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The Bottomline on AI in Hiring: Is it Effective, Legal, and Fair?

Eric Sydell, Ph.D.

July 25, 2023

TL;DR

Maybe

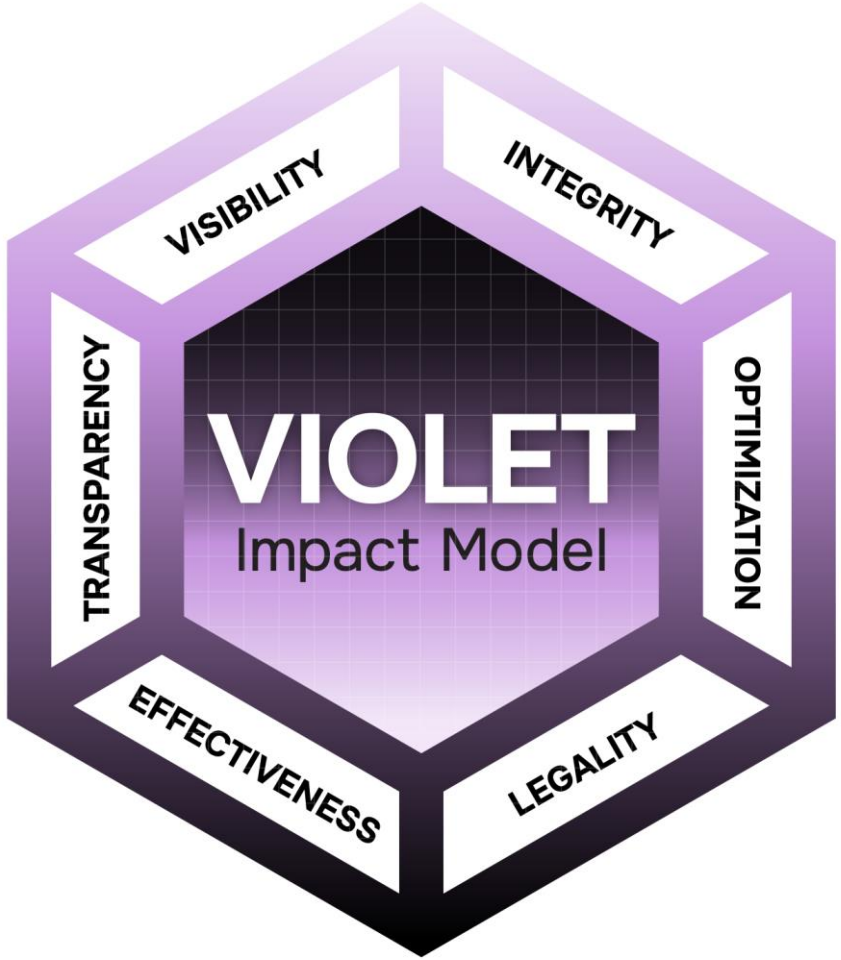
Who am I? What is Vero AI?

Eric Sydell

- IO psychologist, cofounder of Shaker/Modern Hire and Vero AI

Vero AI

- New firm designed to objectively evaluate algorithms
- Goal is to deploy scaled scientific solutions
- Working to get beyond hype, to show objective truth



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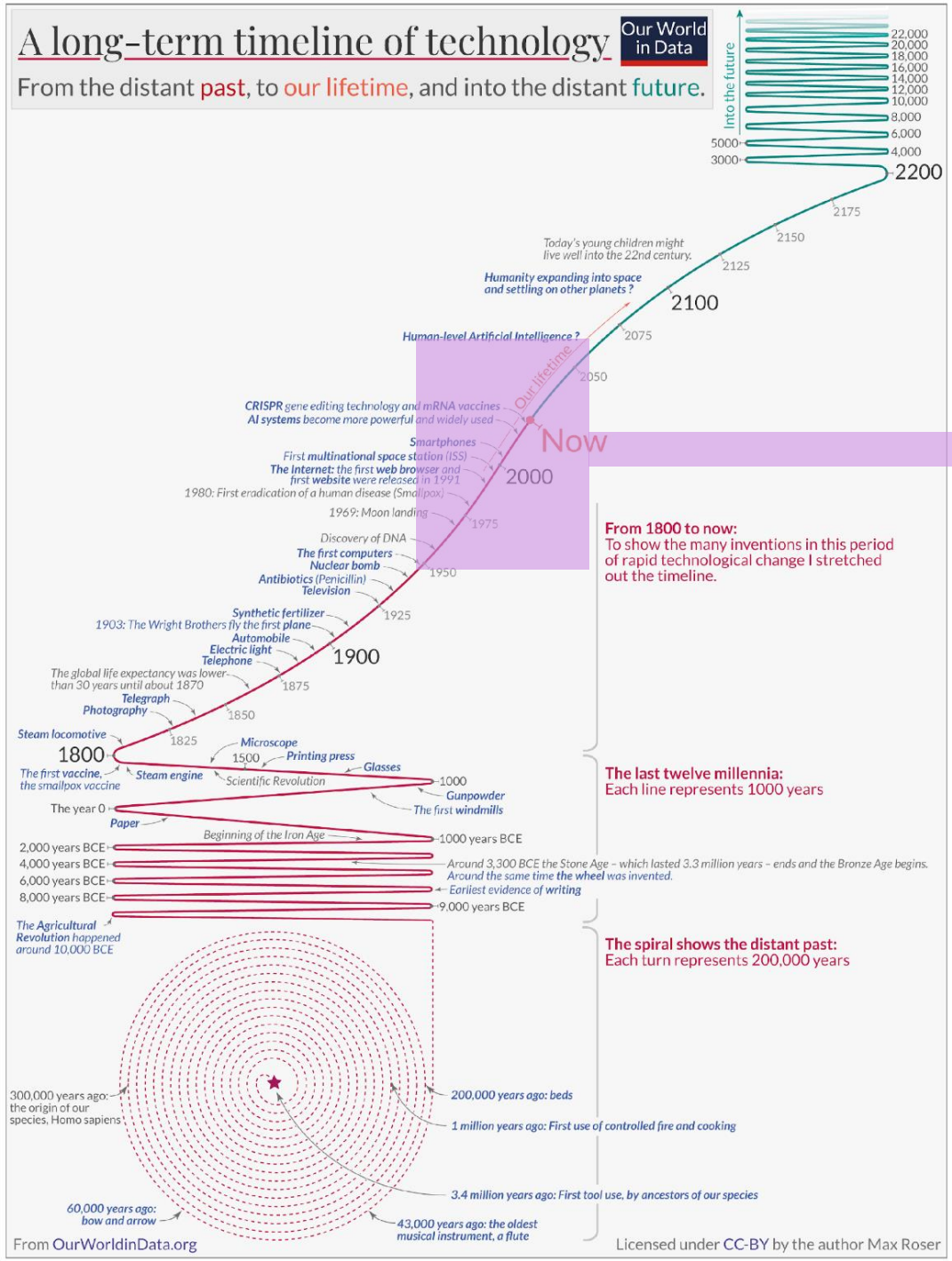

In the 4 million years covered by this timeline, our lives are in the steepest part.

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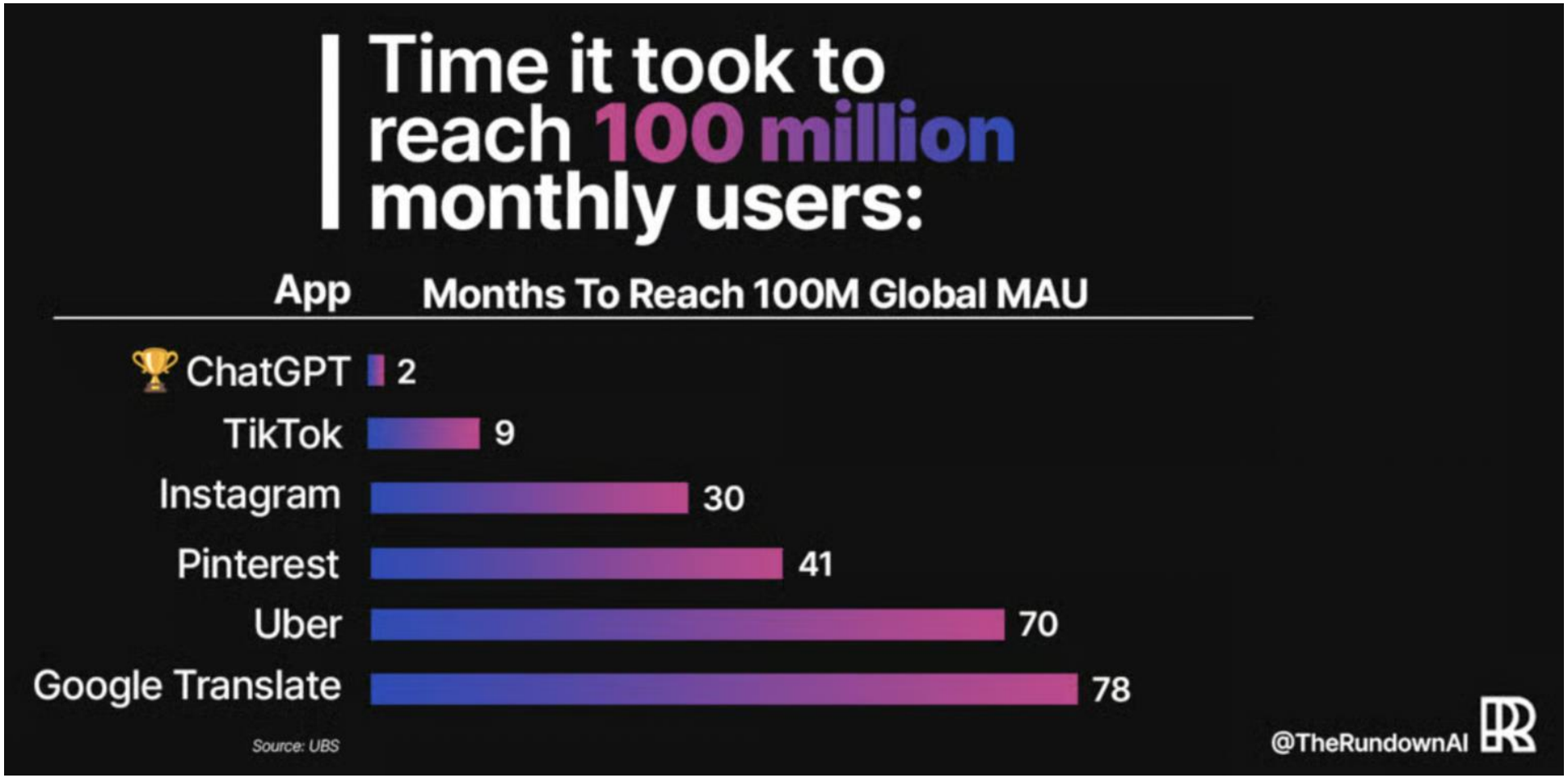
Explosive Growth of Generative AI



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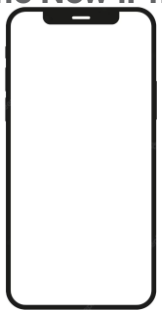
How Big a Change is Gen AI Really?

It's Time to Sell Everything and Buy Canned Food…

It's the New Internet

It's the New iPhone



It's the New Wifi

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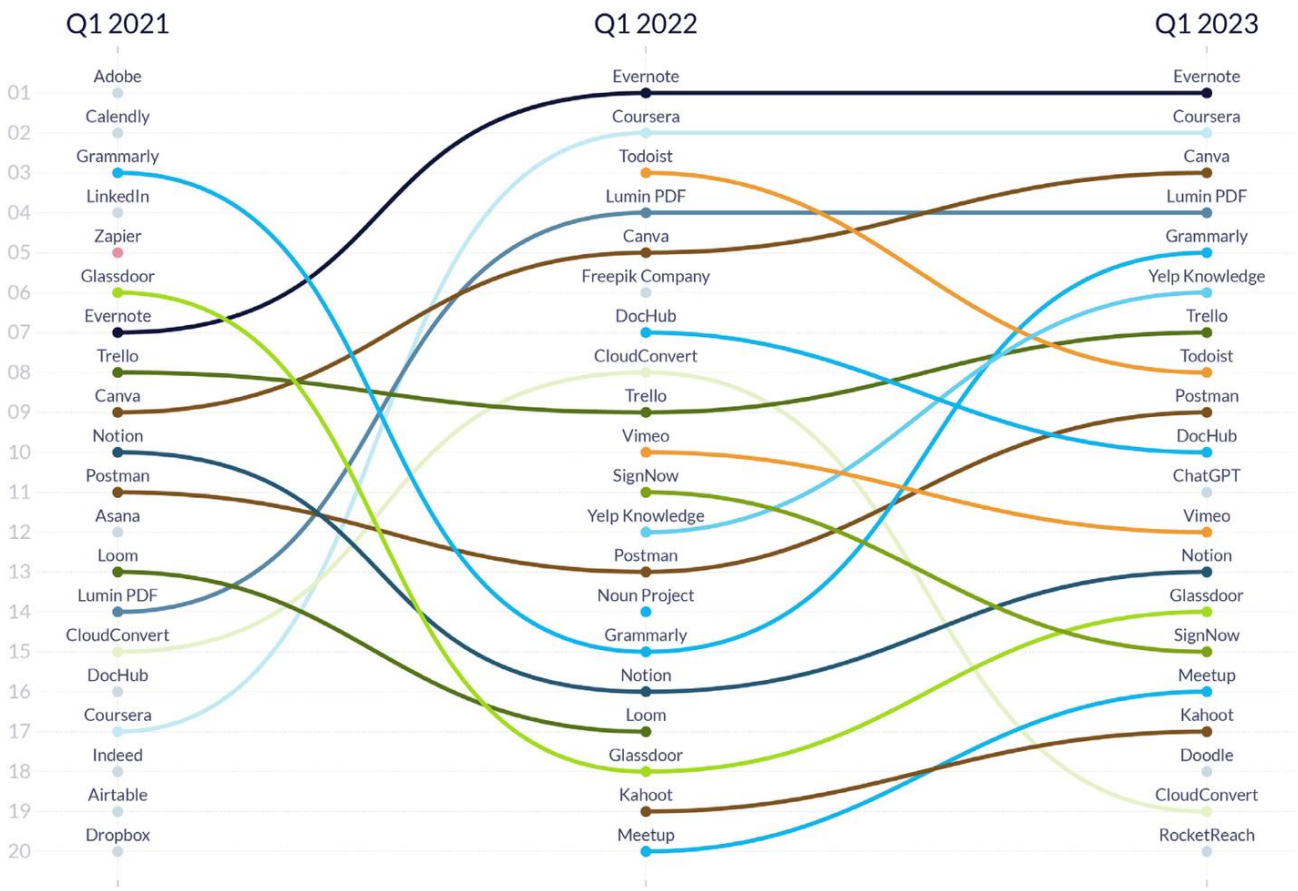
Who Are the Users of Gen AI Today and What are They Doing?



Most Popular Shadow IT across 2021 - Q1 2023 | Productiv

‘Shadow IT’ - the tools employees use without IT’s blessing because it makes their jobs easier

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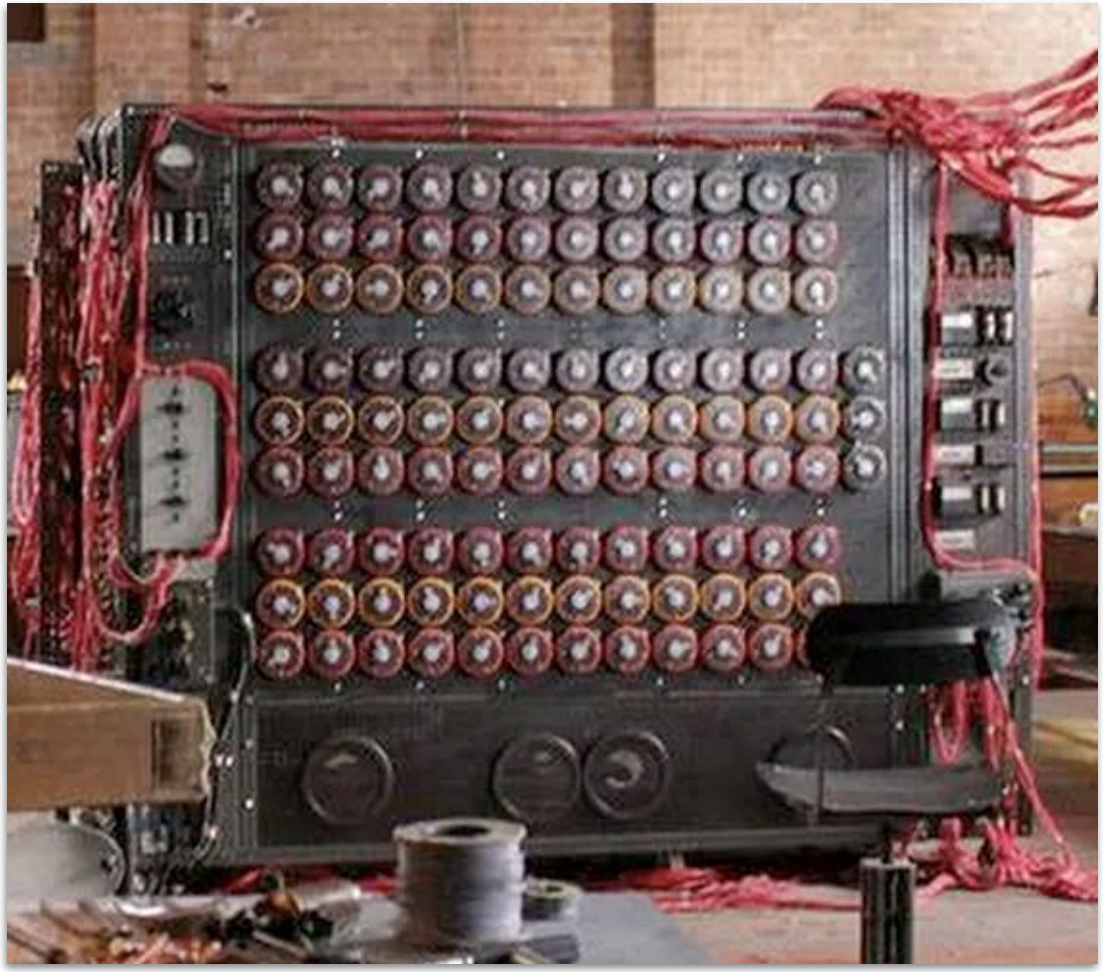
A Small History of Big Technological Moments

1940's Military Computers (100's)



1960's Enterprise Mainframes (1,000s)

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A Small History of Big Technological Moments Continued…

1980's Small Business Computers (Millions)

1990's Home Computers (Hundreds of Millions)

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Now? The First Users are Individuals…

2000's Smartphones (Billions)

2020's ChatGPT (A Lot)

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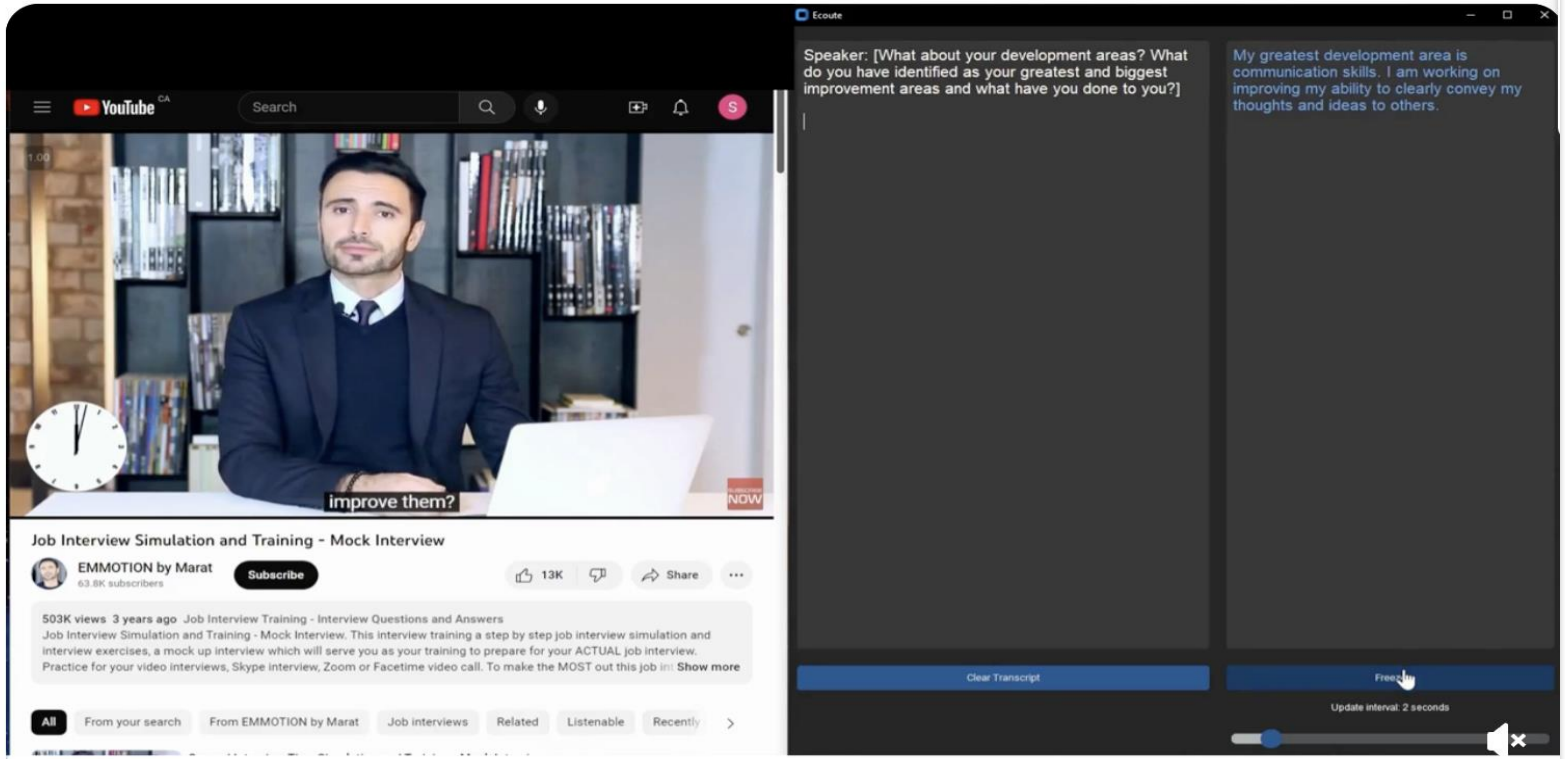
Here Comes the Point: We have Reached the Ohno Moment…

r/ChatGPT • 2 mo. ago
by freegold4me

Join

I Built an GPT4-Powered Live Transcription Tool That Helps You Nail Job Interviews by Generating Perfect Responses in Real-Time!



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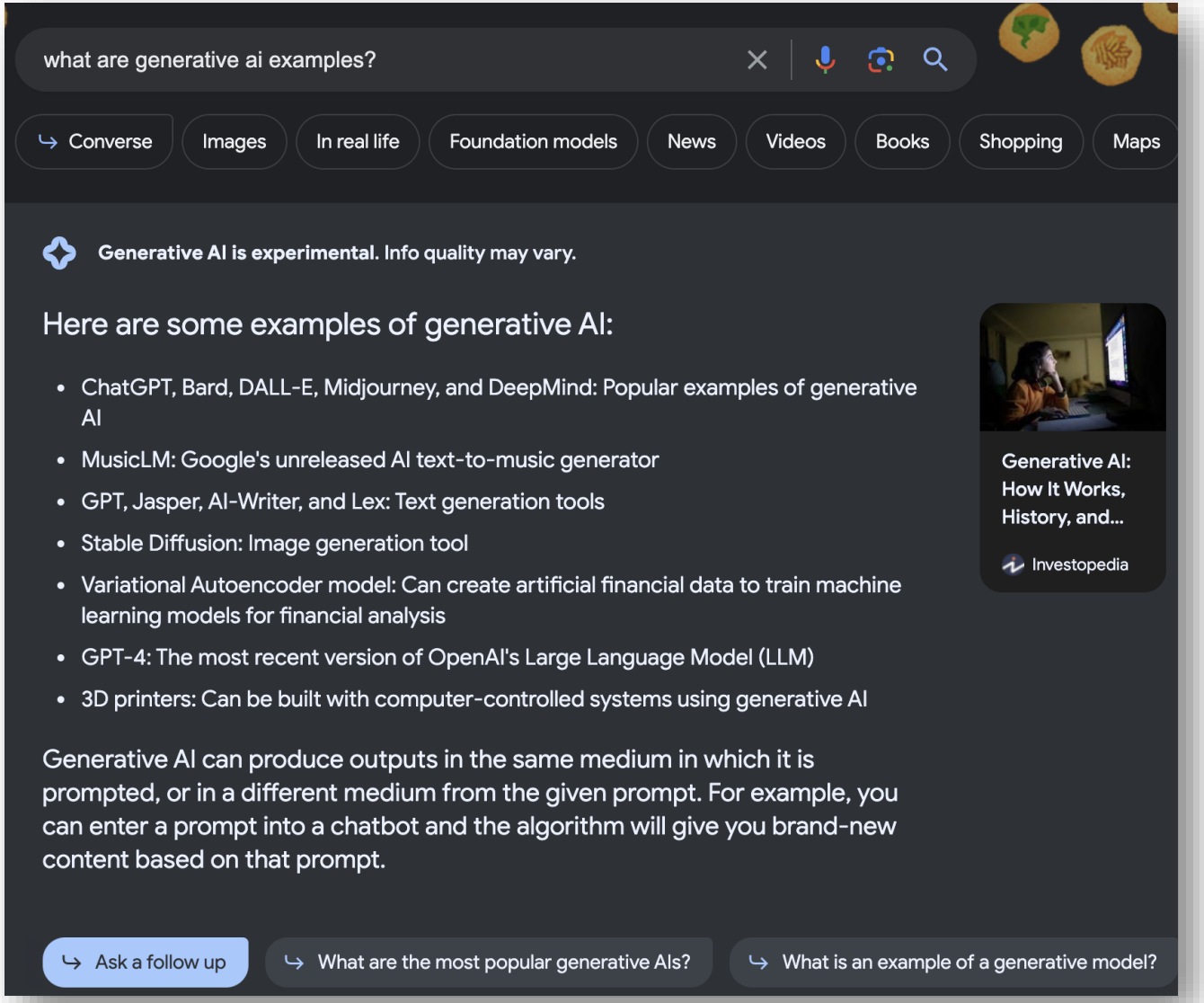
Generative AI Explains Itself



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Generative AI

- When very large changes arrive we try to use metaphors for what has come before to understand them.
- Often these metaphors limit and shape our thinking.
- For example, ‘computers’ were called that because of the job they were initially replacing

Photo from National Photo Company Collection, Idea from Boaz Barak

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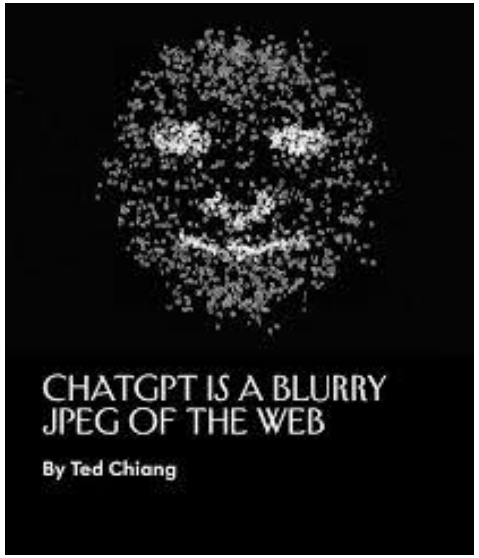
Metaphors for AI

Stochastic Parrots

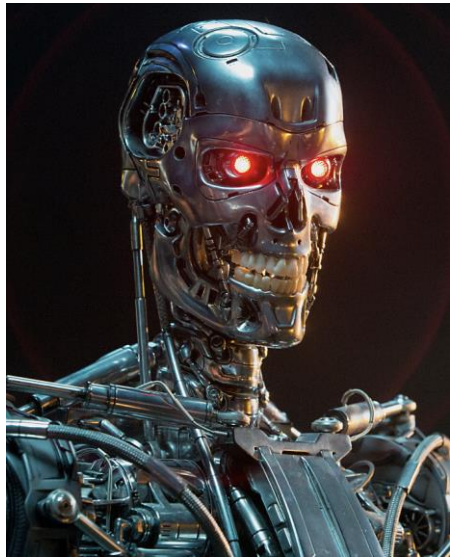
A Blurry JPEG



The New McKinsey

A New Alien Specie…

Killer Robots



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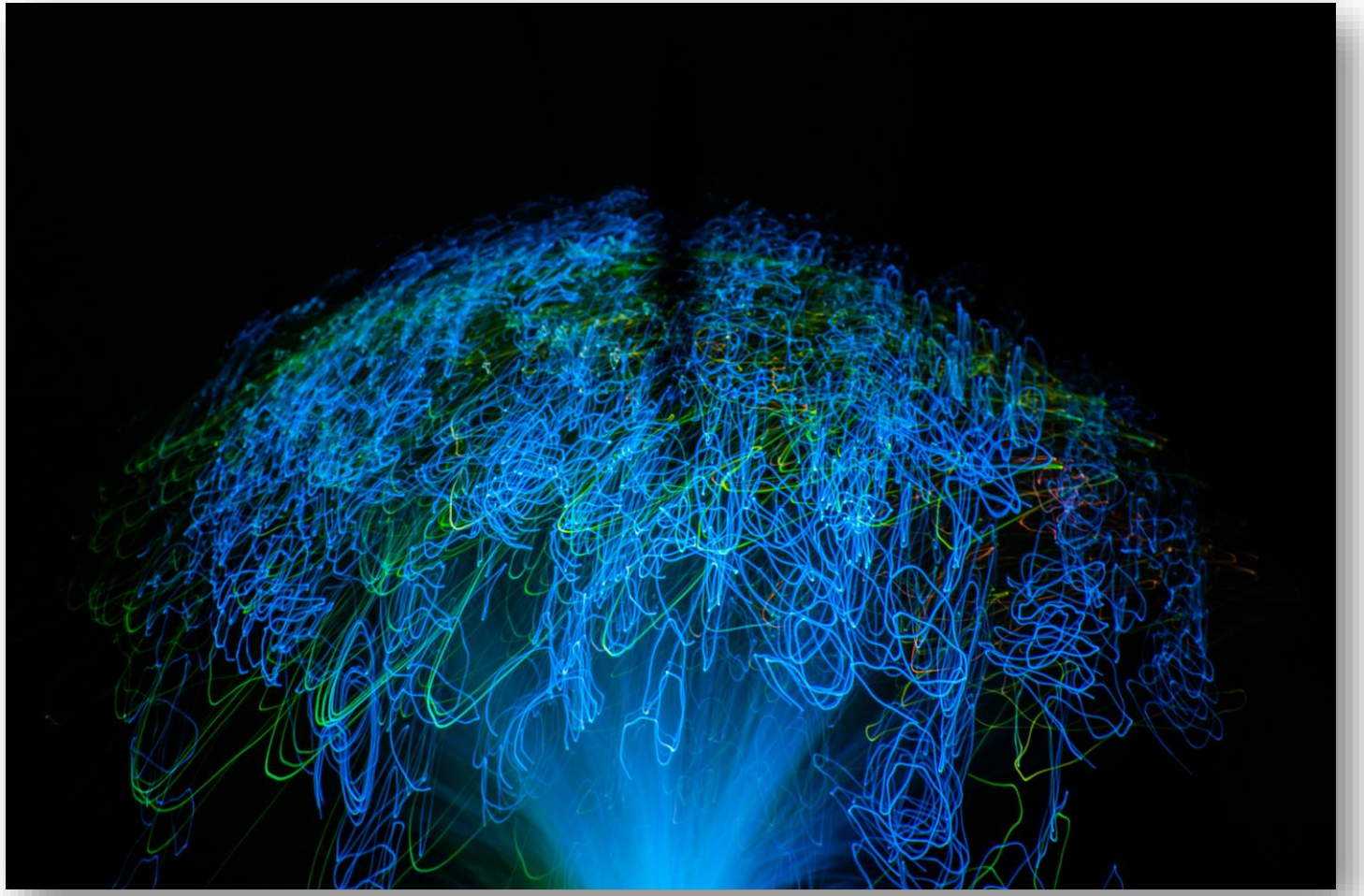
What People Think AI Is



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What is AI?

“A.I. is the science of how to get machines to do the things they do in the movies.”

-Astro Teller, CEO of X

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Some Opinions on AI

“I’ve always thought of A.I. as the most profound technology humanity is working on—more profound than fire or electricity or anything that we’ve done in the past.”

-Sundar Pichai

“Artificial intelligence is the future…for all humankind. It comes with colossal opportunities, but also threats that are difficult to predict. Whoever becomes the leader in this sphere will become the ruler of the world.”

-Vladimir Putin

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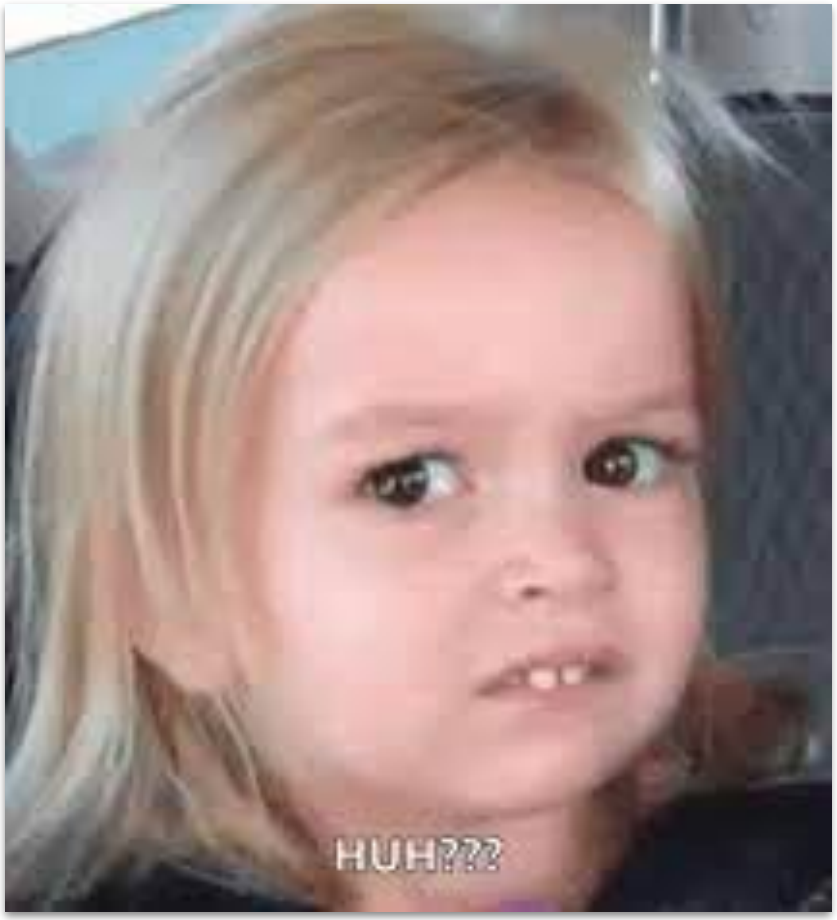
Techno-discombobulation

- What exactly is AI?
- Can algorithms be powerful without being AI?
- Should I use AI in my business?
- How do I know if AI is working?
- How do I know if it is biased?
- Is it legal?
- How do candidates feel about it?
- How do I begin?
- Where am I???



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Wrong Answers

It's simple!

We have the most/best AI

Trust us!

It's validated...

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Marketing vs Science

Not all marketing is wrong or bullsh!t.

But you should **assume it is** until you verify its accuracy.

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Innovation Financing

How are innovations brought to market in the US today?

- Two main paths:
  - Funded startups
  - Huge tech companies

- Funded startups require hockey stick growth plans
- Huge tech companies are beholden to shareholders who expect returns

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Generative AI Strengths and Limitations

Strengths	Limitations
New, human-like output	Accuracy
Ability to learn quickly	Bias
Massive integration across modalities	Resource intensive
Fast technology growth/adoption	Ethical concerns
	Creativity limit

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Central Questions to Consider

- What is AI? Generative AI?
- How can it be leveraged today? Tomorrow?
- How could it be used in our business (responsibly, effectively)?
- What would it take for us to use it?

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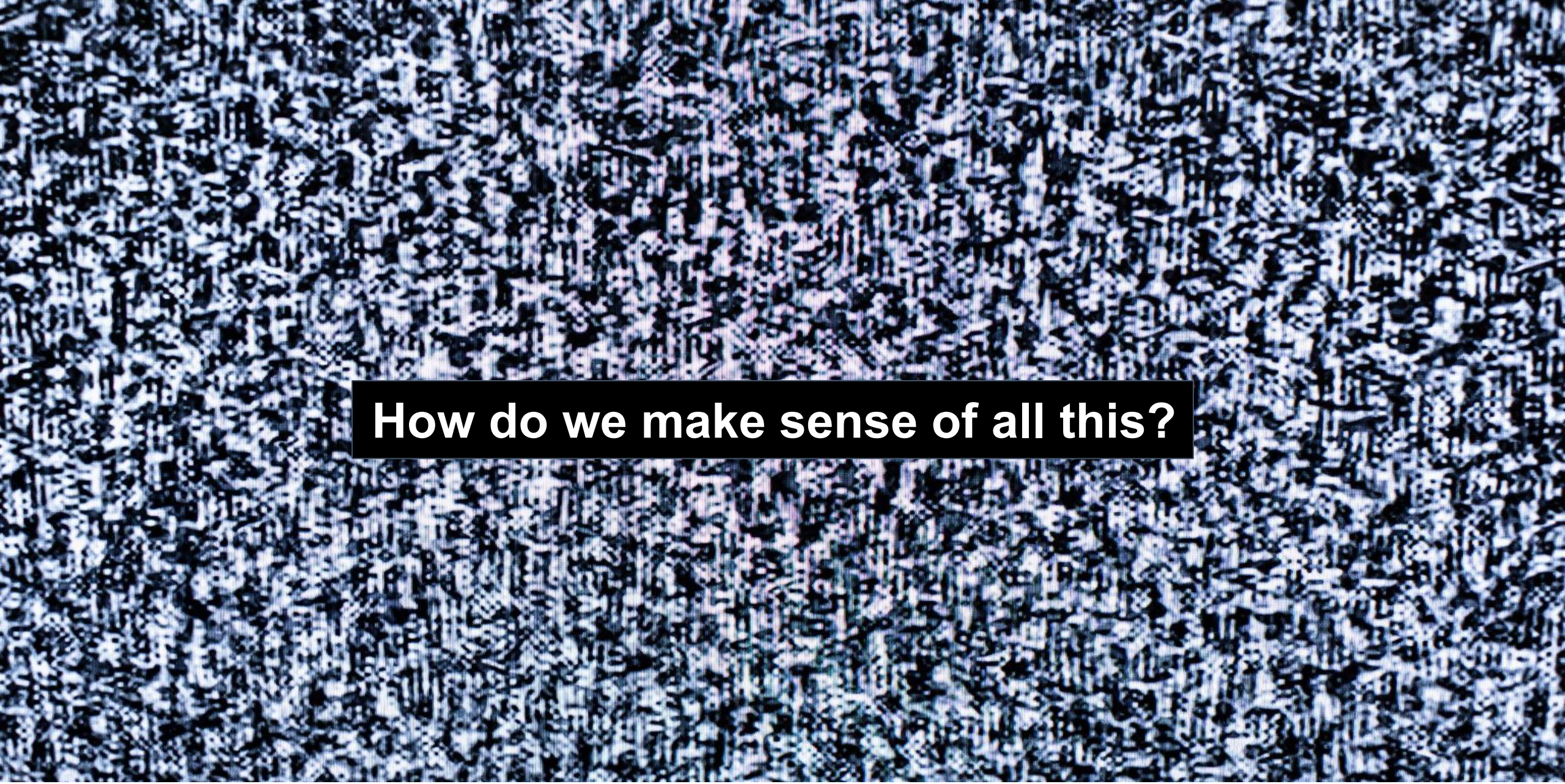

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Our Field Knows The Answer!

- It’s the scientific method!
- Uniform Guidelines, SIOP Principles, etc.
- Your skills and perspective are extremely valuable in this problem space!

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How to Approach AI

1. Understand what it can do and validate that it does it.
2. Monitor adverse impact regularly.
3. Maintain awareness of existing and emerging AI legislation.
4. Store data carefully and in alignment with agreements and laws.
5. Use your understanding of data, science, validation, and employment law to educate others.
6. And above all…

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Be a Guardian of Humanity

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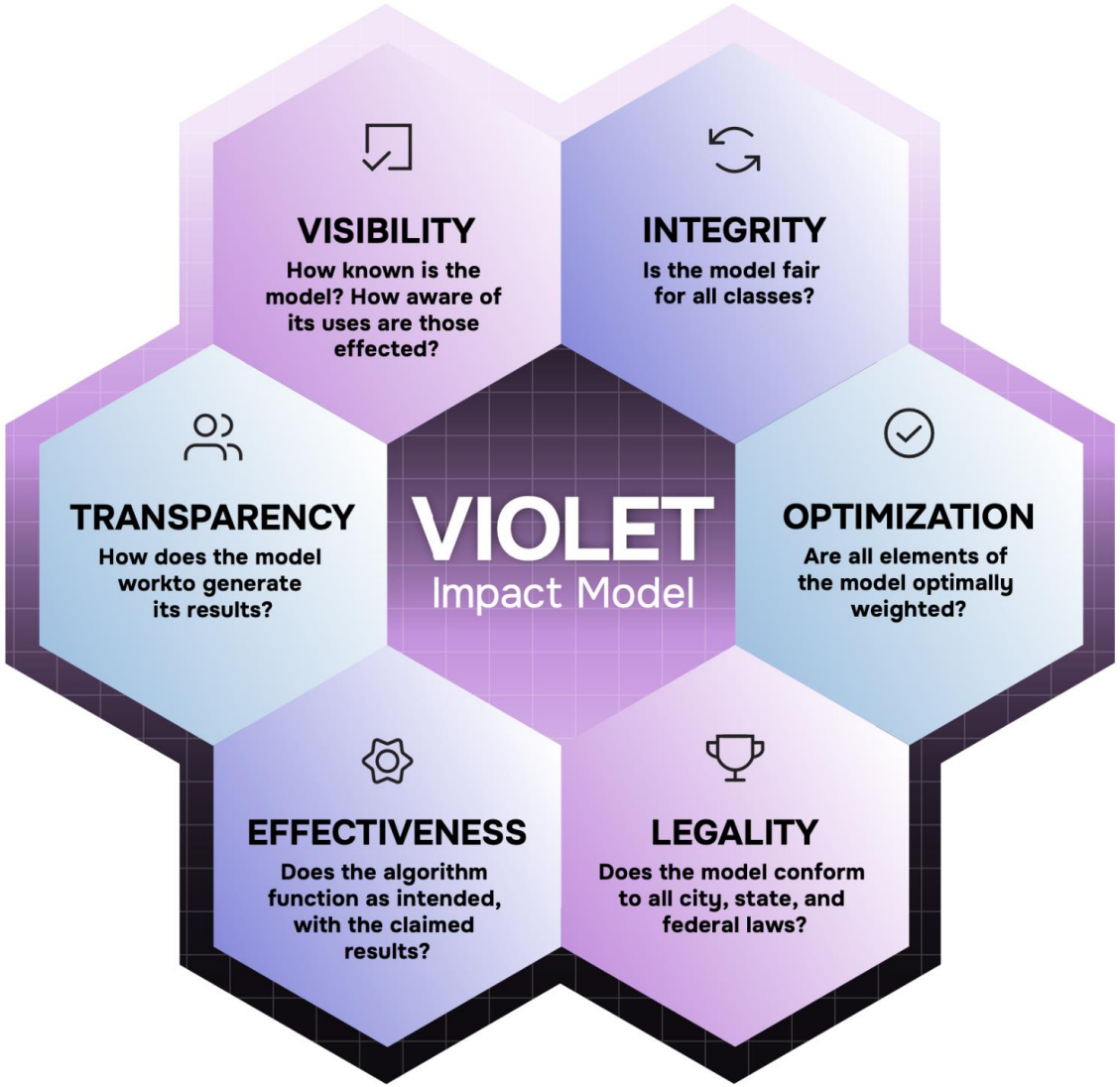
The VIOLET Impact Model



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Example VIOLET Report

VIOLET Impact Report

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Summary report on ACME, Inc's use of an AI-powered algorithm to score candidate applications in their hiring process.

Element	Results	Score
Visibility	**Highs:** Clear candidate messaging present with opt-out option; algorithm use is apparent to both candidates and recruiters interacting with the hiring software. **Lows:** Approximately 40% of higher level talent acquisition leaders are not aware of the use of algorithms; unclear to candidates what happens to their applications if they opt out. **Actions:** Educate talent leaders on the use of algorithms and their risks and benefits; clarify candidate messaging to include statement on opt out ramifications.	4
Integrity	**Highs:** Available data showed that the size of protected class differences was practically insignificant, though some large sample comparisons resulted in significant differences. **Lows:** Missing data prevented the calculation of differences for American Indians as well as several intersectional groups. **Actions:** Build process to monitor differences continually; investigate alternate sources of data on low volume protected classes and intersectional groups.	3
Optimization	**Highs:** Algorithm runs optimally in training dataset; comprehensive set of parameters taken into account during development. **Lows:** Significant loss of predictive power in various geographies; wide fluctuation in group differences across regions. **Actions:** Retrain model using multiple outcome optimization or similar techniques; investigate alternate scoring that could reduce variation in group differences.	3

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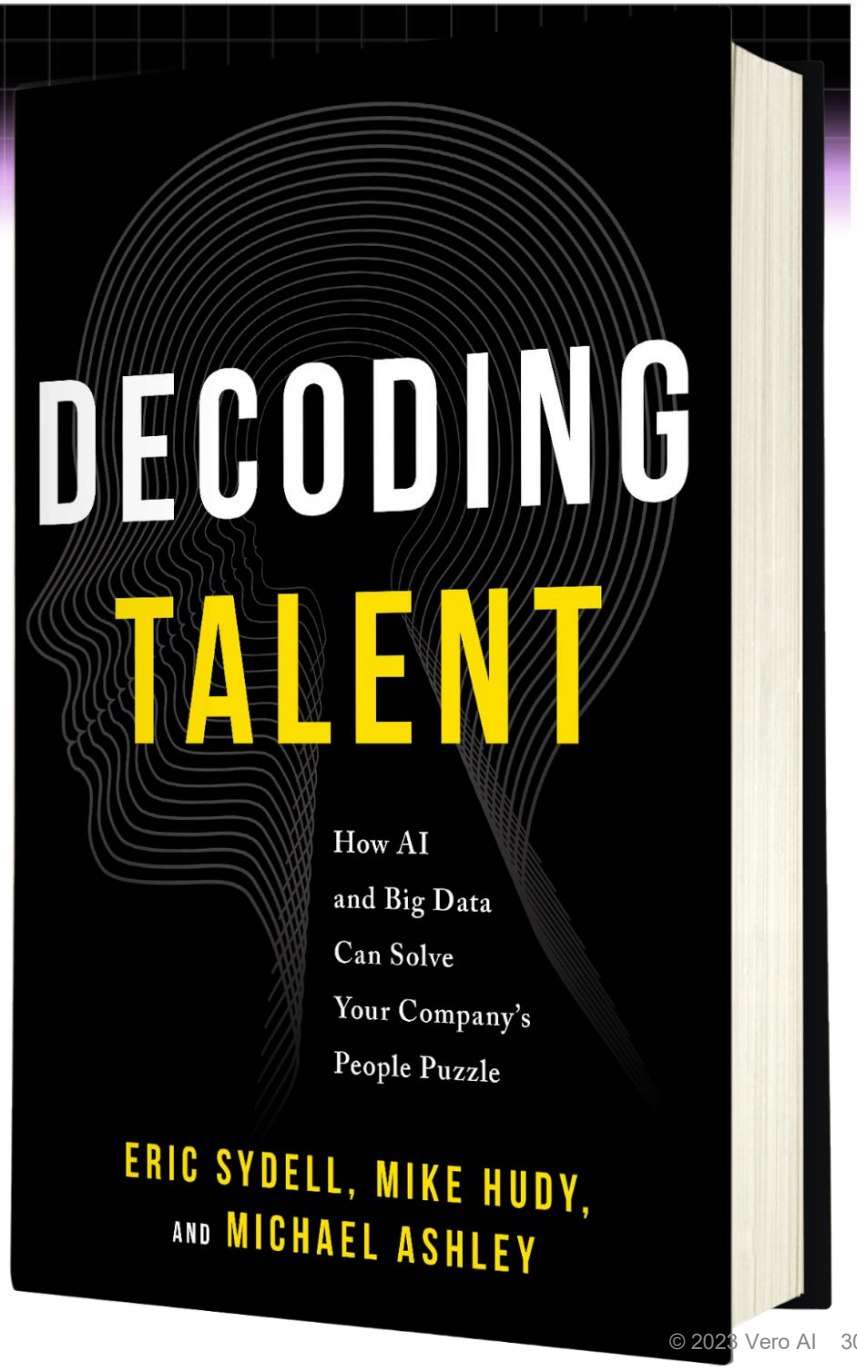
Decoding Talent

- Presenting a comprehensive vision of the future of talent management in the age of big data and AI
- Introducing a talent analytics maturity model to help truly decode talent organization wide
- Released in February, 2022

FAST COMPANY Press

A clear and powerful plan for how to leverage tech, data, and AI to finally and truly revolutionize HR and talent management
—Jim Livingston, chief people officer, Rock Central



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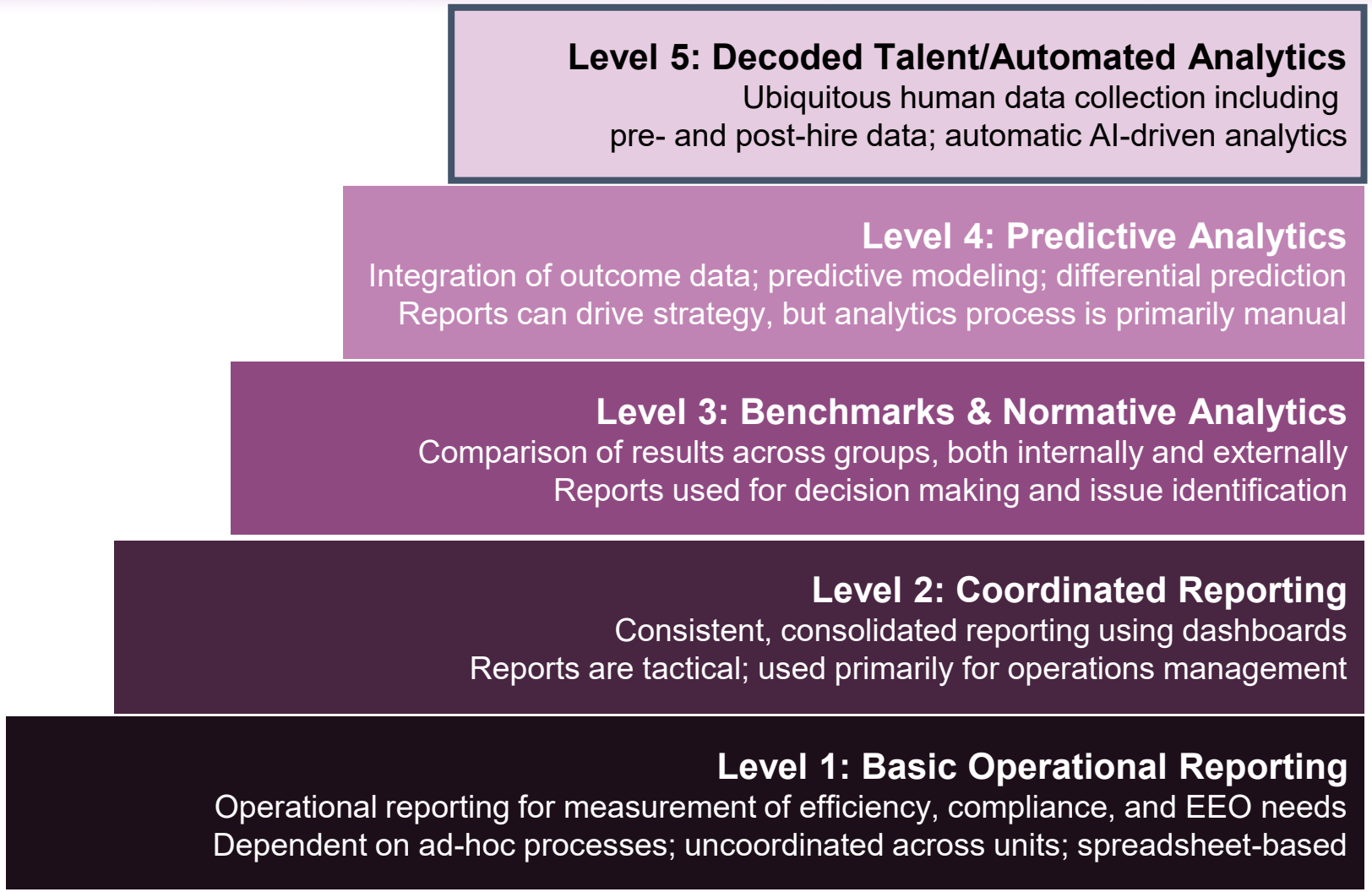
Talent Analytics Maturity Model



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The Decoding Talent Model

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AI is the (Utopian or Dystopian?) Future

It is up to us to decide!

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