

"YOUNGSTERS' PERCEPTIONS OF AI IN THE RECRUITMENT PROCESS: ANALYZING THE ROLE OF AI IN MNC HIRING PRACTICES"

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ABSTRACT

Introduction

The increasing use of Artificial Intelligence (AI) in recruitment processes by multinational corporations (MNCs) is transforming how candidates are assessed and hired. This research focuses on understanding youngsters' perceptions of the role of AI in recruitment, particularly in MNC hiring practices. With the growing adoption of AI tools such as resume screening algorithms, chatbots, and video analysis software, it is crucial to assess how young job seekers view the effectiveness, fairness, and transparency of these technologies. This study, conducted through a survey of 100 youngsters from Hyderabad, aims to explore their awareness of AI-based recruitment, their trust in AI's ability to evaluate them fairly, and their overall experience during AI-driven hiring processes. The results will provide insights into how AI impacts candidate trust, engagement, and whether its increasing presence is perceived as beneficial or a cause for concern. Understanding these perceptions will help MNCs optimize their AI recruitment strategies while maintaining a balance between technology and human interaction in hiring processes.

Key Words: *AI in Recruitment, Fairness and Trust in AI, Digital Hiring Tools, Youngsters' Perceptions and MNC Hiring Practices*

Introduction

The recruitment landscape has undergone significant transformation in recent years, largely driven by advancements in technology. Among these, Artificial Intelligence (AI) has emerged as a game-changer, reshaping how multinational corporations (MNCs) attract, assess, and hire talent. AI technologies—such as automated resume screening, predictive

analytics, chatbots for initial interviews, and video analysis software—offer organizations the potential to streamline their recruitment processes, enhance efficiency, and reduce biases. However, as AI becomes increasingly embedded in hiring practices, it raises important questions about its impact on candidates, particularly young job seekers who are entering the workforce.

Youngsters, representing a demographic that is often tech-savvy and open to innovation, may have unique perspectives on the use of AI in recruitment. Understanding their perceptions is crucial, as it directly influences their engagement with potential employers and their overall job-seeking experience. This demographic is particularly susceptible to changes in recruitment practices, as their experiences shape their career decisions and perceptions of organizations.

Despite the advantages that AI-driven recruitment tools offer, concerns regarding transparency, fairness, and bias persist. Candidates may question the effectiveness of algorithms in evaluating their skills and qualifications compared to human judgment. Furthermore, the fear of being unfairly assessed by an impersonal system can lead to mistrust, which may ultimately impact their willingness to apply for jobs at organizations that rely heavily on AI.

This study aims to investigate the perceptions of youngsters regarding AI in the recruitment process, specifically within the context of MNC hiring practices. By conducting a survey of 100 young job seekers from Hyderabad, the research will delve into their awareness of AI-driven recruitment tools, their trust in the fairness of these systems, and their overall experiences in AI-mediated hiring processes. The findings will provide valuable insights into how AI influences candidate trust and engagement, and whether its integration into recruitment is perceived positively or negatively.

As MNCs continue to evolve their hiring strategies, understanding the perspectives of young job seekers will be essential for optimizing AI recruitment practices while ensuring that the human element remains a core component of the hiring process.

Literature Review:

Langer et al. (2020): This study highlights that while AI-based interviews are perceived as consistent, they are often rated lower in fairness due to a lack of interpersonal interaction. Young applicants preferred AI as a screening tool rather than a replacement for final decision-making stages, as this approach increased perceptions of fairness and opportunity to perform.

Nanda & Randhawa (2021): The study explores how emotional intelligence impacts job performance in recruitment scenarios utilizing AI. Findings emphasize that high emotional

intelligence among candidates can mitigate emotional exhaustion, increasing job satisfaction. This insight is valuable for HR professionals leveraging AI in recruitment processes.

Chamorro-Premuzic et al. (2022): This research investigates candidates' perceptions of AI interviews compared to traditional methods. It finds that while young professionals appreciate the efficiency of AI, they express concerns about transparency and algorithmic bias. The study suggests better communication about AI's decision-making processes to build trust.

König et al. (2023): A focus on contextual factors revealed that applicants aged under 30 viewed AI recruitment positively when combined with human oversight. The study concludes that integrating human elements in AI-driven processes enhances candidates' overall satisfaction.

Woods et al. (2020): This study examines how digitally enhanced tools, such as video-based AI assessments, affect applicants' perceptions. It highlights that young applicants prefer these tools for initial screenings but expect face-to-face interactions in later stag.

Vijay Sundaram (2018): Found that AI in recruitment saves costs and time by automating CV screening, providing accurate candidate matches, and boosting the efficiency of recruitment processes.

Cara Heilmann (2018): Demonstrated AI's role in reducing bias and stereotypes in hiring decisions, improving fairness in multinational corporation recruitment practices

Research Objectives:

1. To evaluate youngsters' awareness and perceptions of AI-driven recruitment processes used by MNCs.
2. To assess the trust and perceived fairness of AI-based recruitment tools among young job seekers.

AI in Recruitment

Artificial intelligence (AI) has revolutionized the recruitment process by automating and streamlining various hiring activities. AI technologies assist in sourcing candidates, screening resumes, conducting video interviews, and even predicting candidate suitability using algorithms. Tools like AI-powered applicant tracking systems (ATS) filter applications based on job-specific keywords and qualifications, significantly reducing time-to-hire. This technological integration not only enhances efficiency but also enables recruiters to focus on strategic tasks, such as candidate engagement and relationship-building. AI's ability to analyze large volumes of data helps organizations identify the best talent, thus improving the quality of hires.

Fairness and Trust in AI

The adoption of AI in recruitment has raised concerns regarding fairness and trust. While AI promises consistency and impartiality by eliminating human biases, it is not immune to the biases embedded in training data. If historical data used to train AI models reflect societal or organizational biases, these can perpetuate unfair hiring practices. Additionally, candidates may feel skeptical about the transparency of AI's decision-making processes, leading to mistrust. Building trust requires organizations to ensure that their AI tools are ethical, auditable, and explainable. Communicating clearly about how AI operates and incorporating human oversight at critical stages can further enhance fairness and trust.

Digital Hiring Tools

Digital hiring tools, including AI-powered video interview platforms, psychometric assessments, and chatbot assistants, have gained prominence in the modern recruitment landscape. These tools provide recruiters with detailed insights into candidates' personalities, skills, and cultural fit. For instance, AI-driven video interviews analyze verbal and non-verbal cues to assess candidates, while chatbots enhance the candidate experience by answering queries and providing updates in real-time. These tools not only improve the efficiency of the recruitment process but also enable a more interactive and engaging experience for candidates. However, ensuring their usability and accessibility across diverse applicant groups remains critical.

Youngsters' Perceptions

Young job seekers often view AI in recruitment with mixed feelings. On one hand, they appreciate the speed and efficiency AI brings to the application process. Automated updates and streamlined workflows align with their tech-savvy preferences. On the other hand, many express concerns about reduced human interaction, fearing that AI may overlook their unique strengths or fail to consider context. Transparency in how AI systems evaluate applications and opportunities for personal interaction during the process can help address these concerns. Youngsters generally value a hybrid model where AI complements human decision-making.

MNC Hiring Practices

Multinational corporations (MNCs) have embraced AI-driven recruitment strategies to manage large-scale hiring across global locations. AI enables MNCs to standardize their recruitment processes, ensuring consistent quality and compliance with local labor laws. By leveraging data analytics, MNCs gain insights into talent pools and market trends, which

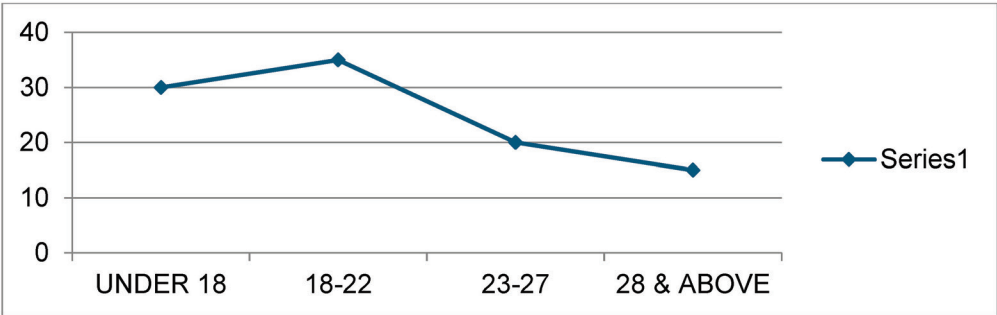
aids in targeted hiring campaigns. These corporations also utilize AI to enhance diversity and inclusion efforts by mitigating unconscious biases in the selection process. However, MNCs face challenges in implementing AI equitably across regions, especially where access to digital tools and technological literacy may vary.

Research Methodology:

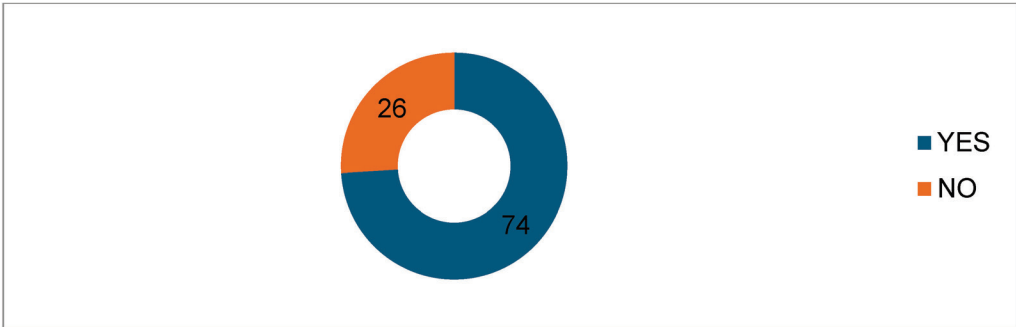
This study adopts a descriptive research design to explore youngsters' perceptions of AI in recruitment processes, focusing on MNCs in Hyderabad. Using a structured questionnaire, data were collected from 100 participants, capturing their awareness, trust, and experiences with AI-driven tools like resume screening algorithms and video interviews. Responses were measured on a five-point Likert scale and analyzed quantitatively using graphs and descriptive statistics to identify trends. Ethical considerations, including informed consent and confidentiality, were maintained throughout the study. The findings aim to provide actionable insights for MNCs to enhance AI-based recruitment strategies, balancing technological efficiency with fairness and transparency.

Data Analysis and Interpretation:

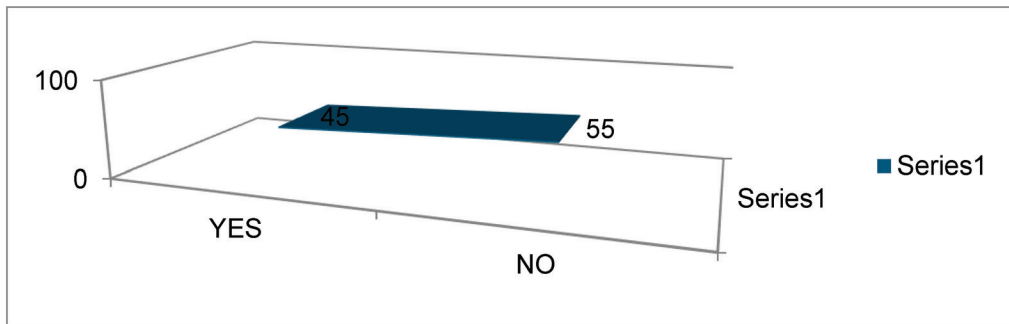
1. What is your age?



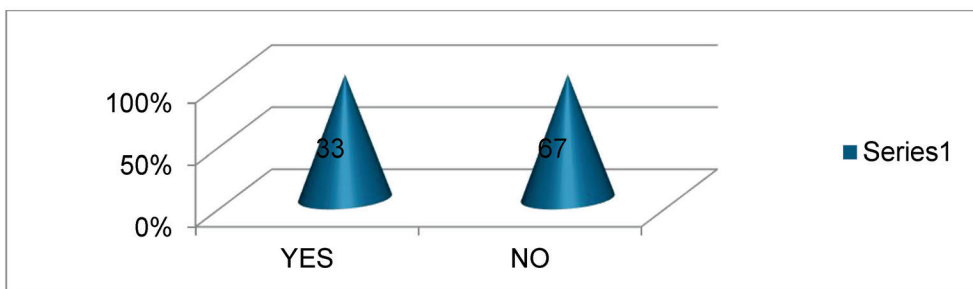
2. Have you ever applied for a job at an MNC?



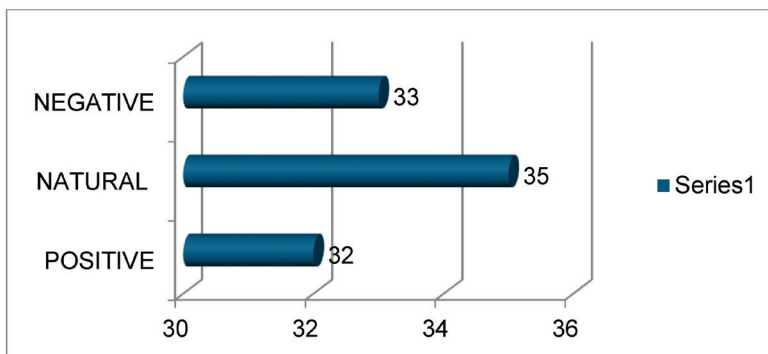
3. Are you aware that MNCs use AI in their recruitment processes?



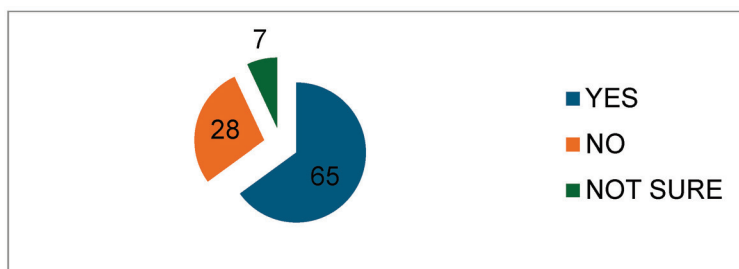
4. Have you ever gone through an AI-based recruitment process (e.g., AI resume screening, video interview analysis)?



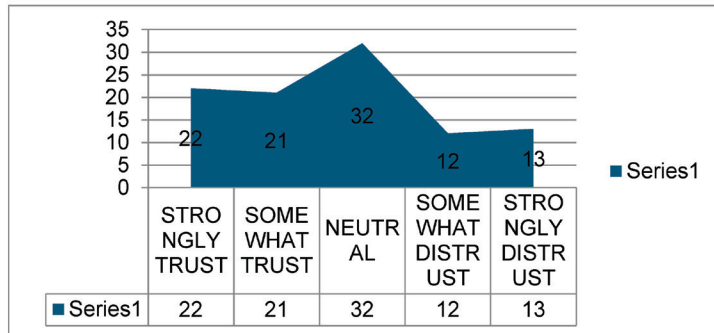
5. If yes, how would you describe your experience with AI in recruitment?



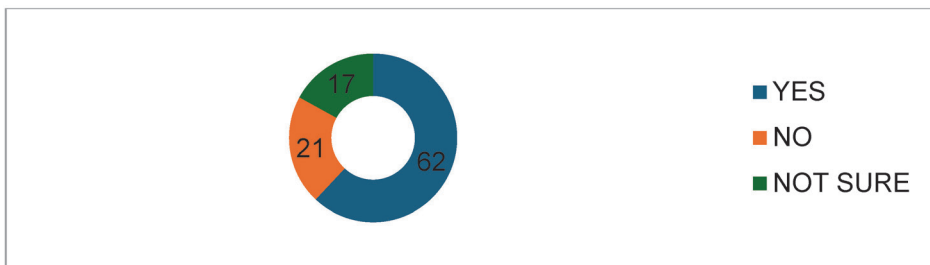
6. Do you believe that AI can assess your skills and qualifications fairly?



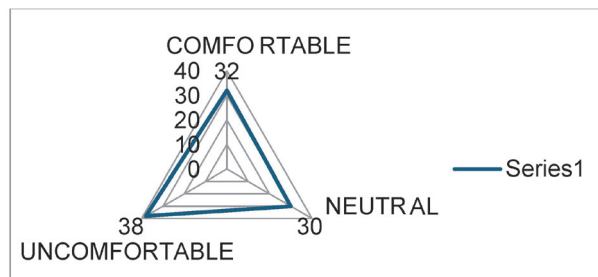
7. Do you trust that AI can make unbiased hiring decisions?



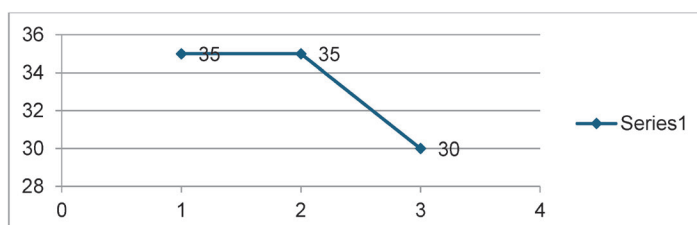
8. Do you think AI improves the efficiency of the recruitment process (e.g., faster response time, better candidate matching)?



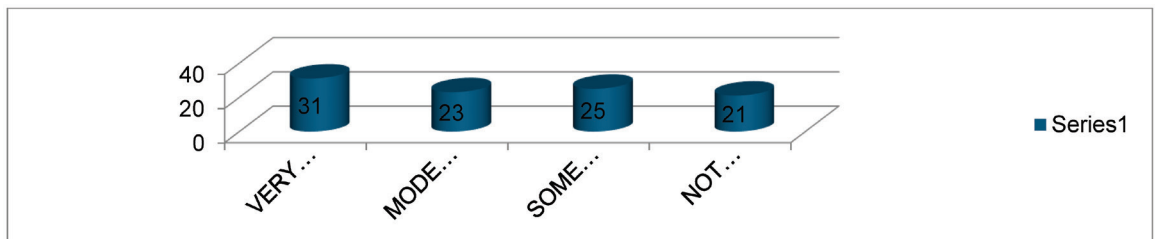
9. How do you feel about being interviewed or assessed by AI (e.g., chatbots, video analysis)?



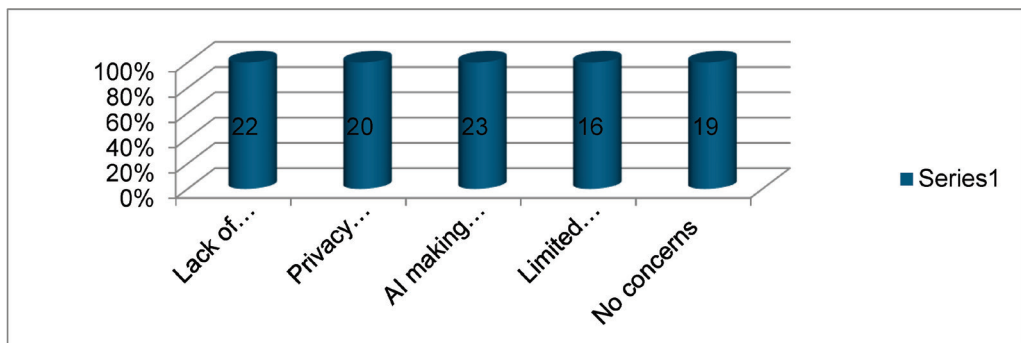
10. Have you ever felt that AI rejected your application unfairly without considering your complete profile?



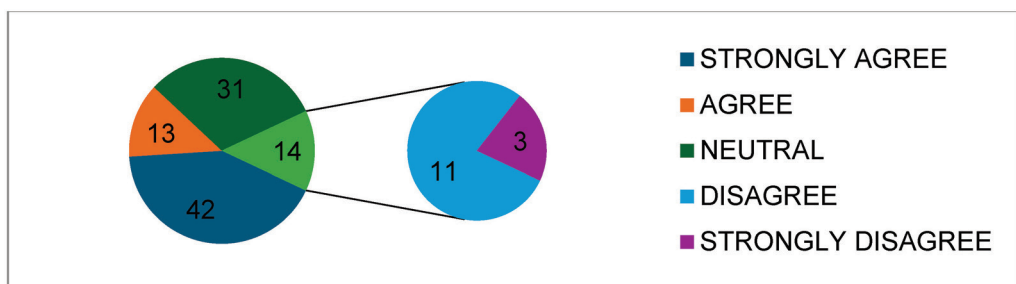
11. How important is it for you to have human involvement in the recruitment process alongside AI?



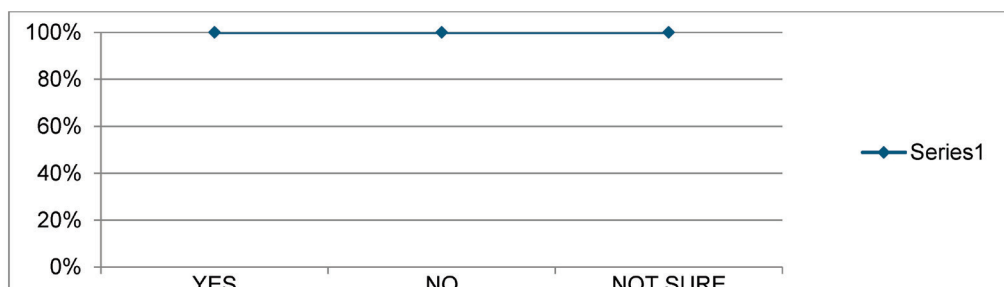
12. What concerns do you have about AI in recruitment? (Select all that apply)



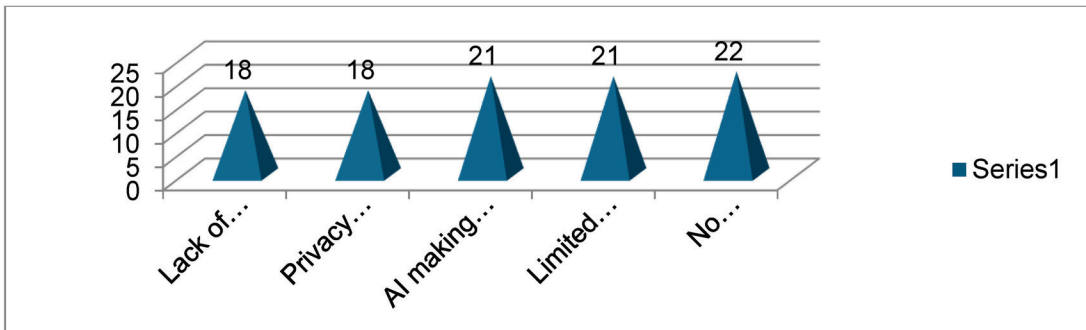
13. Do you believe that companies should be more transparent about how AI is used in the recruitment process?



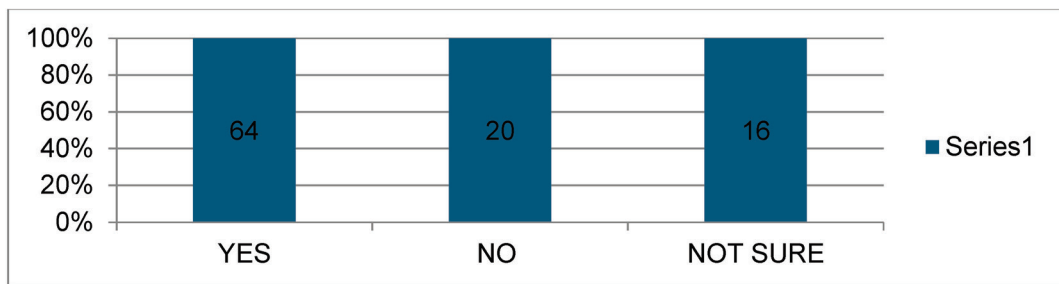
14. Do you think AI could introduce bias in the recruitment process (e.g., due to algorithms prioritizing certain characteristics)?



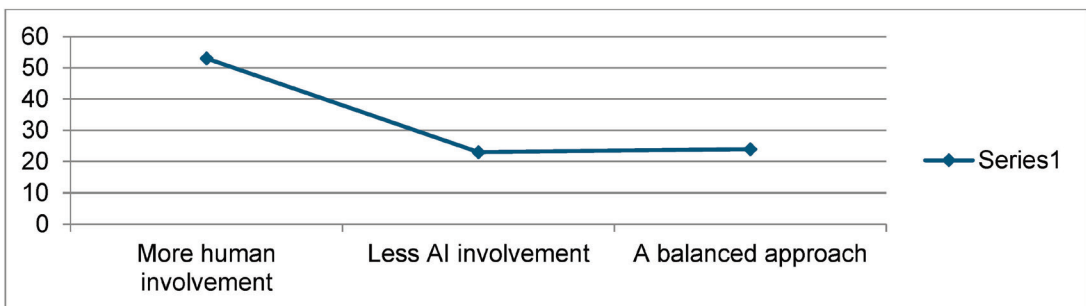
15. What concerns do you have about AI in recruitment? (Select all that apply)



16. Do you believe that AI will play a bigger role in recruitment in the future?



17. Would you prefer more human involvement, less AI, or a balance between both in the recruitment process?



Findings:

1. The majority of respondents are young, with 35% in the 18-22 age group and 30% under 18. The 23-27 group makes up 20%, while only 15% are 28 & above, indicating a predominantly youthful audience.
2. The majority of respondents (74%) have applied for a job at an MNC, while 26% have not. This indicates a strong interest among participants in pursuing opportunities at

multinational companies.

3. A slight majority (55%) of respondents are unaware that MNCs use AI in their recruitment processes, while 45% are aware. This suggests a need to raise awareness about the role of AI in modern hiring practices.
4. The majority of respondents (67%) have not experienced an AI-based recruitment process, while only 33% have. This indicates that many candidates still do not widely use AI-driven hiring methods.
5. Among those who have experienced AI in recruitment, opinions are almost evenly split. 35% found the experience natural, while 32% had a positive experience, and 33% reported it as negative. This suggests a mixed perception of AI-driven recruitment processes.
6. A majority of respondents (65%) believe that AI can assess their skills and qualifications fairly. However, 28% do not share this belief, and 7% are unsure, indicating mixed confidence in AI's fairness in recruitment.
7. Trust in AI's ability to make unbiased hiring decisions is varied. While 22% strongly trust AI and 21% somewhat trust it, the largest group (32%) remains neutral. On the other hand, 12% somewhat distrust and 13% strongly distrust AI, reflecting mixed levels of confidence in its impartiality.
8. A significant majority of respondents (62%) believe that AI improves the efficiency of the recruitment process, such as through faster response times and better candidate matching. However, 21% do not share this view, and 17% are unsure, indicating some skepticism about AI's impact on recruitment efficiency.
9. Feelings about being interviewed or assessed by AI are divided. 38% of respondents feel uncomfortable, while 32% are comfortable, and 30% remain neutral. This highlights varying levels of acceptance toward AI-based assessments.
10. Respondents are evenly split, with 35% feeling that AI rejected their application unfairly and another 35% disagreeing. Meanwhile, 30% are unsure, reflecting uncertainty and mixed perceptions about the fairness of AI in evaluating complete profiles.
11. Human involvement in the recruitment process alongside AI is valued by most respondents, with 31% considering it very important and 23% finding it moderately important. Additionally, 25% view it as somewhat important, while only 21% believe it is not important. This highlights a strong preference for a balanced approach integrating human input with AI.

12. The top concerns about AI in recruitment are AI making biased decisions (23%) and lack of human interaction (22%). Privacy concerns regarding data handling were raised by 20%, while 16% worry about AI's limited understanding of their complete profile. 19% have no concerns about AI in recruitment, indicating some level of comfort with its use.
13. A significant majority of respondents (42%) strongly agree that companies should be more transparent about AI in the recruitment process, while 13% agree. 31% remain neutral, and 11% disagree. Only 3% strongly disagree, indicating widespread support for greater transparency regarding AI's role in recruitment.
14. A majority of respondents (42%) are unsure whether AI could introduce bias in the recruitment process. However, 35% believe AI does not introduce bias, while 23% think it could, suggesting mixed views on AI's potential for bias in recruitment.
15. The primary concerns about AI in recruitment are AI making biased decisions and limited understanding of the complete profile (both at 21%), followed by lack of human interaction and privacy concerns (both at 18%). 22% have no concerns, indicating some comfort with AI in recruitment.
16. A large majority of respondents (64%) believe that AI will play a bigger role in recruitment in the future. 20% disagree, while 16% are unsure, indicating a strong expectation of AI's growing influence in recruitment processes.
17. The majority of respondents (53%) prefer more human involvement in the recruitment process. 24% favor a balanced approach, while 23% would like less AI involvement, indicating a strong preference for human interaction alongside AI.

Recommendations:

1. Increase awareness of AI's role in recruitment through educational campaigns.
2. Promote transparency in AI recruitment processes to build trust among candidates.
3. Integrate human involvement alongside AI to ensure a balanced and fair recruitment experience.
4. Address AI bias concerns by regularly auditing AI systems for fairness.
5. Improve candidate comfort with AI assessments by providing clear guidelines on how they work.
6. Reassure candidates about privacy by communicating robust data protection measures.
7. Gradually expand AI's role while maintaining human oversight in decision-making.

8. Collect regular feedback to refine AI recruitment processes and enhance candidate experience.
9. Offer flexible recruitment options allowing candidates to choose the level of AI involvement.

Conclusion

This study sheds light on the evolving perceptions of youngsters towards the increasing use of Artificial Intelligence (AI) in recruitment processes, particularly within multinational corporations (MNCs). The findings indicate a growing interest in MNC opportunities, yet a significant portion of the respondents remains unaware or unsure about the role of AI in recruitment. While AI's potential to improve efficiency and fairness is acknowledged, there is a mixed response regarding its impact on candidate trust, fairness, and its ability to assess a candidate's complete profile. The concerns about AI bias, lack of human interaction, and privacy issues suggest the need for MNCs to adopt a more transparent and balanced approach to AI recruitment. In conclusion, while AI holds promise for transforming recruitment processes, a clear focus on educating candidates, addressing their concerns, and integrating human oversight will be essential for building trust and ensuring a more inclusive, fair, and efficient hiring experience. As AI continues to play a larger role in recruitment, the need for ongoing refinement, transparency, and flexibility in its implementation will be crucial to ensure its success in the recruitment landscape.

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