iCIMS Hiring Insights, 94% of HR professionals think that an employee with superior soft skills has a higher chance of being promoted at work than an employee with inferior soft skills but greater experience. When hiring a candidate, most organizations hope that the candidate will continue to work at the company for many years and even be promoted to leadership within the company. Thus, detecting a candidate's soft skills (or lack thereof) early on in the hiring process is critical to their future success at a company. Susan Vitale, CMO at iCIMS, explains that soft skills are even more critical in a leadership position as leaders have to manage other employees, and make important decisions. According to Susan Vitale, "Hard skills might get your resume looked at, but soft skills will help you stand out and get you hired by that recruiter or promoted by your manager but soft skills alone won't get you the job." [vii](#)

Video:

Why using Video is Crucial to a Successful Hiring Process

When envisioning the future of recruitment, it is imperative that recruiters and candidates understand why video is needed to execute an efficient hiring process. We are entering a global era of "digital Darwinism", where businesses cannot adapt at the same fast rate that technologies and society are evolving. Research by the Capgemini Digital Transformation Institute in 2018 determined that companies that have invested a lot of money and capital into digital transformation have higher profits and market evaluations than companies that are less invested in digital transformations. In the past 10 years, companies across industries and across the globe have adopted a wide range of technologies to expedite their hiring processes. [x](#) Specifically, one-way video interviews are the necessary next step for companies that want to save immense amounts of time and money.

Utilizing video prevents companies from having to spend thousands of dollars paying for a candidates' travel expenses. One-way video interviews also ensure that hiring managers do not have to waste hours scheduling interviews with candidates. Multiple employees can evaluate a candidate instead of just the interviewers in the room. Additionally, using video interviews is a

simple way to show candidates, especially technologically-savvy Gen Z candidates, that the company is using cutting-edge technology. Utilizing video interviews will also help companies adapt to the changing demographics of the workforce. Over the past ten years, freelance work has become extremely common across the globe. According to research by the U.S. Bureau of Labor Statistics, 36% of American workers are doing some type of freelance work, and this statistic is projected to surpass 50% by 2027. Deloitte's 2019 Global Human Capital Trends discovered that, "growth in freelancing has been faster than overall employment growth in the United Kingdom, France, and the Netherlands". [iii](#) This new trend in pursuing freelance work is common across several generations. According to the 2017 Freelancing in America Survey, published by the Freelancers Union and Upwork, a freelance platform, 47% of millennials surveyed are currently pursuing some form of freelance work. As freelance work will continue to become more prevalent in this next decade, employers will need to find ways to adapt to the reality of having a blended workforce. Utilizing video interviews will give employers a standardized, cost-effective, and efficient way to interview both freelance and in-house employees.

Some of the largest and most prominent companies in the US have been using new video-interview platforms to evaluate potential candidates. These "AI-driven assessments" are completely changing how companies analyze their potential new hires, and how potential candidates can showcase their skills, personality, and abilities. [xiv](#) The software analyzes facial expressions, words used, and tone of voice in order to rank all applicants against each other. Companies then receive an "employability" rating that was automatically developed by the software. Employers across the globe are using these AI-based one-way video-interview platforms, especially in the finance and hospitality industries. These video-interviews have become so prevalent that many colleges and universities have even begun teaching students how to best display their skills and personalities during these video interviews. [xiv](#)

Why Current AI is Unethical, Biased, and Ineffective

However, with any new technology comes potential risks and challenges. The only thing more important than using one-way video interviews, is using video interviews that are backed by AI that is unbiased and effective. Recently, AI researchers have determined that many of the current video interview platforms are not as effective as the companies portray them to be. [xiv](#) Many AI researchers believe that the AI results from these video interviews are a groundless mix of surface-level measures and erratic calculations that are not based on proper research. Not only are certain companies being criticized, but also some may face legal issues. In November of 2019, the Electronic Privacy Information Center, a non-profit research center in Washington DC, "filed an official complaint urging the Federal Trade Commission to investigate HireVue for 'unfair and deceptive' practices".

There are two primary reasons why the current approach used by companies, such as HireVue, is so unethical. First, the AI technology used to analyze candidates is often biased, ineffective, and groundless. Lisa Feldman Barrett, a neuroscientist who specializes in emotion, analyzed

over 1,000 research papers published to determine whether these AI based machine algorithms can actually understand the facial expressions they are detecting. [xiv](#) Barrett explains that it is one thing to detect keywords, eye contact, and facial movements. However, she questions whether these machine learning systems actually comprehend what these features mean or what emotions a candidate is trying to express through their facial expressions. According to Luke Stark, a researcher at Microsoft's research lab in Montreal that focuses on AI and emotion, even the "best AI systems are notoriously prone to misunderstanding meaning and intent". [xiv](#)

Oftentimes, the bias in these machine-based algorithms can be so rampant that it leads to widespread discrimination. Researchers argue that while new AI technologies claim to eliminate human biases, they are often perpetuating existing biases, since the system itself was developed by humans. Many public policy experts and independent algorithm auditing firms have determined that 'algorithmic bias' is so prevalent that applicants are often rejected before their videos have even been viewed by humans. [vii](#) For example, since Hilton became a HireVue client in 2014, "43,000 job seekers have interviewed with the algorithm, and two-thirds—roughly 28,667 people—had their applications rejected without being seen by a single person". Miranda Bogen, a policy manager in Artificial Intelligence and Machine Learning at Facebook explains that, "Predictive hiring technology doesn't often decide who to hire, but in practice, it does decide who *not* to hire."

AI researchers believe that making employment decisions based these AI generated calculations may disadvantage applicants who are not native speakers, who are extremely nervous during the interview, or anyone that does not fit the rigid mold for appearances and speaking abilities. [xiv](#) Because these machine learning algorithms cannot detect social and cultural differences in personality and emotion, certain accents or ethnic differences could skew results. According to Meredith Whittaker, a co-founder of the AI Now Institute, a research center in New York, machine based algorithms such as HireVue serve as a " license to discriminate, and the people whose lives and opportunities are literally being shaped by these systems don't have any chance to weigh in." [xiv](#)

As such, it is extremely important to think about the humans who are creating these systems that are perpetuating bias. In other words, is the team that developed the algorithm diverse? Although startups in Silicon Valley do employ several immigrant entrepreneurs and people from other countries, often technology startups are not diverse among who they hire from the US. [vii](#) According to the Government Accountability Office in 2017, compared to other industries, the technology industry lacks diversity in the background of its employees. Although there have been increases in the number of Hispanic and Asian hires, many of these startup firms have made no improvements in the number of females and black workers they have hired. [vii](#) Thus, if the group of people developing these hiring algorithms is biased in itself, then the problem of human-created bias will never be resolved. According to Whittaker, "In the case of systems meant to automate candidate search and hiring, we need to ask ourselves: What assumptions

about worth, ability and potential do these systems reflect and reproduce? Who was at the table when these assumptions were encoded?" [vii](#)

Bias can also arise when the criteria for a certain candidate is based on current employees. Many companies that use current video interview platforms will test the AI on their existing employees to determine whether the results correspond with the performance/skills of these employees before implementing machine learning into the company's hiring process. If the machine has set requirements for a desired employee position, the company may subconsciously be hiring employees who are extremely similar, where each new hire is very similar to the previous hire. [x](#)

The second reason why the current approach to hiring is unethical is because oftentimes video-interview platforms are not transparent with candidates. Many interview platforms analyze the most intricate parts of a candidate's response from their eye contact or facial expression, to their level of enthusiasm about the position. [xiv](#) Candidates are aware that their every move is being analyzed by a machine. However, most video-interview platforms do not send their applicants their assessment score, shielding them from the knowledge of what they did wrong or how they can improve. This lack of knowledge results in a feeling of powerlessness among candidates, as they feel that their future is solely in the hands of the company. This approach results in immense anxiety among potential candidates and has impacted the way that they prepare for an interview [xiv](#). Because candidates know that they are being analyzed by a machine, many have attempted to master the video interview, rather than focusing on demonstrating their true personalities and abilities. Instead of showcasing their soft skills, as they would in a typical face-to-face interview, candidates are more consumed with figuring out how to perform best during the one-way video. Many candidates spend hours watching tutorial videos and reading online handbooks telling them how to perform during the video, so the AI machine will decide that they deserve another interview [xiv](#). Thus, it is evident that there is a growing need for AI platforms that are unbiased so that students can prepare for a video interview in a typical way, instead of finding ways to "beat the system" or ensure the computer algorithm will pass them onto the next interview round. In addition to utilize unbiased AI platforms, companies would benefit from using a hiring system that allows candidates to vet their own videos and profiles. Giving candidates the opportunity to upload their own videos and showcase their talent, experiences, and abilities will help them be most successful when looking for jobs. Additionally, a platform with unbiased AI will create a more transparent hiring process where candidates would benefit not only from receiving feedback from friends or colleagues, but also from the algorithm itself.

Conclusion:

As companies begin their recruitment journeys in this new decade, employers should develop a thorough understanding of why the recruiting process has become so difficult. As the era of lifetime employment fades out and the era of frequent job switching is ushered in, it is evident that companies are spending more time, effort, and money on recruiting than ever before. Despite the incorporation of new technologies that adapt to the growing digital era, employers still feel that their efforts are not resulting in the most qualified, well-rounded, and long-term candidates. The struggles faced by employers all over the world have highlighted the need for a recruiting platform that is affordable and effective for employers yet is still empowering for candidates.

The 2020 vision for recruitment involves a three-pronged approach, focusing on the importance of 1) the candidate experience, 2) evaluating the soft-skills of candidates, and 3) utilizing video. When looking for a new job, candidates should feel valued and respected by their potential employers. Candidates should believe that the power to succeed is in their hands, instead of the hands of the employer's machine-learning algorithm. Secondly, when evaluating candidates, recruiters should not base decisions solely off of a candidate's previous experience. Soft-skills are extremely valuable for organizations today, sometimes even more valuable than hard-skills. Employers should design a hiring process that gives candidates the opportunity to showcase their soft skills, personality, and abilities that span beyond their resume. Finally, utilizing video interviews allows employers to evaluate candidates in the most cost-effective, efficient, and standardized manner. Employers should verify that the AI they are using is unbiased, ethical, developed by a diverse team, and is not based on the demographics of current employees.

There are several video-interview platforms available to recruiters. However, one company, myInterview, is heading in the right direction, and it's worth following them to see how they achieve the 2020 vision for recruitment. myInterview's platform is one possible solution to the daily struggles that hiring managers have faced. This versatile platform allows candidates to upload videos of themselves explaining their strengths, abilities, and qualifications. Candidates can surface themselves and suggest themselves for specific roles to provide recruiters with greater insight into a candidates' profile and personality. This unique platform allows candidates to supplement their experience with videos highlighting their soft skills.

By allowing candidates to source themselves and share their experiences beyond just their resume, employers can learn about a candidate's personality and ability to work with others effectively. myInterview's transparent, glass-box approach produces strong, informative results without gathering data using the problematic, groundless facial expressions method. myInterview is revolutionizing the recruiting process by believing that candidates deserve more power in the recruiting process and should be able to control their own image. In essence, the myInterview platform has the potential to help candidates present themselves in a modern, yet personable way and determine what position they are best suited for.

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