



AI in Talent Assessment

Built for precision, backed by science

SHL

Bringing transparency and rigor to AI in assessment

Artificial Intelligence (AI) is no longer a future-facing concept, it's a present-day imperative for HR. As organizations face mounting pressure to close skills gaps, reduce time-to-hire, and build agile, future-ready teams, many are turning to AI for answers.

It's reshaping the talent assessment landscape too. Offering transformative opportunities to enhance decision-making, improve candidate experiences, and drive innovation across the employee lifecycle.

Yet the rush to adopt AI tools has created a confusing market full of opaque algorithms and unverified claims. For HR leaders navigating this complexity, the stakes are high: choosing the right AI partner means the difference between progress and risk.

SHL offers a clear and trusted path forward. We have embraced this evolution, leveraging AI to create smarter, more efficient solutions for our customers, our business, and our employees. Recognized by industry analyst Josh Bersin as an AI Trailblazer, SHL combines the promise of innovation with the discipline and rigor of science. This acknowledgment highlights not only the advancements we have already made but also the potential for shaping the future of AI in talent assessment.

SHL's assessment solutions are designed to accelerate hiring, enhance workforce intelligence, and improve internal mobility, while maintaining the fairness, transparency, and compliance standards that HR leaders are accountable for.

We embrace the potential of AI to transform talent assessment, and we defend the integrity of that transformation through validated methodologies, ethical safeguards, and explainable outcomes.

This paper outlines SHL's approach to transparent AI in assessment – what we offer, how it works, and why it matters for HR teams and organizational leaders today.



Sara Gutierrez,
Chief Science Officer, SHL

The HR landscape: Urgency meets complexity

Today's HR leaders are operating under extraordinary pressure. The velocity of change across industries, from digital transformation to economic unpredictability, has made it more difficult than ever to predict hiring needs, identify internal talent, and close the widening skills gaps. At the same time, new regulations like the [EU AI Act](#) and [New York's Local Law 144](#) are placing greater scrutiny on the fairness and transparency of AI-powered talent tools.

Meanwhile, internal HR teams are often stretched thin, they're expected to deliver more with fewer resources, and they work with more stakeholders across the business. In this environment, AI offers clear advantages, but only when deployed thoughtfully.

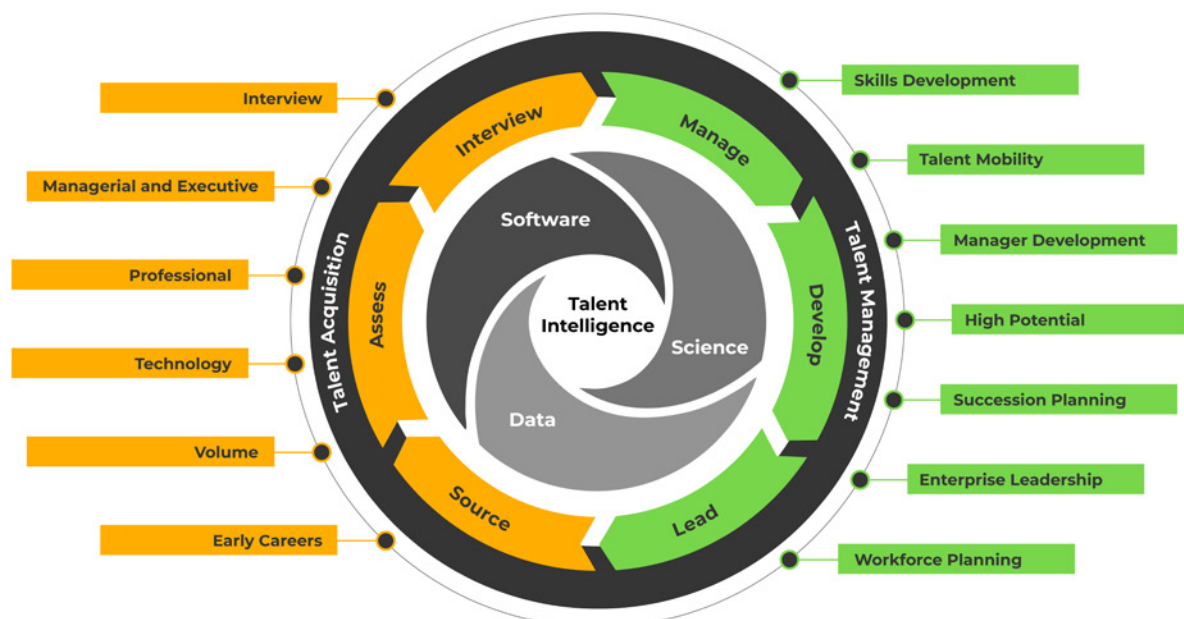
The challenge is no longer whether to use AI, but how to use it responsibly and effectively. That's where SHL comes in.

Talent Intelligence, powered by SHL

Our assessment solutions provide reusable and actionable insights across the entire talent lifecycle

A turning point in talent assessment

- Workforce evolution is driving demand for faster, smarter, more inclusive hiring
- HR face growing pressure to close skill gaps, scale hiring, and ensure equity
- Talent assessments and objective data are essential for fair decision-making across the employee lifecycle
- AI is reshaping how talent is evaluated, engaged, and developed
- Leveraging AI in assessment is a catalyst, not a threat, to productivity, fairness, and innovation
- The use of AI in talent assessment solutions, workflows and decisions needs to be transparent and explainable to instil trust among candidates, employees, leaders, and organizations



Defining AI in talent assessment

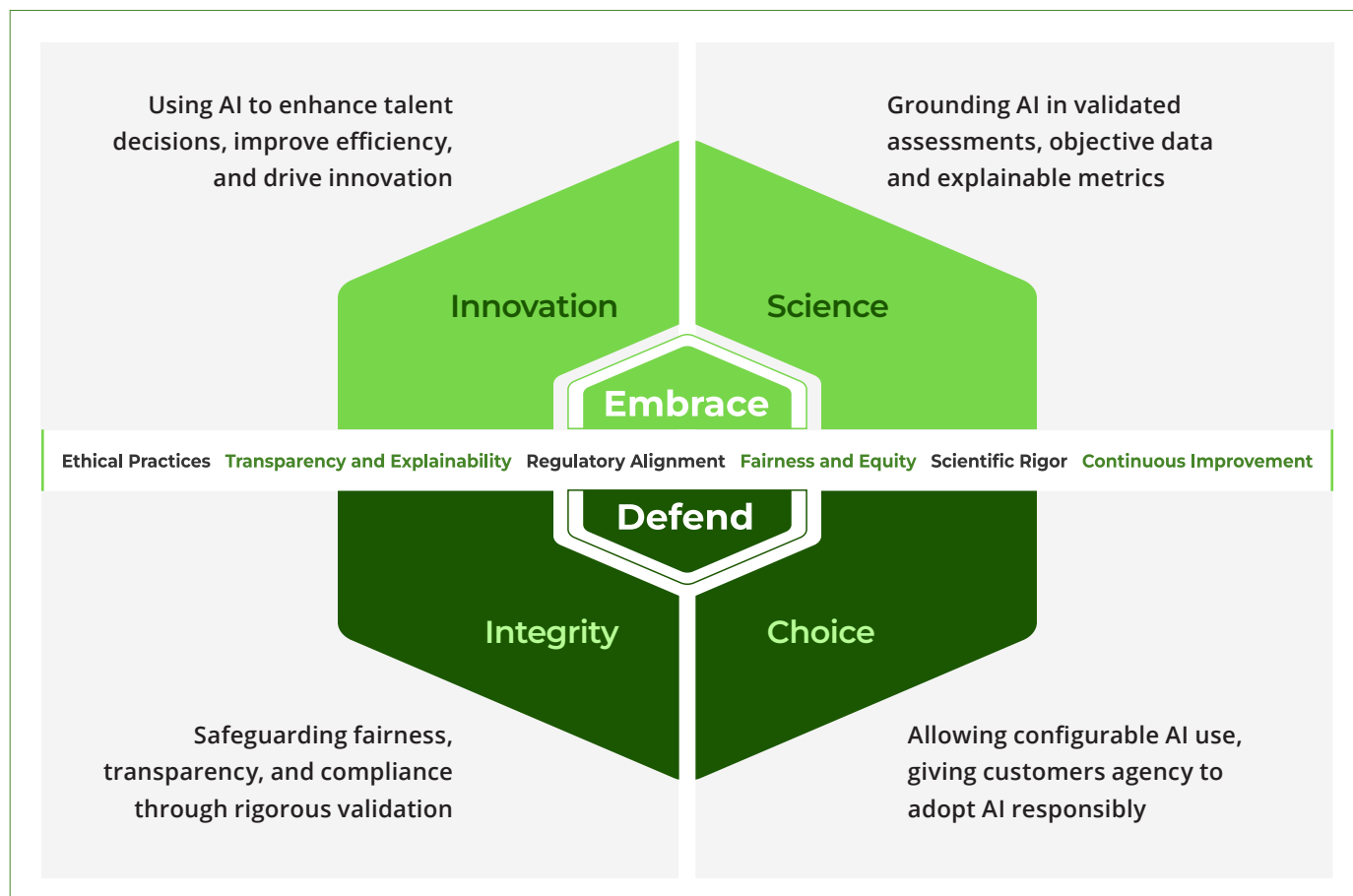
AI encompasses a range of advanced technologies, including natural language processing (NLP), machine learning (ML), generative AI, and predictive analytics. These tools enable organizations to analyze large volumes of data, automate repetitive tasks, and generate actionable insights that enhance decision-making and efficiency.

SHL's AI philosophy: Embrace and defend

We believe that AI should elevate, not replace, human decision-making. Our philosophy is simple: We embrace AI as a force for innovation, while defending the integrity, fairness, and scientific rigor that must underpin every talent decision.

This dual commitment sets SHL apart. Where other HCM providers rely on self-reported or inferred skills data, we ground our AI models in validated, objective assessment data. Where others offer black-box algorithms, we ensure our assessment tools and workflows are explainable and auditable. Where others push a one-size-fits-all approach, we provide modular options so our customers can adopt AI at their own pace and in line with their own compliance standards.

SHL's human-centered approach to AI in talent assessment



Practical applications: How SHL's AI is applied by HR teams globally

Across industries and geographies, HR teams are already using SHL's assessment solutions with robust and researched AI embedded to solve real problems and deliver measurable results.

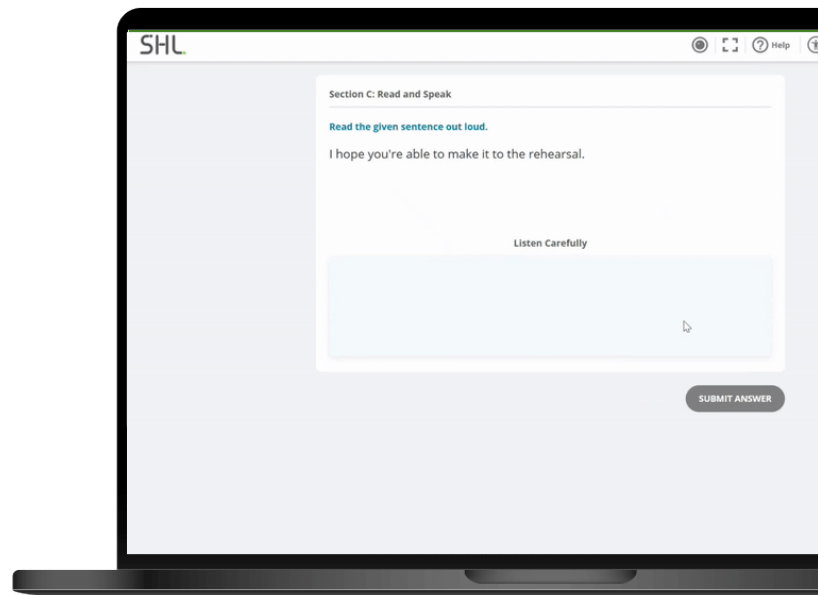
AI-driven assessments such as **SVAR** and **WriteX** are transforming industries like contact centers and retail, where rapid and accurate evaluation of verbal and written communication skills is critical. With AI scoring, companies can significantly reduce hiring timelines and increase operational efficiency.

In one example, a global business process outsourcing company used SHL's SVAR tool to cut time-to-hire by 60%. They saved more than 10,000 recruiting hours and doubled the number of qualified candidates entering their pipeline. The AI-powered tool was fast, fair, and scalable, everything modern hiring needs to be.

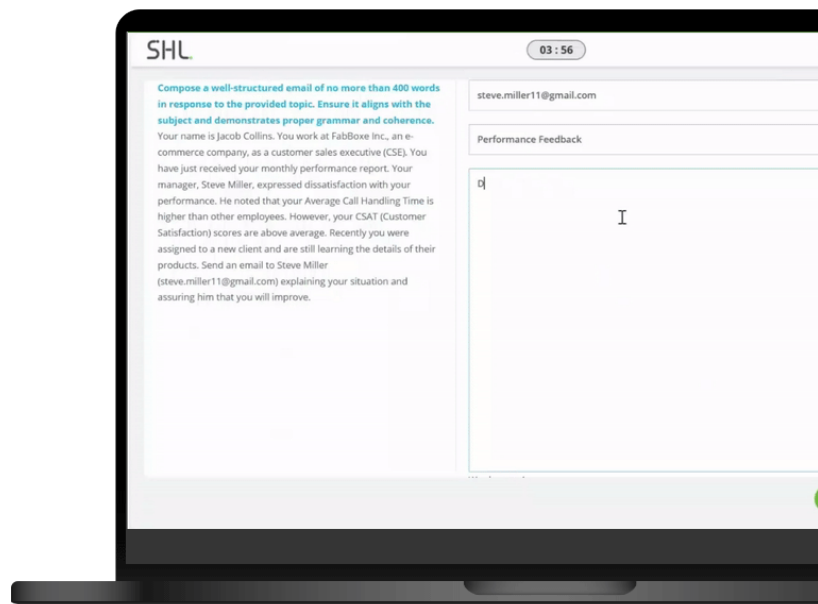
Our recent enhancement of SVAR with free-speech scoring capabilities takes this further by assessing real-world, spontaneous communication to provide more precise insights into candidates' language proficiency and overall communication effectiveness.

SHL also uses AI to streamline operations by automating time-intensive tasks, such as scoring assessments or summarizing interview notes, freeing up HR professionals to focus on strategic initiatives.

Organizations are using **Smart Interview Professional**, our AI-enhanced interviewing solution, to help hiring managers structure interviews more effectively. Leveraging AI to generate tailored interview guides by mapping job descriptions to relevant tasks and skills, deliver question prompts to interviewers in real time, enhance the candidate experience, and provide more useful comparisons. This not only improves consistency across interviews but also reduces administrative burden, giving teams more time to focus on quality hiring decisions.



SVAR: AI-powered assessment that evaluates spoken language proficiency



WriteX: AI-powered writing assessment that evaluates communication style and skills

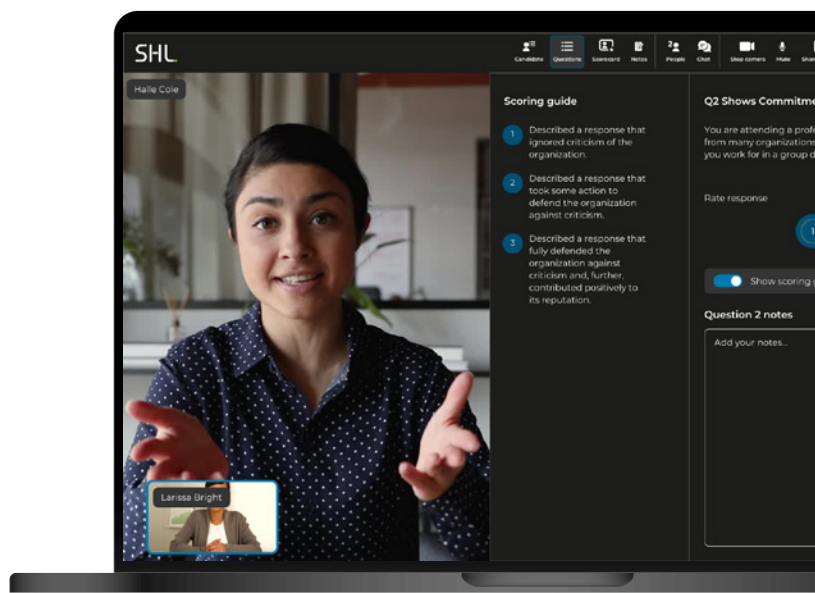
On the internal talent side, **SHL's Talent Mobility solution** is helping organizations identify true skills and match employees to new opportunities based on their potential, not just their current job titles. By applying AI to validated data, HR teams are driving more inclusive mobility decisions, targeting critical skill development, and reducing regrettable turnover.

We are also investing in the future as part of our SHL Labs innovation program. **SHL Genie, our upcoming conversational AI assistant**, will allow HR leaders to interact with their talent data in entirely new ways, asking natural language questions like “Where are our skill gaps in the sales team?” or “Which roles are at risk of attrition?” and receiving clear, data-backed insights in real time.

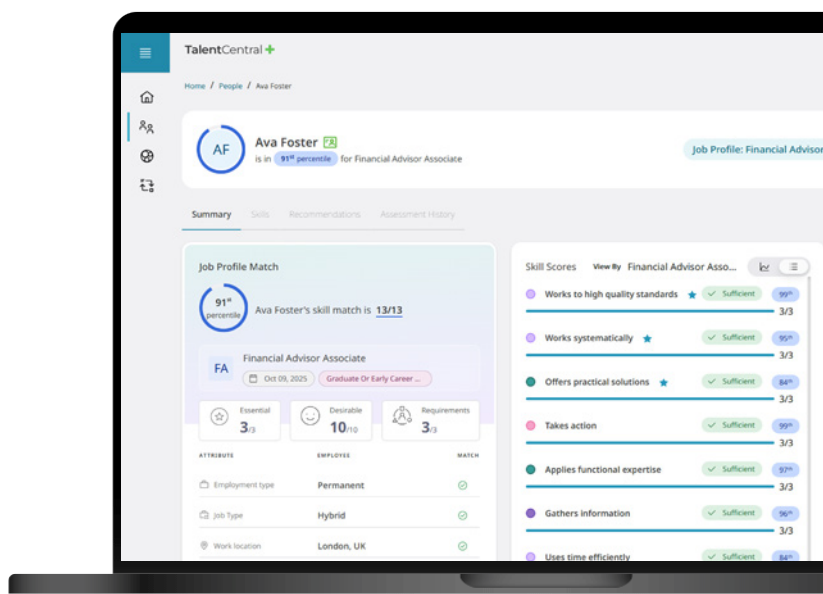
At the same time, we understand that not all organizations are at the same point in their AI adoption journey. Some may not be ready to integrate AI into all their talent processes or any at all. Accordingly, we have prioritized building products with flexibility and control, allowing customers to toggle AI functionalities on or off as needed. Such flexibility ensures that our tools can be used effectively while remaining compliant with diverse and evolving legal standards. Similarly, our new proctoring offerings are designed with this principle in mind, empowering customers to customize their experience to align with their specific needs and compliance requirements.

By harnessing AI, companies can enhance predictive validity, using advanced algorithms to identify people who are most likely to succeed in specific roles. SHL's modular approach supports compliance with various privacy and data regulations and accommodates varying client readiness for AI adoption, ensuring that organizations can leverage AI in a way that aligns with their unique needs and regulatory environments. This leads to better hiring decisions and stronger organizational performance.

When combining these applications with careful oversight and ethical practices, organizations can harness the power of AI to create faster, fairer, and more effective talent assessments. SHL remains at the forefront of this transformation, committed to advancing the science and ensuring that AI serves as a force for positive change in the industry.



Smart Interview Professional: AI-driven platform to create, deliver and evaluate structured interviews



Talent Mobility: A skills-based solution with AI-powered matching to connect people to internal opportunities and development.

Key Opportunities with AI

The future of talent assessment lies at the intersection of technology, data, and human insight. As organizations strive to navigate an increasingly complex talent landscape, SHL envisions a world where AI and innovative solutions work seamlessly to elevate every people decision. This vision encompasses six transformative pillars:

1. Talent Intelligence platforms

Tomorrow's talent intelligence requires a unified view across the employee lifecycle. SHL's Talent Mobility solution is a first step, helping organizations make informed decisions about movement, reskilling, and redeployment.

In the future, AI-powered ecosystems will identify skills gaps in real time, predict workforce trends, and forecast emerging needs. By combining these insights with human expertise, organizations can move from static workforce models to agile, data-driven strategies that ensure the right talent is in the right place at the right time.

2. Human + AI collaboration

AI should enhance, not replace, human decision-making. SHL is developing tools that simplify complexity, deliver actionable insights, and support predictive workforce planning.

SHL's AI-Readiness model indicates the measurable skills and capabilities that underpin effective use of AI tools and distinguish those who can leverage technology from those who are simply exposed to it.

In addition, the conversational assistant, SHL Genie, is the type of collaboration that ensures humans remain at the center, while AI speeds up smarter, more impactful decisions.

3. Innovative assessment formats

Evolving beyond traditional assessments, SHL is exploring immersive, AI-driven experiences like role-play simulations, real-time problem solving, and AI-powered virtual assistants to streamline interviews.

These innovations promise richer insights into candidate potential while creating more engaging, equitable experiences for participants and freeing HR teams to focus on higher-value work.

4. AI as a compliance enabler

As regulations evolve, SHL is committed to building AI that is ethical, secure, transparent and explainable. Through partnerships with legal experts, regulators, and technology providers, our solutions remain aligned with global standards such as GDPR and the EU AI Act.

Compliance is built into our technology from the ground up, ensuring organizations can confidently use AI while meeting evolving legal and ethical obligations.

5. Trusted partnerships

SHL is committed to partnerships and future collaborations with research institutions, industry bodies, and forward-thinking organizations that aim to advance AI-driven talent assessment through a scientifically rigorous and responsible approach. The future of AI in hiring will not be shaped by individual players alone, it requires a collective effort to build AI systems that are fair, minimize bias, and comply with evolving global standards. SHL welcomes the opportunity to work with organizations that share our vision, ensuring that AI not only enhances efficiency and innovation but also strengthens transparency, and accountability.

6. Internal innovation at SHL

AI is also transforming SHL itself. By embedding AI into operations, we're empowering our teams with faster insights, streamlining workflows, and ensuring consistent, high-quality product delivery.

This internal innovation allows us to serve customers more effectively while continuously improving how we operate.

Navigating risk and challenges with best practices

The integration of AI into talent assessments brings transformative opportunities, but it also introduces ethical, regulatory, and practical challenges. At SHL, we tackle these risks head-on with a robust framework of best practices that ensures our AI-driven solutions are fair, compliant, and scientifically rigorous.

Ethical AI: Ensuring fairness and transparency

AI models can unintentionally perpetuate bias, raising concerns about fairness and transparency. To mitigate this, SHL employs industry-leading practices that prioritize equity and explainability:

- **Diverse and audited datasets:** SHL builds diverse datasets rated by multiple independent expert raters, who periodically audit the datasets to ensure accuracy and fairness. These datasets serve as the foundation for training our AI models.
- **Explainable AI scoring:** Our AI systems are calibrated against human expert ratings, making it clear how specific candidate responses influence the final score. This ensures transparency and builds trust among candidates and customers.
- **Comprehensive documentation:** SHL's Science and AI teams collaboratively document and audit AI models, providing customers with technical insights and confidence in the reliability of our assessments.

Compliance with regulatory standards

The rapidly evolving regulatory landscape, including new legislation like the EU AI Act, presents another significant challenge for organizations using AI in talent assessments. Navigating these standards requires both vigilance and adaptability.

At SHL, we adopt a proactive stance, continuously monitoring emerging laws and regulations and adjusting our offerings to ensure our solutions meet current and future compliance requirements.

Our commitment to compliance goes beyond internal practices; we empower our customers to meet their own legal and regulatory obligations with confidence. SHL's assessments are designed to align with industry standards for fairness and data privacy, providing defensible solutions that reduce risk and enhance credibility. The ability to configure which AI features are enabled allows customer to proceed within their own environments, adopting at their own pace.

Reliability, validity, and scientific rigor

A cornerstone of SHL's leadership in AI-driven assessments is our unwavering commitment to scientific rigor. With decades of experience building validated assessments, we apply the same high standards to our AI solutions, ensuring they deliver reliable and meaningful results.

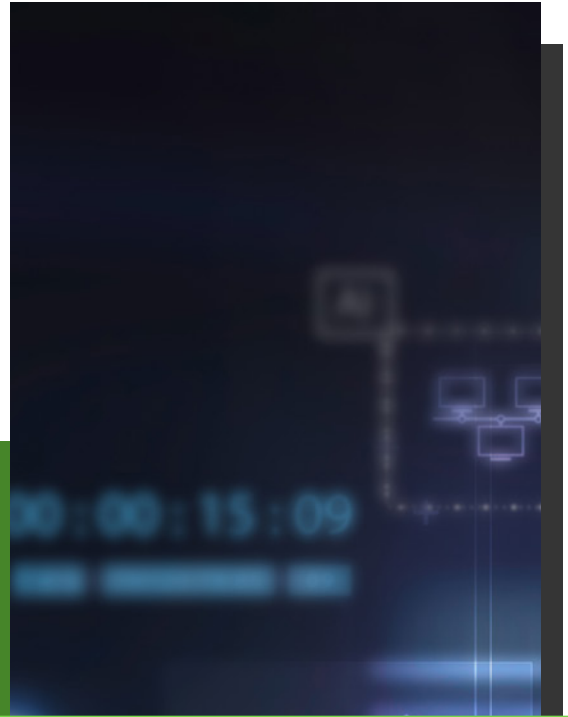
Our practices are benchmarked against globally recognized guidelines, including those established by the British Psychological Society, the European Federation of Psychologists' Associations, and the U.S. Equal Employment Opportunity Commission. These benchmarks guide the validation process for every AI-scored assessment, ensuring accuracy, fairness, and predictive reliability. Additionally, SHL implements advanced safeguards to stay ahead of market demands and continuously improve the quality of our tools.

The road ahead

- SHL continues to invest in the next generation of AI-powered talent solutions. From immersive simulations and role-plays that reflect real-world challenges, to virtual assistants that support HR teams and streamline hiring, we're committed to delivering innovation without compromise.

We are also addressing new risks, such as generative AI misuse in assessments, by developing formats that are resistant to manipulation and incorporating enhanced proctoring features. Our goal is not only to make assessments more insightful – but also more secure, fair, and defensible.

In short, SHL enables you to move fast – but stay safe. You maintain control over where and how AI is used in your processes, and we support your compliance every step of the way.



Questions HR leaders should ask AI vendors

AI is transforming hiring and talent decisions, but not every provider builds their solutions with the same level of rigor, responsibility, and transparency. HR leaders should be ready to look past the hype and ask the hard questions.

Here are key questions we recommend you ask any AI vendor before trusting them with your people decisions:

- Can you explain how your AI model works in language a hiring manager, regulator, or candidate can understand?
- Are your assessments validated for fairness and predictive accuracy across demographic groups?
- Can I enable or disable specific AI features to meet local legal or cultural requirements?
- How do you align with laws like the EU AI Act or GDPR?
- Have your assessment offerings successfully stood up to legal and regulatory scrutiny?
- Are your insights based on real data or just digital guesswork?
- Can you provide technical documentation on how AI is used in your offering?
- Do you already have validated tools and data sets in place to support your offering?

At SHL, our answer to each of these questions is a confident **yes**. We're proud to combine scientific rigor, ethical AI, and decades of validation data to help organizations make better talent decisions, responsibly and at scale.

Trustworthy AI for HR's future

As AI continues to transform the talent assessment industry, SHL remains steadfast in our commitment to both embracing the innovative potential of AI for the future while defending the integrity of our current solutions. By addressing challenges with intentionality and embedding best practices into every aspect of our operations, we are setting the standard for ethical, effective, and scientifically rigorous AI-driven assessments.

Our embrace and defend approach exemplifies this balance. We harness AI to drive innovation, revolutionizing how organizations evaluate, engage, and develop talent while advancing internal processes to increase efficiency, precision, and scalability. Simultaneously, we actively safeguard the integrity of assessments by countering threats such as cheating through large language models and ensuring compliance with evolving regulatory landscapes.

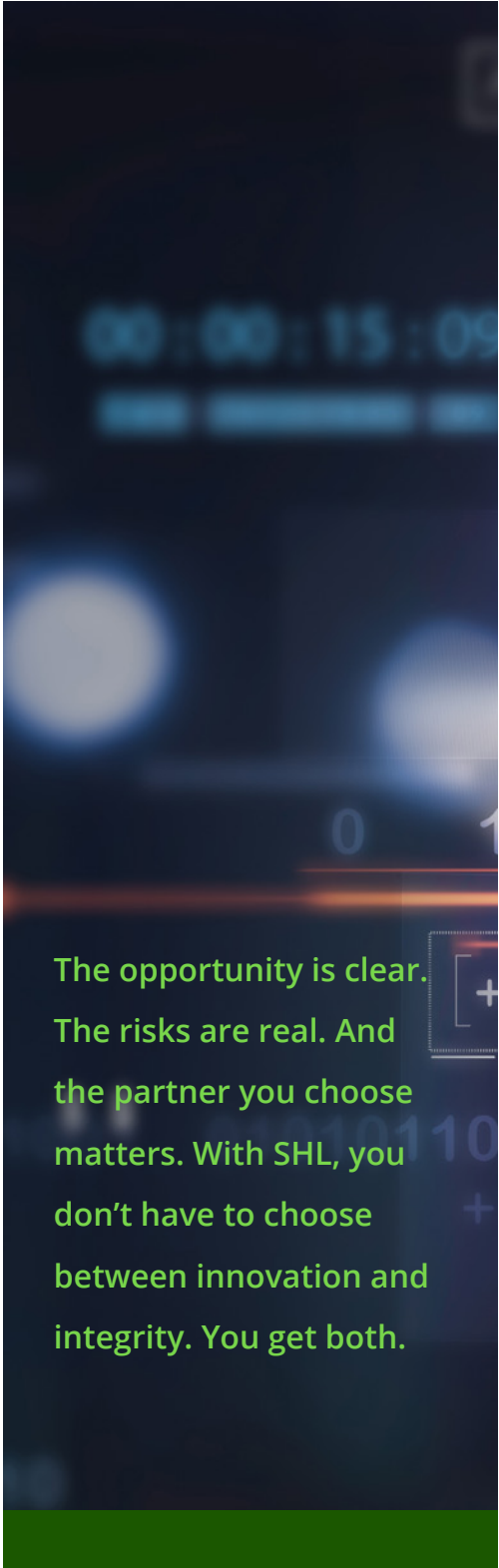
SHL's best practices: A commitment to excellence

At SHL, our approach to best practices reflects our deep-rooted commitment to ethical and effective AI solutions:

1. **Fairness and equity:** Through diverse and audited datasets, we ensure that our AI models generate fair outcomes across all demographics.
2. **Explainability and transparency:** We provide clear, detailed insights into how our AI models work, enabling customers to understand and trust our solutions.
3. **Regulatory alignment:** By proactively monitoring emerging legislation, we ensure compliance and empower our customers to navigate an evolving legal landscape with confidence.
4. **Scientific integrity:** All SHL assessments adhere to globally recognized benchmarks for validity and reliability, delivering high-quality, dependable results.
5. **Continuous innovation:** From developing new item types resistant to manipulation to enhancing proctoring capabilities, we stay ahead of industry risks while elevating the candidate experience.

By integrating these principles into our solutions, SHL ensures that we not only meet but exceed industry standards, delivering AI-driven assessments that are transformative, reliable, and equitable.

As we look to the future, SHL's vision remains clear: to lead the industry in creating AI-powered assessments that elevate talent decisions while upholding the highest standards of fairness, transparency, and scientific rigor. Whether by embracing the possibilities of cutting-edge innovations or defending the integrity of existing tools, SHL is uniquely positioned to help organizations navigate the complexities of AI and unlock the full potential of their workforce. Together, we can build a future where AI serves as a force for good in talent assessment, driving meaningful outcomes for businesses and individuals alike.



The opportunity is clear.
The risks are real. And
the partner you choose
matters. With SHL, you
don't have to choose
between innovation and
integrity. You get both.



SHL provides trusted Talent Intelligence that empowers organizations to make confident data-driven people decisions. Built on 45+ years of expertise, our innovative assessment solutions combine proven behavioral science, predictive analytics, and transparent AI to deliver objective, actionable insights across the talent lifecycle – from hiring and development to internal mobility. We help leaders measure skills and potential, unlock performance, and mobilize talent to drive transformation.