

# A Study on AI in Recruitment Opportunities and Challenges for HR at Maverick Ghouse

Mrs. Lakshmi B<sup>1</sup>, Harish G<sup>2</sup>

<sup>1</sup>Mrs. Lakshmi B Assistant Professor, Master Of Business Administration & Panimalar Engineering College, Chennai - 600123

<sup>2</sup>Harish G, Student, Master Of Business Administration & Panimalar Engineering College, Chennai -600123

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**Abstract** -: The integration of Artificial Intelligence (AI) in recruitment has significantly transformed traditional hiring practices, creating both opportunities and challenges for Human Resource (HR) professionals. This study examines the impact of AI-driven tools on recruitment processes, particularly in improving efficiency, accuracy, and candidate experience. Technologies such as machine learning, chatbots, and automated screening systems are widely used to streamline activities like resume screening, candidate sourcing, and interview scheduling. The research is based on primary data collected from 191 respondents within an organization using structured questionnaires, supported by secondary data from journals, articles, and industry reports. Statistical tools such as correlation, Chi-square test, Kruskal–Wallis H test, and Mann–Whitney U test were applied for analysis. The findings reveal that AI enhances recruitment efficiency, reduces time-to-hire, and supports data-driven decision-making while improving hiring quality. However, challenges such as data privacy concerns, algorithmic bias, lack of transparency, and reduced human interaction remain significant. The study concludes that although AI has strong potential to revolutionize recruitment, organizations must ensure ethical implementation, fairness, and a balance between technology and human judgment to build trust and achieve effective recruitment outcomes.

**Key Words:** Artificial Intelligence (AI), Recruitment, Human Resource Management (HRM), Automation, Talent Acquisition, Machine Learning, Data-Driven Decision Making, Candidate Experience, HR Technology

## INTRODUCTION

Human Resource Management (HRM) plays a crucial role in the success of any organization, as it focuses on managing people effectively to achieve organizational goals. Among the various functions of HRM, recruitment and selection are considered the most critical processes, as they ensure that the right talent is hired for the right job. Traditionally, recruitment involved manual processes such as job postings, resume screening, and face-to-face interviews, which were often time-consuming, costly, and prone to human bias. However, with the advancement of technology, particularly Artificial Intelligence (AI), the recruitment landscape has undergone a significant transformation. Artificial Intelligence refers to the simulation of human intelligence in machines that are programmed to think, learn, and make decisions. In recent years, AI has emerged as a powerful tool in the field of Human Resource Management, especially in recruitment. Organizations are increasingly adopting AI-driven technologies such as machine learning algorithms, natural language processing, and chatbots to automate and enhance various stages of the recruitment process. These technologies are capable of analyzing large volumes of data, identifying suitable candidates, and improving the overall efficiency of hiring practices.

## NEED OF THE STUDY

1. Analyzing the cost effectiveness of AI-based recruitment compared with traditional hiring methods.
2. Exploring the level of adoption and practical usage of AI technologies within HR departments.

3. Identifying key challenges such as data privacy concerns, algorithm errors, lack of human judgment, and resistance toward technological change.
4. Providing insights for HR professionals in making strategic recruitment decisions by balancing AI technology with human involvement.
5. Examining the role of AI in reducing human bias and supporting fair and diversity-based hiring practices in organizations.

## OBJECTIVES OF THE STUDY

- To Study the AI in Recruitment opportunities and Challenges for HR.
- To identify the challenges in using AI for Human Resource Management.
- To examine the risks involved in applying AI in Human Resource Management.
- To understand the sector influencing the adoption of AI in Human Resource Management.
- To analyze the skill matching and talent quality with use of AI.

## SCOPE OF THE STUDY

- The study covers the application of Artificial Intelligence in various recruitment activities such as sourcing, screening, assessment, and selection.
  - It focuses on understanding how HR departments implement and utilize AI-based recruitment tools.
  - The study includes analysis of both opportunities and challenges associated with AI in hiring practices.
  - It considers factors such as cost effectiveness, efficiency, fairness, and bias reduction in recruitment.
- The scope is limited to AI usage in recruitment functions and does not cover other HR functions like training, payroll, or performance management

## REVIEW OF LITERATURE

**Mier Russ - How Artificial Intelligence Influences Employees' Organisational Behaviour in Workplaces (2026)** Artificial Intelligence in improving organizational productivity through applications in administration, operations, decision-making, and inventory management. Case-based studies from companies such as Walmart and Amazon show that AI adoption significantly influences employee roles, behaviors, job satisfaction, and overall workplace performance. Research emphasizes that employee acceptance and response are critical factors in successful AI implementation. AI can reduce routine

workloads, allowing employees to focus on strategic tasks and increasing engagement. However, concerns about job displacement and reduced reliance on human labour remain major challenges. Balancing efficiency with employee well-being is essential.

**Lauretta Ayayi Fubara – Artificial Intelligence and Automation in HR Communication Opportunities and Ethical Challenges (2026)** Artificial intelligence and automation are increasingly transforming HR communication by enhancing speed, accuracy, consistency, and overall efficiency in both public and private organizations. Studies highlight that AI tools improve information flow and reduce administrative workload. However, research also identifies significant ethical challenges, including data privacy risks, reduced human interaction, lack of transparency, and potential algorithmic bias. Employee and HR manager perceptions reveal mixed responses, balancing convenience with concerns over trust, fairness, and loss of human touch. Scholars recommend ethical adoption through governance frameworks, human oversight, transparency, data protection, employee engagement, and continuous evaluation.

**Diana Ussher-Eke – Improving Employee Engagement and Safety Through the use of IoT Enabled Monitoring Tools in Human Resources Practices (2025)** Internet of Things technologies are reshaping Human Resource Management by strengthening employee engagement and enhancing workplace safety. IoT applications, including wearable devices, smart sensors, and cloud-based systems, enable continuous data collection on employee health, productivity, and environmental risks. Research highlights that these tools support personalized employee experiences, responsive work settings, Improved communication, and proactive safety management. At the same time, studies raise concerns regarding privacy, data protection, ethical challenges, and compliance with regulations. Overall, scholars emphasize the need for a balanced and employee-focused approach to IoT adoption, ensuring transparency and trust in digital workplaces.

**Mitra Madancian, Hamed Taherdoost – The impact of Artificial intelligence on Human Resource Management (2024)** AI has become a transformative technology in human resource management by improving efficiency in recruitment, on boarding, performance appraisal, and talent management. AI-driven analytics support strategic workforce planning through data-based

decision-making. However, literature highlights major challenges such as ethical concerns, algorithmic bias, and the risk of reducing human interaction in employee management. Privacy and security issues are also significant due to the handling of sensitive employee data. Researchers emphasize the need for a balanced approach where AI enhances HRM processes without replacing the human element. Proper collaboration and responsible implementation can ensure fair, productive, and ethical workplaces.

**RESEARCH METHODOLOGY**

**RESEARCH DESIGN**

Research design is the blueprint of the study that explains how data will be collected, measured, and analyzed. For this study, a structured research design is adopted to gather information from employees and HR professionals regarding the use of social media in recruitment and talent acquisition at Opulence

**DESCRIPTIVE RESEARCH**

	GENDER	N	Mean Rank	Sum of Ranks
How would you rate the effectiveness of AI in matching candidate skills with job requirements?	0	130	89.80	11674.00
	1	61	109.21	6662.00
	Total	191		

The present study uses a Descriptive Research Design. Descriptive research design is used to describe the characteristics of a population or phenomenon. It focuses on observing and documenting the current situation without manipulating variables.

In this study, descriptive research helps in understanding how social media platforms such as LinkedIn and Naukri.com are used in the recruitment process at Opulence and how effective they are in talent acquisition.

**DATA COLLECTION**

**Primary Data:** Collected through structured questionnaires distributed among employees and HR personnel.

**Secondary Data:** Collected from journals, books, company records, and relevant online sources.

**SAMPLING METHOD**

The study uses non-probability sampling.

**SAMPLING TECHNIQUE**

Convenience sampling was adopted, where respondents were selected based on accessibility, availability, and willingness to participate.

**SAMPLE SIZE**

A total of 191 employees and HR professionals of Maverick Ghouse were selected as respondents. The sample size is considered adequate to represent the population.

**STATISTICAL TOOLS USED**

The gathered information was examined using:

- The Mann-Whitney U Test
- The Kruskal-Wallis H Test
- Correlation of Spearman Rank
- Chi – Square test

**DATA ANALYSIS**

The collected data were analyzed using statistical tools to interpret employee responses

**Percentage = (Number of Respondents / Total Respondents) × 100**

**RESULTS & DISCUSSION**

**Table -1: MANN – WHITNEY U TEST RESULT**

**Ranks**

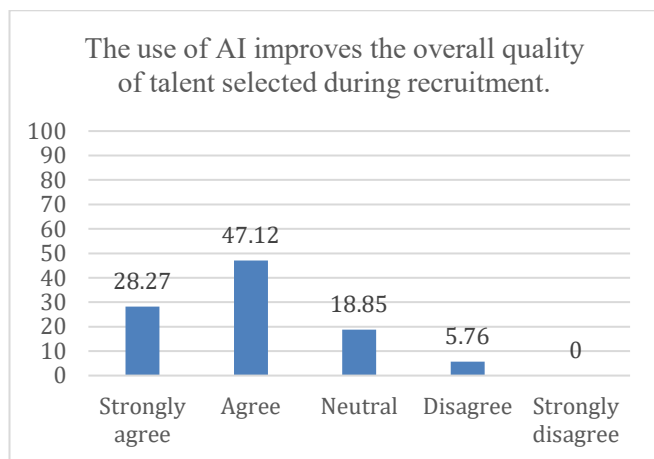
The Mann–Whitney U test shows a difference in perceptions between gender groups regarding the effectiveness of AI in matching candidate skills with job requirements. Group 1 respondents have a higher mean rank (109.21) compared to group 0 (89.80), indicating more favorable perceptions. This suggests that gender influences opinions to some extent.

	Observed N	Expected N	Residual
0	130	95.5	34.5
1	61	95.5	-34.5
Total	191		

**Table 2 : Chi-Square Tests**

The Chi-square analysis compares the observed and expected frequencies between the two groups. The observed count for group 0 (130) is higher than the expected value (95.5), resulting in a positive residual of 34.5, while group 1 (61) is lower than the expected value, with a negative residual of -34.5. This indicates an uneven distribution between the groups, suggesting that responses are not equally distributed as expected. The deviation highlights that one group has a stronger representation compared to the other. Overall, the findings suggest a noticeable difference between observed and expected frequencies, indicating a potential association within the data distribution.

**FIG NO: AI IMPROVES THE OVERALL QUALITY OF TALENT SELECTED DURING RECRUITMENT.**



The chart indicates that a majority of respondents have a positive perception of AI improving the overall quality of talent selected during recruitment. A significant proportion of respondents agree (47.12%) and strongly agree (28.27%), showing strong support for AI-driven hiring processes. Meanwhile, 18.85% of respondents remain neutral, suggesting some uncertainty or lack of clear experience with AI tools. Only a small percentage disagree (5.76%), and no respondents strongly disagree, indicating minimal negative perception. Overall, the findings suggest that AI is widely accepted as an effective tool for enhancing recruitment quality, improving decision-making, and ensuring better alignment between candidate skills and job requirements.

### SUGGESTIONS

Organizations can adopt AI tools strategically to enhance recruitment efficiency while maintaining essential human oversight to ensure fairness, ethical decision-making, and an improved candidate experience. HR professionals require proper training to effectively use AI technologies,

interpret results accurately, and avoid overdependence on automated systems. Transparency in AI-driven processes, along with clear communication about data usage, can build trust among candidates. Regular audits of AI algorithms help identify and eliminate biases, ensuring equal opportunities for all applicants. Organizations must prioritize data privacy and security through strict protocols while integrating AI tools with existing HR systems to streamline workflows and improve efficiency. A balanced approach combining automation and human interaction can enhance candidate experience and employer branding. Continuous monitoring, evaluation, and customization of AI tools based on job roles are necessary for better outcomes. Establishing ethical guidelines, leveraging AI analytics for workforce planning, encouraging collaboration between HR and IT teams, conducting awareness programs, updating systems regularly, and evaluating cost-benefit aspects can further improve recruitment effectiveness and organizational performance.

### CONCLUSION

The growing adoption of artificial intelligence in recruitment has reshaped traditional hiring practices, offering both significant opportunities and notable challenges for HR professionals. This study reveals that AI-driven tools enhance recruitment efficiency by automating time-consuming tasks such as resume screening, candidate matching, and interview scheduling, enabling HR teams to focus on strategic decision-making. It also improves accuracy in hiring by utilizing data analytics to identify suitable candidates and predict job performance. Moreover, AI contributes to a more engaging candidate experience through timely communication and personalized interactions. Despite these advantages, the study identifies challenges such as potential bias in algorithms, concerns over data privacy, lack of transparency, and the risk of reducing human touch in the recruitment process. Additionally, the effectiveness of AI depends on proper implementation, continuous monitoring, and the skills of HR professionals in managing these technologies. The study emphasizes the importance of balancing AI capabilities with human judgment to ensure fair and ethical hiring practices. Overall, AI in recruitment is a valuable tool that, when used responsibly, can significantly improve organizational efficiency, talent acquisition quality, and long-term business performance while addressing its limitations through strategic planning and continuous improvement.

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