

Will chatbots take over HR Tech?

Paradox sets the pace.

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By Josh Bersin



What evolutions will **AI** bring to the **HR** space?



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Chatbots used to be tinker-toys. You would type a prompt and try to get help, but ultimately end up seeing “please call support.”

Well all this has changed.

Now, chatbots are taking over the world. And they’re much more powerful, integrated, and intelligent than ever. Thanks to advanced NLP (natural language processing) and AI (retrieval-augmented generation), chatbots are entire applications.

They can answer complex questions, search databases, and invoke transactions on your behalf.

Pretty soon we’ll be able to ask our phones “please find me a flight to Los Angeles next Tuesday morning” and the system will check your location, search for openings in your calendar, look at flights, and book you a seat.

Where is this going in the world of HR?

Well, the leader in this space is Paradox, a company that pioneered the application of conversational AI in recruiting. And their system “defines the category.”

Let me explain.

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Recruiting is the perfect market for conversational AI.

Recruiting is a goldmine for automation. When you post a job, applicants want to ask many predictable things: “How much does it pay?” “What are the hours?” “What are the benefits?”

The recruiter, a person devoted to filling positions, has to answer all these questions and more. They have to screen candidates, schedule interviews, check for qualifications, and look at credentials. It’s time-consuming, error-prone, and filled with wasted time. (That’s why talent acquisition teams have many “schedulers” and admins.)

The average “time to hire” is over 45 days — the process often goes on for months. And throughout the experience the job seeker is left wondering “when will they call back” or “what else do I need to know?”

CEOs cite hiring as their third most time-wasting process, following emails and meetings, estimated at “40% wasted time.”

Paradox uses conversational AI to solve this problem. And because this is a “narrow but deep” space, the system does many things we can learn from in all our AI efforts.

Emails

45%

Procurement/contracting processes

41%

Hiring processes

40%

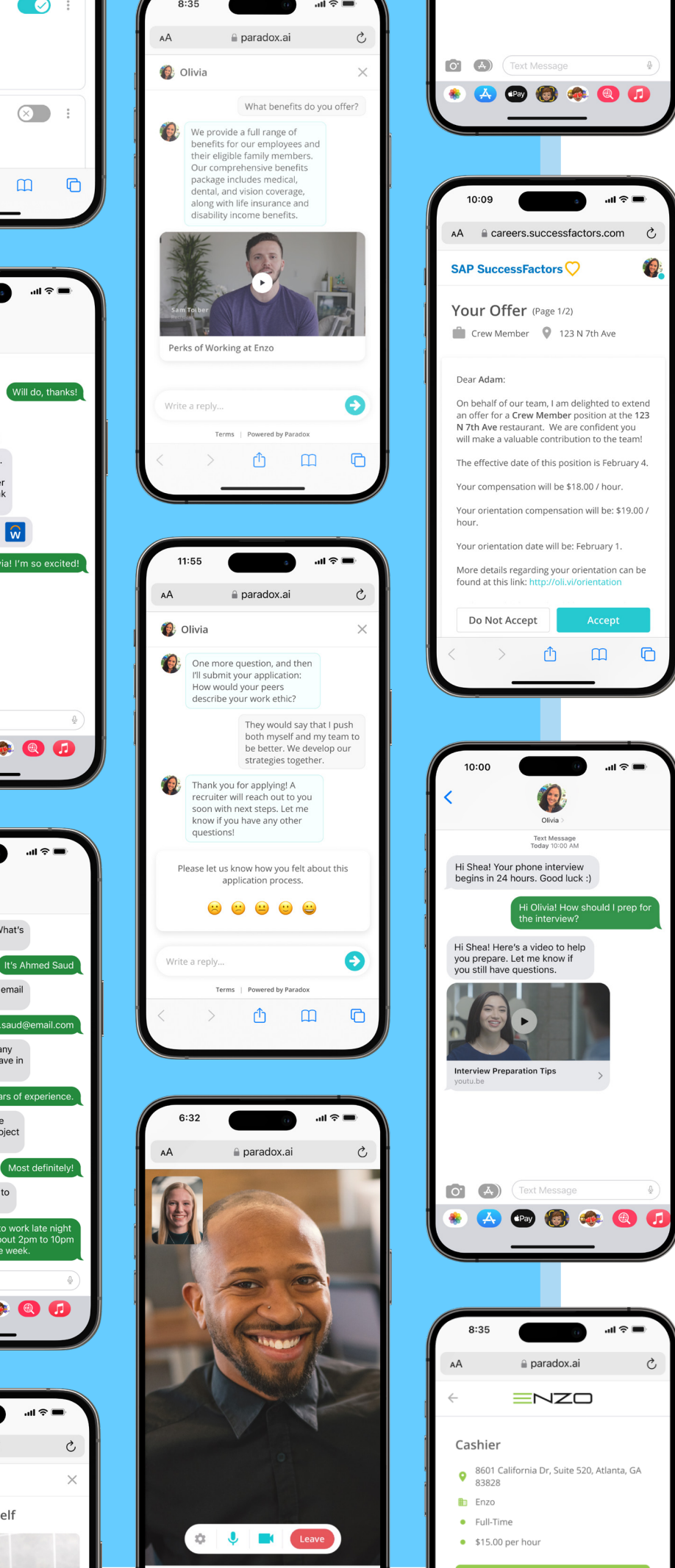
Information-sharing meetings

40%

Expense-approval processes

40%

Source: PWC



Paradox was founded by Aaron Matos in 2016. Aaron's vision was to transform the candidate experience, revolutionizing the way candidates apply to jobs. Today, Paradox has become a complete conversational AI recruitment platform (chat to apply, scheduling, candidate support, ATS, assessments, career site, etc.), serving clients like Unilever, CVS Health, Pfizer, L'Oreal, Nestle, FedEx, Compass Group, and General Motors.

The platform automates tasks such as screening for requirements, interview scheduling, reminders, offers, and new hire onboarding. And because it's so easy to use, it helps companies radically improve time to hire and quality of hire.

Based on my conversations with clients, Paradox can automate 90%+ of the end-to-end hiring process, saving hiring managers hours every week and increasing candidate conversion by more than 10 times.

But this innovation did not happen overnight. As you know, going to a career site and looking for a job can be a frustrating process. There are often hundreds of jobs listed throughout a complex interface, making it hard to even determine what job to apply for.

You might argue that the website paradigm for job applications was never really a good idea in the first place. People don't want to browse for jobs: they want to apply for a

job that's best for them. So the first thing Paradox did was create an easy-to-use AI assistant (Olivia) so candidates could ask questions and schedule interviews. And this meant that Paradox had to build integrations with every ATS and calendar tool out there.

Then, as companies started to use Paradox for scheduling, the company added more. Today, Olivia can integrate with background check vendors, deliver assessments (Paradox acquired Traitify for this), and function as an ATS... all from a mobile phone. In many ways, Paradox can be "the integration platform" for candidates and recruiters, stitching together the messy systems behind the scenes.

AI automation in recruiting has turned into a massive opportunity.

Just as the Google Assistant or Siri hopes to be our single contact with the internet, Paradox partners with systems of record like Workday, SAP, and Oracle to bring conversational AI to any company.

And for their clients, Paradox has been amazing. As the candidate pipeline speeds up, clients get higher quality candidates without the need to increase their staff.

Consider high-volume hiring companies. These businesses hire service-related workers on a regular basis. Their revenue is dependent on having enough people.

With Paradox, clients can set up a “continuous recruitment process,” one that even hires people the same day they apply. Paradox has become essential to these companies’ growth, and the software often pays for itself in less than a year (through reduced hiring staff, reduced spend on job ads, and reduced turnover.)

Today, clients can rely on the platform to integrate with both front-end and back-end tools.

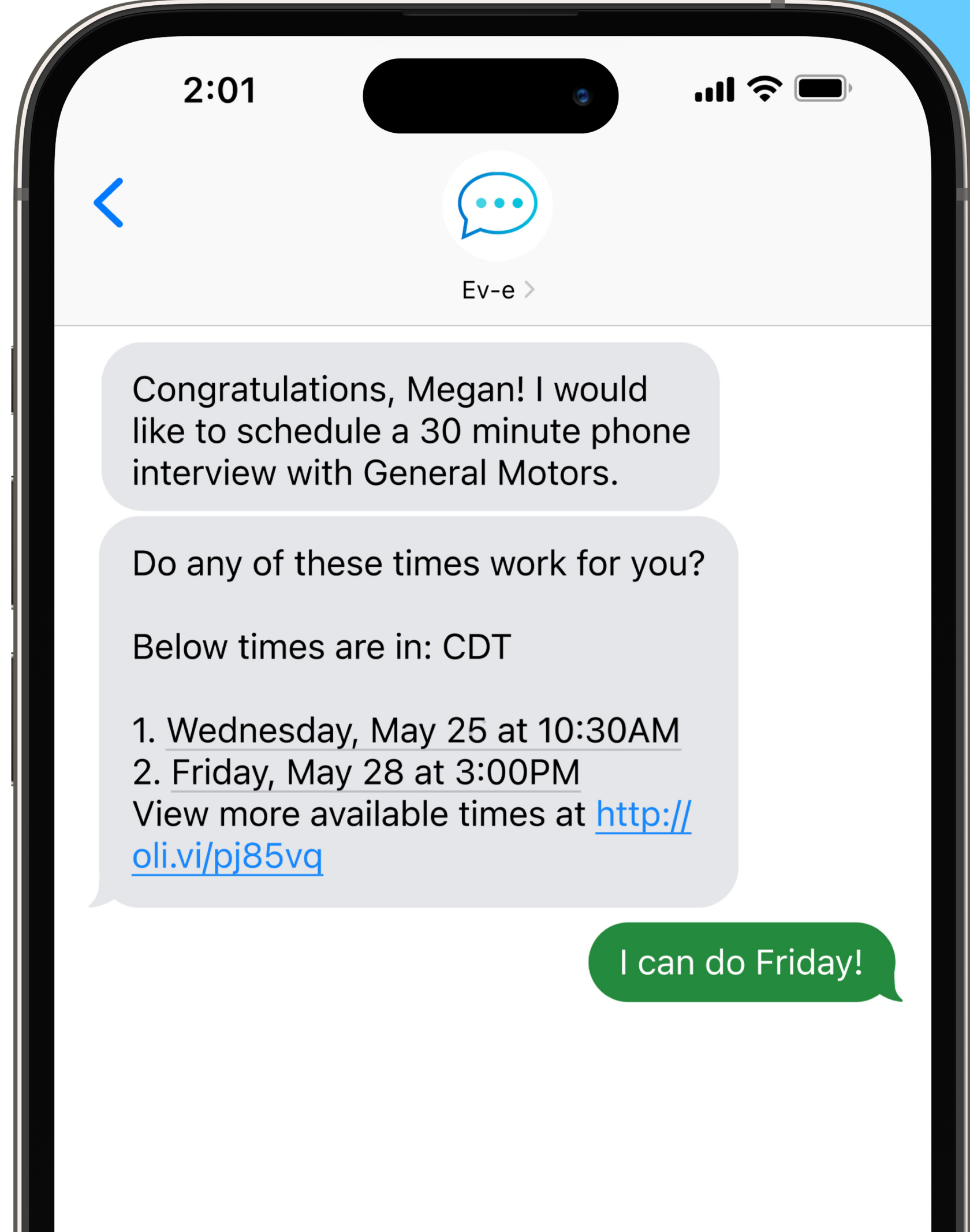
One of our clients has 27 recruiting tools and anticipates replacing 50%+ of them with a platform like Paradox.

“Clients can even hire people the same day they apply.”

General Motors and Paradox's partnership.

What about higher level white collar roles? Paradox works here too.

General Motors uses Paradox alongside their Workday ATS — their conversational AI assistant, Ev-e has helped them redesign their hiring process. Automation has opened up a new world of possibilities for GM's individual recruiters and their organization as a whole.



**“In total,
GM saved
\$2,000,000 in
under one year.”**

Interview scheduling.

Ev-e automates scheduling of phone screens and interviews between recruiters, candidates, and internal teams. This has reduced the time it takes to schedule interviews from five days to 29 minutes.

Candidate experience.

Ev-e interacts with candidates from the second they land on GM’s career site to the completion of their interview. Candidates appreciate Ev-e’s immediate communication and the autonomy to select and change interview times.

Efficiency and cost savings.

The automation of interview scheduling has led to a major reduction in the cost of external contractors for coordination. In total, GM saved \$2,000,000 in under one year.

Career site interaction.

Ev-e sits on GM’s career site, answering questions from potential candidates about jobs, benefits, and company culture. This interaction enhances the candidate’s experience and provides them with immediate responses to their queries.

What's the future for Paradox?

The company is perfectly positioned to continue its growth as companies look for AI solutions to improve the productivity and effectiveness of recruiting. And demand is high: the 2024 PwC CEO survey found that recruiting was considered the #3 "most bureaucratic process" by CEOs (following email and meetings).

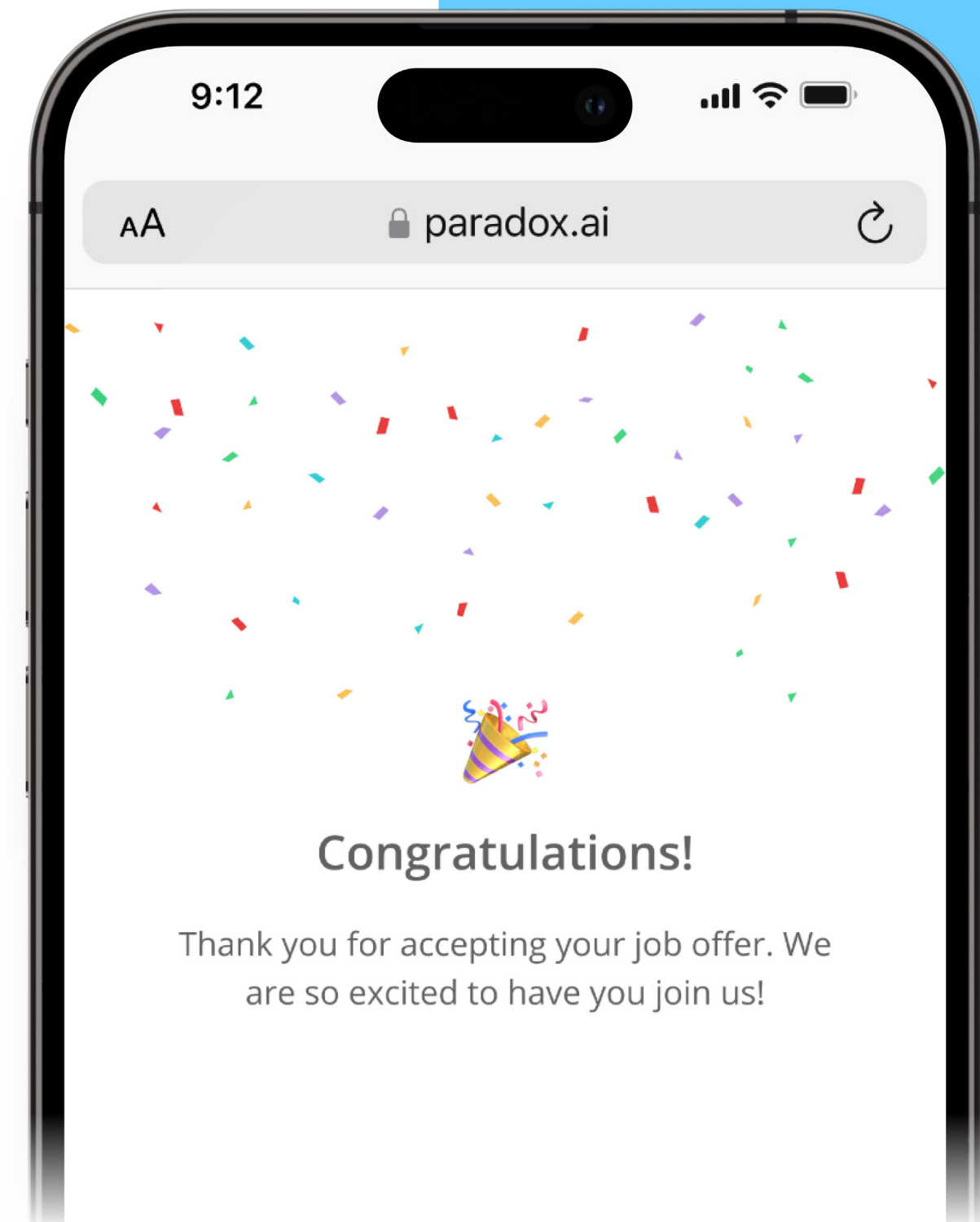
The impact on recruiters?
All positive.

Clients tell us they can redeploy hiring staff to help recruiters focus on the most important part of their job: talking with candidates.

But there's a much bigger story. When a job candidate is handled efficiently and effectively the process becomes a brand-builder, improving quality of hire. Ambitious job seekers will not put up with (or wait for) a messy, confusing hiring process.

So not only is the process faster and more efficient, the quality of hire goes up.

Companies are desperately looking for AI solutions that work. As Paradox has proven, when you invest in solutions, conversational AI can be transformational.



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