V CodeSignal

EBOOK

Al for Talent Teams: What to Do First (and What to Do Next)



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AI for Talent Teams: What to Do First (and What to Do Next)

Introduction

The future of work is here, and it's powered by artificial intelligence. For talent teams, AI introduces powerful, innovative, and time-saving new solutions for finding and hiring the best people for the job. Over 80% of companies, in fact, are planning significant investments in AI-driven hiring solutions this year. And the benefits of doing so are clear: businesses utilizing AI for recruitment have seen a 38% decrease in their time-to-hire.





12 million

net new jobs will be created due to AI



of companies surveyed plan to invest in AIdriven solutions to enhance their recruiting process this year



9 in 10

jobs will change due to the introduction of Generative AI



38%

reduction in time-to-hire for companies using AI-based solutions

Sources: McKinsey; Aspect43

With the recent investment in AI hiring tools and so many tools available, many talent teams may not know where to start. Where can AI have the most impact on your process, and where can AI improve experience?

This ebook will help you answer those questions so you can decide where to start with AI tools for your talent team—and where to go next. We'll start by helping you assess your current state of AI readiness and goals related to AI. From there, we'll recommend tools, best practices, and next steps aligned to your goals.

Whether you're taking a slow and measured approach to adopting AI, are exploring new AI hiring solutions, or have already adopted AI tools on your talent team, this ebook will prepare you to make the most of this exciting AI era in hiring.

Let's get started.

Assessing your level of AI readiness

To know where to start (and where to go next) when it comes to adopting AI solutions for your talent team, you first need to reflect on your team's goals and current state.

Which of the following best describes your talent team's readiness and goals related to AI?

Measured approach

We're looking to minimize risk and understand what skills candidates can demonstrate when they don't have access to Al tools.

Exploring Al

We're exploring new ways to integrate Al into our hiring processes to gain a stronger signal of candidates' job-relevant skills and boost the efficiency of our talent team.

STAGE C Tra

STAGE A

STAGE B

Transforming with AI

We've adopted Al as an essential part of our business strategy, and we're ready to scale Al tools and training across our entire organization.

Next, we'll dive into where to start and next steps to take depending on your team's level of AI readiness.

STAGE A Measured approach

If your team is taking a measured approach to AI adoption, risk reduction and protecting the integrity of your pre-hire assessments are top of mind for you. You may be worried about candidates using generative AI tools, like ChatGPT, to complete your pre-hire skills assessments. In this case, the best place to start is to adopt a hiring solution that helps you safeguard your assessments against candidates' use of unauthorized AI resources.

WHERE TO START

Decide if you need to prohibit candidates' use of Al tools in pre-hire assessments and interviews

You may choose to prohibit candidates' use of AI tools in assessments and interviews for roles where it's important that candidates demonstrate unassisted skills. Here are a few examples:

01.

Hiring a data analyst working with financial data. If you're looking for candidates to demonstrate their ability to independently interpret complex datasets and derive accurate insights, relying on AI could lead to compliance issues with sensitive financial information.

02.

Hiring a cybersecurity analyst who needs to independently identify and mitigate threats. These high-impact scenarios demand that candidates are able to think quickly and critically, which the use of AI in an assessment might obscure.

03.

Hiring a senior graphic designer to lead a brand refresh. In this case, you may wish to assess candidates on their creative vision and originality more than their ability to prompt an AI.

Interested in seeing how your candidates can leverage AI tools on the job?

<u>Skip to page 8 →</u>



WHAT TO DO NEXT

Adopt a solution that prevents and detects Al usage

If you choose to prohibit candidates from using AI, you'll want to make sure you have a way to prevent and detect the use of AI tools in pre-hire skills assessments.

To **prevent** candidates' AI usage, there are a few key features you should look for in a skills assessment or interview solution:

01.

The first and most obvious way is to **clearly communicate your policies around AI tool usage**. Look for hiring platforms that ask candidates to acknowledge these policies and consent to them.

02.

The next helpful feature for preventing AI usage is the option to **disable candidates' ability to paste text** into your platform. This prevents candidates from copying and pasting large blocks of code or written responses from a service like ChatGPT into your assessment platform.

Even with the best prevention efforts, it's important to have ways of detecting AI use in your skills assessment platform, as well. Some candidates, unfortunately, will attempt to game the system and misrepresent their own abilities on skills assessments—this is where AI usage detection comes in handy.



To **detect** AI-generated responses, here are a few capabilities to look for when evaluating assessments and interview solutions:



Evaluating typing linearity and typing patterns

Natural human typing is variable—people write for a while, pause, write more, and revise what they've written. AI-generated text, whether pasted or typed out by hand, lacks this natural flow.



Detecting commons tells of Al usage

Certain patterns in writing style or in code quality often indicate the use of AI tools. Look for assessment solutions that flag these indicators for closer review by the hiring team. Also, in live interviews, asking candidates deeper questions about their approach can illustrate whether or not they developed a thoughtful solution or quickly got the answer from AI.



Proctoring assessments and interviews

Having a human (and technology) proctor review video and screen recordings of each assessment session is a great way to monitor candidates' browser activity and detect the use of unauthorized resources.



To recap: if you're taking a measured approach to AI adoption on your talent team, you'll want to start by deciding if the roles you're hiring for require candidates to demonstrate unassisted skills. If so, you'll then want to look for pre-hire skills assessment and interview solutions that effectively prevent and detect candidates' use of unauthorized AI resources.



PRODUCT SPOTLIGHT

CodeSignal's Suspicion Score

Suspicion Score is how CodeSignal flags potential instances of cheating and use of unauthorized AI tools to our customers.

Suspicion Score combines multiple factors into one model to assess whether a candidate's submission represents their own work. These include:

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Data Science Pipeline +			v ± 0	
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Score	a integrity issues detected	Tools used		
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Questions				
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Question		Three Open Surgician Score		
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	Suspicion Descriptio	score: High	N View re	lone 2 play
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Similarity score

We compare candidates' solutions to all submissions on our platform and search the web for similar solutions posted online.

Pattern detection

Our Suspicion Score dissects each solution to identify patterns across the millions of interviews and assessments conducted through our platform.

Telemetry

We use telemetry from our platform to reliably identify activities correlated with use of AI coding assistance, such as unusual typing patterns.

Paste events

CodeSignal tracks when candidates copy and paste code into our platform from another window, and what was copied.

Read more about CodeSignal's one-of-a-kind Suspicion Score →

STAGEB Exploring AI

For teams exploring AI solutions for their talent teams, there are a variety of AI tools you might add into your hiring process—from AI-powered resume screening solutions, to automated scheduling tools, to AI assessment scoring. With so many options, it can be challenging to know where to start.

WHERE TO START

Decide where AI can best help your team

The best place to start is by reflecting on your team's current pain points. What parts of your process introduce the most friction? For instance: Are recruiters struggling to screen a high volume of applications? Are the wrong candidates making it to later stages of your hiring process? Are hiring managers spending too much time interviewing unqualified candidates, or manually evaluating skills?

Once you answer these questions for your talent team and hiring process, you can select AI tools designed to solve those problems. Here is our quick guide to tools best practices aligned to common recruiting challenges:

CHALLENGE		SOLUTION		
	Struggling to screen a high volume of applicants	Al interviews—interviews conducted by an advanced Al agent—can scale your recruiting team's capacity to screen a high volume of candidates at the top of the funnel.		
	Wrong candidates advancing in the process	Skills assessments that simulate the job can be used at the top of the recruiting funnel to narrow in on candidates with the right skills.		
	Too much time spent interviewing and/or grading assessments	Al-powered skills insights and assessment scoring make interview and assessment grading faster, easier, and more objective.		

In the next section, we'll dive deeper into these solutions to help you decide where to go next.

WHAT TO DO NEXT

Leverage AI tools to solve hiring pain points

After determining how AI can make the most impact in your hiring process, talent teams who are exploring AI should adopt AI tools that align with these goals. Here is a deeper dive into the tools and best practices described in the previous section:

Al interviews

This is one of the most recent and innovative uses of AI in the recruiting world. AI-powered conversation simulation is a revolutionary way to scale recruiting team capacity by having candidates engage in real-time, job-relevant conversations with an advanced AI agent trained on your company's context.

One example: Companies today are using hiring solutions with AI conversation simulation to replace the initial phone screen. In this use case, candidates engage in a two-way, recorded conversation with an AI agent trained on their company's context and requirements for the role.

This allows hiring teams to screen a high volume of candidates with a highlyrealistic AI interview where candidates can ask questions, learn about the role, and engage in a conversation about their skills and qualifications. Recruiters, meanwhile, save time and boost their efficiency by focusing on candidates who pass the initial AI-assisted screening.

Looking to explore more with AI?

Level up your talent team with core skills in leveraging Generative AI with a course from CodeSignal's <u>GenAI Skills Academy</u>.

AI for Talent Teams: What to Do First (and What to Do Next

2 Al-native job simulations

There's no better way to identify the most qualified candidates for a role than by using a hiring process that simulates what they'll actually do on the job. Job simulations can take many forms. For technical roles, like software developers or data analysts, it could involve working in an integrated development environment (IDE) or a spreadsheet. For customer-facing roles, it might look like writing an email or having a phone conversation.

One effective use of AI to simulate customer-facing and other business roles is through AI conversation simulation. AI conversation simulation using a specialized AI agent allows candidates to engage in highly realistic role-play interview scenarios. Customer success teams, for example, use this technology to simulate a live conversation with an upset customer; Sales teams simulate a real negotiation with a procurement team; and Engineering teams simulate providing feedback on code quality to a team member.

PRODUCT SPOTLIGHT

Al interviews for business hiring

When hiring for roles like Sales, Customer Success, Support, or Product Management, it's often the hard-to-quantify "soft skills" that matter most for the role.

In traditional hiring processes, interviewing for these roles is often time-intensive, subjective, and inconsistent. Interviewers can differ dramatically in their expectations for a role and how they assess candidates' qualifications. Meanwhile, hiring teams for these roles spend hundreds—even thousands—of hours each year interviewing candidates, with mixed results. Interview Invitation Sent!
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AI for Talent Teams: What to Do First (and What to Do Next)

CodeSignal's suite of <u>assessments for business hiring</u> give time back to hiring teams while improving objectivity by leveraging AI-native work simulations and skills insights. Here are a few of our most popular business hiring assessments:



General Customer Interaction Assessment

This assessment evaluates key customer interaction skills, including managing frustrations, building trust, and following through. It is designed to measure communication and problem-solving abilities within a 30-minute timeframe.



AI Literacy Assessment

This assessment evaluates AI Literacy, focusing on GenAI Capability Awareness, practical Proficiency and Use, and understanding of GenAI Limitations through interactive writing and conversational tasks reflecting real-world applications.





General Software Sales Assessment

This assessment evaluates core software sales skills, including Prospecting, Discovery and Needs Analysis, Persuasive Communication, Persistence, and Negotiation through realistic sales scenarios.



PRODUCT SPOTLIGHT

Al-assisted coding assessments for technical hiring

CodeSignal now offers <u>AI-assisted coding assessments</u> that are purpose-built to evaluate how developers deliver projects with the use of AI assistance.

We found that simply adding a co-pilot to existing assessments does not provide a strong signal of skill, as many existing assessments are easily solved by an AI co-pilot. AI-assisted coding assessments feature questions rethought from the ground up to be more realistic and complex, testing both coding proficiency and AI utilization.

The experience gives candidates access to Cosmo, a highly context-aware AI Assistant integrated into the IDE, which makes the evaluation more true-to-life. Hiring teams, in the meantime, get full visibility into candidates' use of and interactions with Cosmo to better assess their ability to leverage the same AI tool effectively.

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Al assessment scoring and skills insights

AI tools today unlock major advancements in job simulation, like using an AI agent to role-play a customer conversation or asking candidates to build an app with the help of an AI copilot. Assessing candidates' performance in these simulations at scale, however, can be tricky: what does a successful Sales negotiation sound like? What does effective use of an AI coding assistant look like?

That's where hiring teams benefit from the use of AI-powered assessment scoring that can provide deep insight into candidate skills—even in complex job simulations that don't have simple "right" and "wrong" answers.



For **business positions**, AI can analyze written and verbal responses for clarity, coherence, critical thinking, and specific domain knowledge. This can be applied to scenarios such as assessing customer interaction quality, reviewing internal communications or requests, and evaluating documentation.



For **technical roles**, AI can analyze candidates' code to assess not just correctness, but also dig deeper into code quality, efficiency, and adherence to best practices.



A note on keeping humans in the loop

While using AI tools to score assessments and interviews is an incredible time-saver, humans should be kept in the loop and understand the scoring so they can make fair and accurate hiring decisions.

This is not only best practice—it is one with legal and compliance implications. Using AI assessment scoring, CodeSignal gives detailed insights into a candidate's score and skills, making it easy to understand and empowering your team to make an informed decision.

To recap: If your talent team is exploring AI solutions for hiring, start by assessing your team's current pain points. Then, you'll want to explore AI solutions designed to address your specific challenges. These include AI-native job simulations that give you a stronger signal of candidate skill, AI Interviews that expand your team's capacity to screen a high volume of candidates, and AI assessment scoring that saves time for your hiring teams.

STAGE C Transforming with AI

For companies that are already adopting advanced AI tools as part of your business strategy, the final piece of the puzzle when it comes to making the most of AI has to do with your team itself. How confident are your talent leaders, recruiters, and recruiting ops specialists with using AI tools in their own workflows? How well do they know the fundamentals of how LLMs work and their limitations? And how about the rest of your organization outside of the talent team?

WHERE TO START

Level up your organization in foundational AI literacy and skills

While many TA professionals are successfully leveraging AI tools to boost their productivity and find top candidates, others may still be wary of the implications of AI and may be resistant to adopting these tools. Building your team members' skills in AI doesn't just help dispel fears about this technology—it sets them up to make the most of these tools in their daily work.

CodeSignal's <u>GenAI Skills Academy</u> helps teams do just this with learning tracks aligned to how your employees can leverage AI in their jobs. The AI Use track is ideal for nontechnical teams (like Talent Acquisition, Sales, Marketing, and Customer Success) to understand the capabilities of today's latest AI tools, write effective prompts for GenAI tools, and effectively navigate the limitations of these tools.

An AI-literate talent team is a strategic asset for your organization that is capable of transforming Talent Acquisition into a proactive driver of innovation. Such a team can more effectively identify and attract top talent, optimize its hiring processes, and ultimately build more productive, effective, and future-ready teams at your company.



Al Use for All Employees



Al Integration for Engineers



TRACK 3 AI Creation to Grow AI Researchers

WHAT TO DO NEXT

Train your interviewers using AI

Leading talent teams today use AI-powered interviewer training to get their recruiters and other interviewers up-to-speed and asking the right questions, at scale. Look for an AI-native interviewer training solution that includes:

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Hands-on practice

Real-world interview simulations that allow interviewers to refine their skills in a low-stakes environment.

Immediate feedback

An AI tutor that provides actionable suggestions to improve interviewer performance and ensure they ask structured, skillsfocused questions that minimize bias.

Scalable learning

b !

Designed to train entire teams—regardless of experience level—in best practices for conducting interviews that are effective at identifying candidates who will excel on the job.



CASE STUDY

Leveling up recruiter training at **nextdoor**

Nextdoor, the leading app for building community connections, needed a way to scale their onboarding and training for new recruiters. They decided to do this with AI—specifically, CodeSignal's AI-powered interview training solution.

Today, Nextdoor uses CodeSignal to train their recruiters using state-ofthe-art conversation simulations powered by AI, which allow recruiters to practice speaking with a wide range of AI candidates in a realistic interview scenario.

As a result, Nextdoor has leveled up its recruiters' ability to tell the story of the company and engage with candidates in a consistent and compelling way. After completing the training on CodeSignal, recruiters report feeling more confident going into interviews with candidates and better able to speak to candidates in a variety of functional areas.





Talk with CodeSignal \rightarrow

To recap: If your organization has already integrated AI into its business strategy, your next move is to ensure your entire team is fluent in AI and confident using AI tools in their role. Then, you can take your team's AI adoption to the next level by using AI to train your interviewers at scale.

Conclusion

Today, talent teams are in an ideal position to shape the future of AI in hiring. Whether your team is cautiously dipping its toes in the water, actively exploring new AI tools, or fully embracing AI as a core business strategy, the key is to assess your readiness and goals, and then implement solutions that align with those goals.

After taking these steps, you'll be well-positioned to lead the charge at your organization with a future-ready approach to AI adoption.

What are your talent team's goals for AI?

GOALS	Assess what candidates can do their own while minimizing risk	Explore new ways to integrate AI hiring tools & see how candidates can leverage AI	Scale Al tools and training across our entire organization
FIRST	Decide whether to prohibit candidate's use of AI tools	Identify pain points in your hiring process	Get your entire time fluent in AI & confident using AI tools
NEXT	Identify assessment solutions that prevent & detect candidates' use of AI	Adopt AI tools that address these challenges, like AI-native work simulations, AI interviews, & AI assessment scoring	Use AI to train our recruiters & interviewers at scale

Want to learn more about CodeSignal's Al-native hiring and learning solutions?

Let's talk about next steps for bringing your talent team into the AI era.

Talk with CodeSignal

