

DEBOLINA DUTTA

HYRGPT: TRANSFORMING APPLICANT EXPERIENCE AND RECRUITMENT THROUGH GENERATIVE AI

Debi Kar, the Chief Technology Officer (CTO) of HYRGPT, exited the SHRM Annual Tech Conference¹ stage on October 17, 2023, to thunderous applause. HR heads and talent acquisition leaders were excited about HYRGPT's potential, which Kar described as "noise cancellation at the top of the recruitment funnel".

Calling his co-founder, Sameer Dharap, who served as the Chief Business Officer, Kar exclaimed:

We have cracked all aspects of the applicant experience at the start of the recruitment process. I see a low understanding of Generative AI and an openness to experiment or invest in this technology by a few leaders. Some leaders, who could be potential clients, are skeptical regarding the value appropriation involved in adoption. However, our client organizations clearly see improved efficiencies in applicant screening and selection, which provides a strong testimonial of the benefits. We have significantly elevated applicant experience. Now, what should we do to ensure we enable quality of hire using technology? There is also a request to assess for culture fit during the first level screening through Gen-AI. How should we do this?

ORGANIZATION CONTEXT

HYRGPT² was founded by Debi Kar, Sameer Dharap, and Neha Mathur, all of whom had experienced frustration in talent acquisition due to the slow and inefficient process of finding the right candidates. Dharap began his career as an aerospace engineer and worked across consulting in operational excellence. Mathur was a seasoned hospitality executive who managed a large workforce across India. As technology and business consultants, they experienced recruitment inefficiencies across multiple global organizations and geographies where they had worked. They found that over 75% of employers still reported difficulties in filling roles, with massive inefficiencies persisting in the recruitment process. Kar stated:

Organizations should treat candidates like customers, engaging them throughout the value chain. Recruitment is a black box, with little feedback or updates provided once a candidate applies. Only a few are shortlisted, and this needs to change to ensure a more effective recruitment process.

¹ SHRM India Annual Conference & Expo 2023, <https://www.shrm.org/in/topics-tools/tools/presentations/the-shrm-india-annual-conference-and-expo-2024>, last accessed on December 18, 2024.

² HYRGPT comes from HYR for hire combined with GPT, <https://hyrgpt.com/>, last accessed on July 25, 2024.

Debolina Dutta, Professor of Practice, OB & HR, IIM Bangalore, has authored this case for classroom discussion. HYRGPT cooperated and provided information to the Indian Institute of Management Bangalore in connection with the preparation of this case and it was reviewed and approved before publication by a company designate. No funding was sought or received from the firm for the development of this case. This case was also developed from available and permitted sources of information. This case is not intended to serve as an endorsement, source of primary data, or to show effective or inefficient handling of decision or business processes. Names of some individuals and organizations have been changed to protect identities. This publication contains information in summary form and is therefore intended for general guidance only. It is not intended to be a substitute for detailed research or the exercise of professional judgment.

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They recognized the need for faster, more efficient interviewing and screening processes, which had remained unchanged for decades. They sought to create a better way to interview and evaluate candidates in minutes rather than in weeks.

Recruiters often face an overwhelming number of resumes for a single position, leading to a tedious screening and shortlisting process. The first 10 to 15 resumes that make the cut are presented for interviews, but these are not always the best-fit ones. This time-consuming process often good ones get missed out due to the manual process, which is where technology can help.

Few organizations utilized their existing Applicant Tracking Systems (ATS) as a true system of records, where resumes were rarely revisited once an active position was fulfilled. Many organizations reported upwards of 21 steps from applicant resume submission to the offer letter stage, with downstream processes done manually with huge variances in quality and speed of processing.³ The inefficient recruitment process often began with the creation of the job description. Hiring managers or recruiters often copy-pasted outdated job descriptions without assessing the changing skill requirements for emerging contexts. Recruiters then posted the jobs through multiple channels, redirecting applicants to the existing ATS. Post resume submission, applicants rarely received any feedback beyond a cursory acknowledgment. The delay between an application and a first-level screening call could often stretch to weeks. Studies showed that despite high technology adoption, such as HRIS and ATS systems, the average recruitment time continued to be lengthy.⁴ A senior HR leader explained, “Most technology systems currently in use serve as databases. These do not, *prima facie*, increase the efficiency or effectiveness of the process or reduce the recruiter's workload.”

Often, recruiters screened the first 10–15 resumes among the hundreds received, validated skill fit against a static job description, and forwarded candidates to the hiring manager for interviewing. The screen-to-shortlist ratio by a recruiter was often 4:1. The resumes shared by the recruiter were not necessarily the best fit but merely the first that the recruiter considered relatively appropriate. Resume screening and validation of shortlisted applicants by recruiters were based on a subjective assessment aligned with a static job description. A similar misinformed view was perpetuated when the recruiter conducted the preliminary interview of the applicant before forwarding it to the hiring manager. This gap between expected and perceived fit often resulted in hiring managers screen-rejecting resumes shared by the recruiter or rejecting them after the first interview. These biases and misinformation significantly impacted selection decisions, often requiring multiple interviews by several stakeholders and assessing a large pool of applicants for validation of selection decisions. Overall, it led to a frustrating experience for the hiring manager, recruiter, and the applicant, who rarely received feedback regarding the reason for non-selection.

Kar's team harnessed the power of Generative Artificial Intelligence (GenAI) and created the HYRGPT Recruiter Copilot, combining their expertise to streamline the talent acquisition process. This innovative solution aimed to reduce the time to hire and cost per hire while enhancing selection quality, making the process more efficient for recruiters and organizations. Launched in September 2023, it quickly gained traction among HR leaders across multiple industries, adding an impressive marquis brand of corporates in their client list. With over 80 enterprise customers, HYRGPT's Recruiter Copilot saved over 8000 man-hours, experienced an over 80% reduction in screening effort, and doubled the hit-ratio of screen-to-hire applicants.

Improving Recruitment Efficiency

Kar primarily focused on the inefficiencies plaguing the applicant screening and interview process and poor applicant experience. The first solution was to create a dynamic job description based on changing contextual requirements. GenAI, Machine Learning (ML), and Natural Language Processing (NLP) technologies scanned similar job titles and

³ Cascio, W. F., & Aguinis, H. (2019). *Applied Psychology in Human Resource Management* (8th ed.). Pearson

⁴ <https://www.shrm.org/in/topics-tools/news/talent-acquisition/recruiter-nation-report-2023-2024#:~:text=Metrics%20that%20stand%20out%20include,among%20the%20areas%20reporting%20much>, last accessed on August 1, 2024.

descriptions to suggest more relevant and updated job descriptions. The system also identified skill requirements from recently selected candidates that hiring managers found to be relevant. Next, HYRGPT tried to improve the applicant experience. When an applicant submitted their resume, the platform quickly conducted conversational interactions to assess role fit. Pre-qualifying questions, such as “*This role requires you to work the night shift*” or “*The role requires you to interface with different organizational stakeholders; hence, remote working is limited,*” checked for basic qualifying criteria. Once this fit was assessed, the AI agent stated, “We find you a great fit! May we have your first-level discussion right away? It will help us close your process faster.”

This shifted the applicant experience from “Apply now and wait” to “Interview right now” (see **Exhibit 1**). The questions are all auto-generated but contextually appropriate to the applicant’s response. Within 10–15 minutes of the applicant submitting their resume, the first level interview was completed, and a comprehensive summary of the candidate’s strengths and weaknesses was shared with the recruiter. The built-in AI did not reject or shortlist candidates. Furthermore, responsible AI features ensured that interviews and assessments were conducted without any bias related to gender, location, race, marital status, etc., which could otherwise influence overall selection process. However, it provided recommendations to both hiring managers and allowed for curated feedback for the candidate. This agile process significantly reduced the recruitment cycle time, transforming the weeks-long first-level interview into a process completed within 10–15 minutes. The candidate’s experience was also vastly improved through the quick turnaround and constructive feedback (see **Exhibit 2**).

HYRGPT was also made available for recruiters and hiring managers as a “note taker” in the subsequent rounds of interviews. This supported recruiters and hiring managers, who were often pressed for time and needed to capture detailed feedback and comments on the interview outcome in the ATS.

Battling with Deep Fakes

While GenAI empowered recruiters to make screening more efficient and enhance hyper-personalized applicant engagement, the same technology was increasingly leveraged by applicants to fortify, pad up, or even misrepresent their experience. While some candidates leveraged GenAI for resume improvement and preparation, a few leveraged the technology to augment or misrepresent their individual capabilities. To enable shortlisting by the technology based on the job description provided, websites such as Career.io⁵ and OutSpark⁶ promised services such as a perfect resume “for hire”, support in enhancing the applicant’s LinkedIn profile, and guaranteeing the ability to bypass any organizational ATS. Websites were also available for candidates to attend interviews with HYRGPT Recruiter Copilot, which helped candidates in answering the questions posed by the interviewer (see **Exhibit 3**). The website even boasted of the number of candidates it had helped secure jobs!

To address the issue of “deep fakes” in applicants, HYRGPT introduced a screen proctoring feature that tracked what was visible on the applicant’s screen. With the ability to record (with permission) the candidates’ screen, audio, and video, HYRGPT AI could easily identify multiple parameters that indicated potential fraud. Before initiating the interview, HYRGPT AI sought explicit permission to record interview with audio/video recording.

Some firms made this a mandatory process for progressing on the interview. However, based on different federal regulations in various geographies, this was kept optional for applicants. The platform generated a “JD-to-resume match score”, “overall role fit score”, and “trust score” for each applicant it screened and interviewed. The trust score was derived from multiple parameters, such as recognizing if someone else was answering on behalf of the applicant, the time duration between question and response, screen activity on the browser, and degree of focus during the interview, thereby minimizing the possibilities of collusion.

Explaining the benefit, Kar explained:

⁵ [Professional Resume Builder—career.io](#), last accessed on July 26, 2024

⁶ [Power of AI in your resume—outspark.com](#), last accessed on July 26, 2024.

From an era where we had 100% confidence in having the actual candidate in the interview during a face-to-face in-person process, we now have 80% confidence that our platform can present the real candidate's ability and skills being screened in the virtual digital interview. We have put sufficient checks in our process to weed out deep fakes with high levels of confidence. This is probably the best that can be done in a virtual setting.

Searching for Passive Talent

Often hard-pressed for time, recruiters sought the low-hanging fruit of candidates available as active job seekers on popular social media and job boards. This increased offer rejection rates for firms, as good talent held multiple job offers. As a result, there was a considerable loss of effort, productivity, and efficiency. This was where HYRGPT came into the picture and helped organizations parse through their existing resume database in the ATS. It also sent a personalized message/WhatsApp/email as a part of the outreach campaign, enabling proactive hiring. Excited by this feature, Debyan Bhattacharya, AVP Talent Acquisition, Kaygen, Inc., asked, "When will HYRGPT scrape the net and get me the truly passive talent – find me the needle in the haystack!"

THE DILEMMA

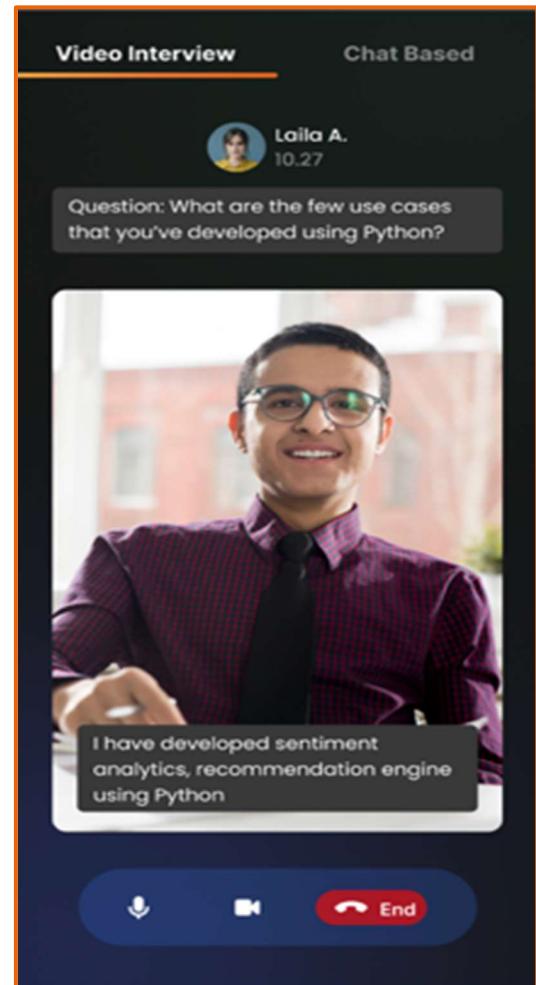
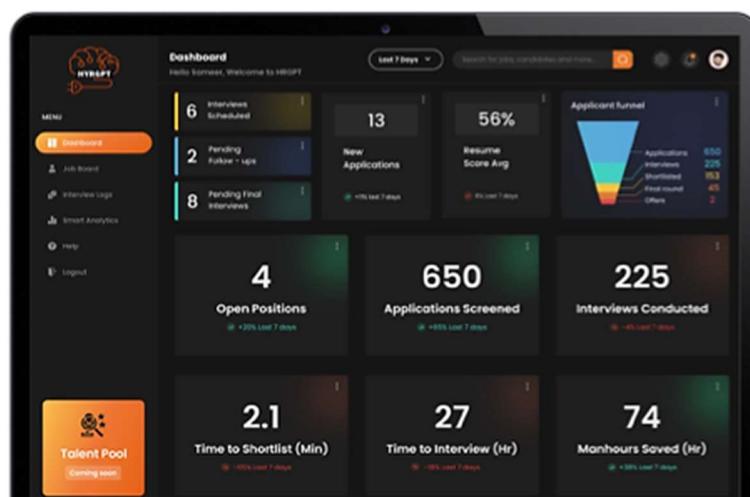
While HYRGPT seamlessly integrated with all commercially available ATS, it focused only on screening, qualifying, and interviewing efficiency (see **Exhibit 4**). It did not help source passive talent outside of the HRIS/ATS and proactively engage with applicants without the recruiter's decision. However, the expectations from the HR community left Kar, Dharap, and Mathur wondering about additional recruitment process failures that they could address. Kar asked his co-founding team:

What are the other recruitment processes that Generative AI could help transform and create more value all around? How can we help assess culture fit and enhance the Quality of Hire while continuing to demonstrate explainable AI? Should we get into providing a passive talent pool search as an additional feature of our offering? After all of these features, our principal stakeholder, the recruiter, still feels threatened by our offering. How should we address this concern?

The debate on what the next product functionalities went to be continued over the delicious lunch.

Exhibit 1

Zero-Latency Pre-Screening Conversation



Source: Company-provided data.

Exhibit 2

Applicant Feedback Email



Dear Ramakanta Kar,

We wanted to take a moment to express our sincere appreciation for your interest in the **Junior React Developer**. We truly appreciate the time and effort you invested in the application process.

After careful consideration, we regret to inform you that we have decided not to move forward with your application at this time.

We wish you all the best in your future endeavours, and please don't hesitate to reach out if you have any questions or would like feedback on your application.

Here is a quick summary of your interview.

Interview Summary

Thank You



Interview Summary

Hey Ramakanta Kar, in the interview, you demonstrated a good understanding of front-end development concepts, particularly in designing user interfaces for a hospital management system.

Your explanation of Flux and Redux showed some knowledge, but there is room for improvement in providing more detailed and clear responses. It would be beneficial to work on enhancing your explanations and addressing questions related to speed, scalability, and testability in React applications. Additionally, engaging with questions on integrating front-end and back-end services using RESTful APIs would further showcase your skills.

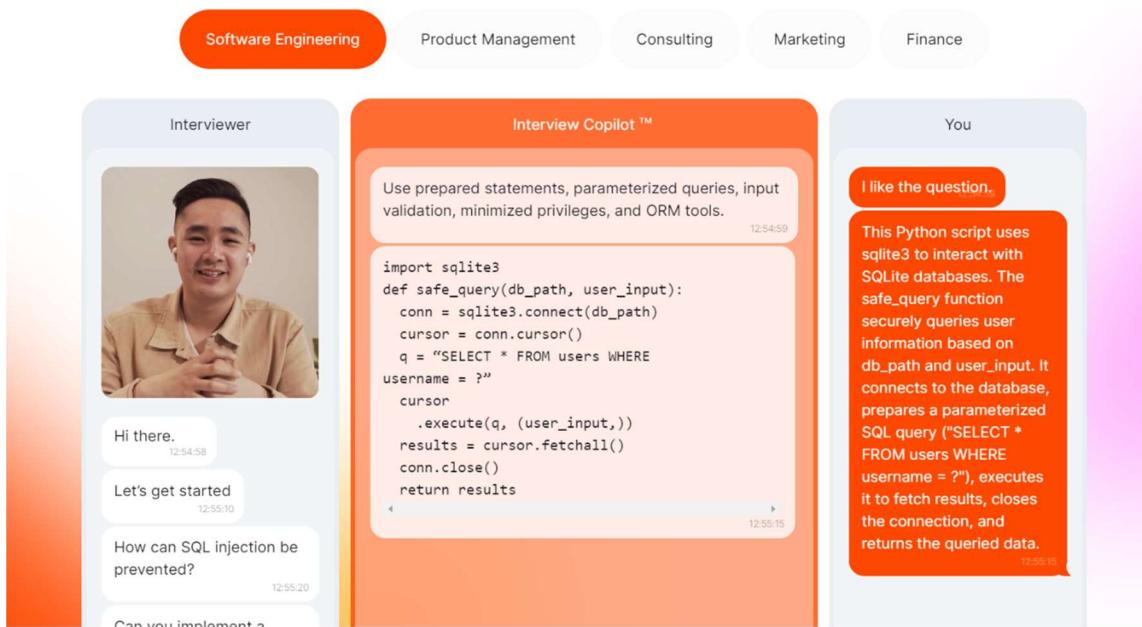
Remember to stay focused on the specific topics asked and provide more detailed examples to strengthen your responses. Keep up the good work and continue to enhance your technical explanations.

There are many other considerations in selecting an individual. Based on all of those details, the next steps will be conducted.

Source: Company-provided data.

Exhibit 3

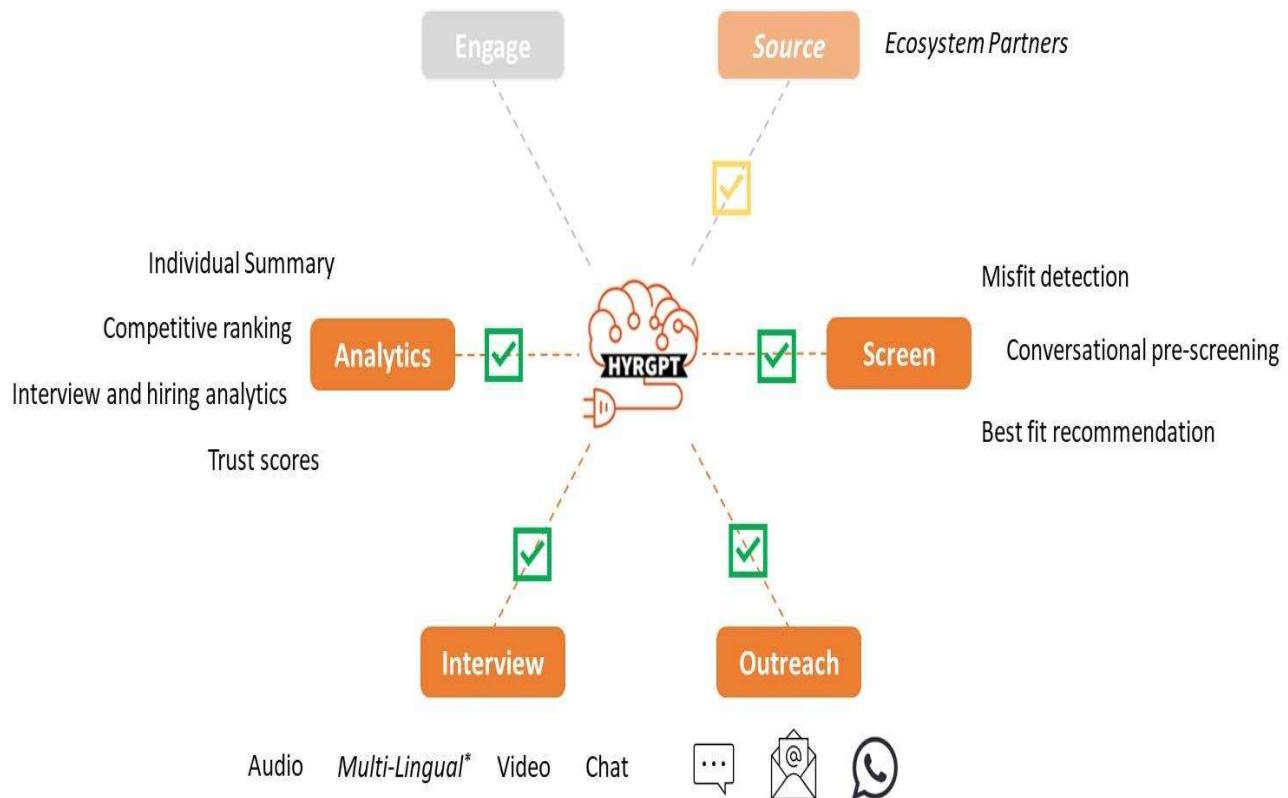
GenAI Websites Helping Candidates Prepare for Interviews



Source: www.finalroundai.com, last accessed on July 26, 2024.

Exhibit 4

Spectrum of HYRGPT Offering



Source: Company-provided data.