



APPLICANT RELATIONSHIP MANAGEMENT: A RELATIONAL PARADIGM FOR TALENT ACQUISITION

A. Specchia¹, S. Zamparelli², E. Horvath³

¹*Noesis Hiring*

^{2,3}*University of Molise*

Abstract

Contemporary recruitment practices remain dominated by Applicant Tracking Systems (ATS) that operate on elimination logic, sequentially filtering candidates through keyword gates and multiple-hurdle screenings. While efficient at reducing applicant volume, this paradigm systematically discards potentially suitable candidates and degrades the quality of information available to hiring decisions. This paper introduces Applicant Relationship Management (ARM), a relational paradigm for talent acquisition derived from Customer Relationship Management (CRM) theory. ARM reconceptualises applicants as stakeholders in a co-creative assessment process, replacing sequential elimination with compensatory multi-dimensional evaluation, dialogue-based interaction, and sustained relationship management including silver medallist re-engagement. Drawing on stakeholder theory, relationship marketing, and compensatory assessment science, we develop the ARM framework and its lifecycle model. We then examine its implications for emerging regulatory and sustainability reporting frameworks, including the EU Artificial Intelligence Act (which classifies recruitment AI as high-risk from August 2026), the UN Sustainable Development Goals 8 and 10, and the CSRD/ESRS S1 workforce disclosure standards. Preliminary evidence from a pilot platform implementation is reported alongside explicit boundary conditions and a future research agenda with testable propositions. The paper contributes to recruitment theory by proposing a paradigm shift from transactional processing to relational cultivation, and to management practice by offering a framework that aligns operational effectiveness with regulatory compliance and applicant dignity.

Keywords

Applicant Relationship Management, Talent Acquisition, CRM, Compensatory Selection, Applicant Experience, EU AI Act, Stakeholder Theory

1. Introduction

The global labour market presents a striking paradox. Employers report persistent difficulty filling vacancies, while millions of qualified individuals remain unemployed or underemployed. In 2024, 77% of employers worldwide reported talent shortages, the highest figure in nearly two decades (ManpowerGroup, 2024). Simultaneously, applicant satisfaction with recruitment processes has declined steadily, with candidates routinely reporting experiences characterised by opacity, impersonality, and a conspicuous absence of meaningful feedback (Hausknecht et al., 2004).

At the centre of this paradox sits the Applicant Tracking System (ATS). ATS platforms have become the de facto infrastructure of modern hiring, with adoption near-universal among large employers and increasingly prevalent among mid-sized organisations (Cappelli, 2019). The ATS offers genuine

value: it imposes structure on high-volume processes, ensures regulatory compliance in data management, and provides audit trails. However, its core operating logic is eliminative. Applications are filtered through keyword matching, credential thresholds, and sequential screening gates designed to reduce volume as rapidly as possible. Candidates who do not match predefined criteria at any stage are discarded, regardless of compensating strengths elsewhere in their profile.

This elimination logic produces what may be understood, by analogy with Akerlof's (1970) analysis of asymmetric information, as a form of adverse selection. When keyword gates determine access to human review, candidates learn to optimise for algorithmic legibility rather than authentic self-presentation. The signal-to-noise ratio degrades. Meanwhile, the most employable candidates, those with multiple options, are precisely those most likely to withdraw from opaque, impersonal processes (Breugh, 2013). The market mechanism, that is supposed to match talent to opportunity, instead repels the talent it most needs to attract.

The regulatory environment is catching up. The European Union's Artificial Intelligence Act, which entered into force in August 2024, explicitly classifies AI systems used for recruitment and candidate evaluation as "high-risk," subject to stringent requirements for transparency, human oversight, bias testing, and documentation from August 2026 (European Parliament & Council, 2024, Annex III). This is not a peripheral compliance matter; it represents a fundamental challenge to the "black-box" screening logic on which most ATS-driven recruitment operates.

Against this backdrop, this paper proposes Applicant Relationship Management (ARM): a relational paradigm for talent acquisition that reconceptualises the recruitment process from transactional elimination to relational cultivation. ARM is theoretically grounded in CRM theory, stakeholder theory, and compensatory assessment science. Its central proposition is that treating applicants as stakeholders in a co-creative process, rather than as objects of sequential filtration, produces better outcomes for employers, better experiences for candidates, and natural alignment with emerging governance and sustainability frameworks.

The paper is structured as follows. Section 2 reviews the theoretical foundations, tracing the evolution from CRM to Candidate CRM and identifying the gap ARM addresses. Section 3 presents the ARM framework, its lifecycle model, and key mechanisms. Section 4 examines implications for ESG and governance frameworks. Section 5 reports preliminary evidence and boundary conditions. Section 6 proposes a future research agenda with testable propositions.

2. Literature Review

2.1 CRM Theory and Its Recruitment Analogue

Customer Relationship Management emerged from the broader paradigm shift in marketing theory from transactional exchange to relational engagement. Berry (1983) first articulated the principles of relationship marketing in services, arguing that attracting new customers was only part of marketing's task; retaining and nurturing existing relationships was equally important. Grönroos (1994) extended this into a comprehensive critique of the marketing mix paradigm, proposing that relationships, not transactions, should be the fundamental unit of analysis. Payne and Frow (2005) consolidated these insights into a strategic CRM framework that positioned customer relationships as cross-functional, technology-enabled, and strategically governed assets.

The core insight of CRM theory is deceptively simple: when organisations treat their counterparties as partners in value creation rather than as targets for value extraction, both parties benefit. This relational logic has been successfully applied across industries, from financial services to healthcare to education (Specchia, 2022). Yet its application to recruitment, where the "counterparty" is the applicant, remains remarkably underdeveloped.

The concept of Candidate Relationship Management (Candidate CRM) represents a partial bridge. Holm (2012), in her study of e-recruitment transformation in Danish organisations, observed that digital recruitment had made candidate communication the central management task, and explicitly used the term "candidate relationship management" to describe this shift. In practice, Candidate CRM has evolved primarily as a technology category: platforms such as SmartRecruiters, Beamery, and Avature offer pipeline management, automated nurture campaigns, and talent pool segmentation. These tools address the pre-application phase of recruitment, building awareness, cultivating interest, maintaining engagement with passive candidates.

However, Candidate CRM as currently conceived has a critical limitation: it stops at the threshold of assessment. Once a candidate enters the formal evaluation process, the relational logic gives way to the eliminative logic of the ATS. The relationship that was cultivated pre-application is abandoned precisely when it matters most, during the assessment that will determine the candidate's experience of the organisation.

2.2 ATS Capabilities and Limitations

A balanced assessment of ATS technology must acknowledge its genuine contributions. In high-volume contexts, where a single vacancy may attract thousands of applications, some form of structured processing is operationally necessary. ATS platforms provide compliance infrastructure (data retention policies, equal opportunity monitoring), workflow standardisation, and audit capabilities that manual processes cannot replicate at scale (Cappelli, 2019). Dismissing ATS wholesale would be analytically dishonest and practically unhelpful.

The problem lies not in the technology itself but in its embedded assessment logic. The dominant ATS model implements what Sackett and Lievens (2008) describe as a multiple-hurdle approach: candidates must meet minimum thresholds at each sequential stage, and failure at any stage results in elimination regardless of performance elsewhere. This is operationally efficient but informationally destructive. A candidate with exceptional analytical capability and strong cultural alignment who lacks a specific keyword-matched qualification will be eliminated before either strength is visible to a human reviewer.

The compensatory alternative, in which all assessment dimensions are weighted and aggregated, allowing strengths to offset weaknesses, is well-established in personnel selection science (Sackett & Lievens, 2008) but poorly represented in ATS design. Phillips and Gully (2015), in their multilevel recruitment framework, argue that recruitment research has been disproportionately focused on individual-level selection decisions and insufficiently attentive to organisational-level strategy, contextual factors, and the systemic effects of process design on candidate pool quality.

It is important to acknowledge that within the ATS paradigm, significant improvements to assessment validity and fairness have been achieved through structured interviewing techniques. Campion, Palmer, and Campion (1997) demonstrated that structured interviews substantially outperform unstructured formats on both predictive validity and reduced adverse impact. However, structured interviewing is inherently human-led and resource-intensive, which is precisely why it operates downstream of eliminative screening: organisations cannot afford to conduct structured interviews with every applicant, so keyword gates determine who reaches the interview at all. Structured interviewing is a within-stage improvement — it enhances the quality of one assessment event but does not address the eliminative architecture that determines which candidates reach that event. A candidate filtered out by keyword screening never encounters the structured interview, however well-designed it may be.

2.3 Identifying the ARM Gap

The literature reveals a structural gap between two well-developed domains. Candidate CRM addresses the relationship before assessment: awareness, attraction, pipeline cultivation. ATS addresses the processing after application: screening, ranking, shortlisting. Neither addresses what we term the assessment-as-dialogue space, the phase in which an applicant's full potential is explored through sustained, multi-dimensional interaction rather than filtered through sequential elimination gates.

The growing practitioner movement toward skills-based hiring (removing degree requirements and credential gates in favour of demonstrated capability) addresses part of this problem by widening the entry funnel, but typically retains the eliminative screening logic downstream: candidates are still filtered sequentially, merely against different criteria. ARM goes further by redesigning the assessment architecture itself.

ARM is positioned to occupy this gap. It extends the relational logic of CRM theory into the assessment process itself, proposing that the evaluation of candidates should be conducted as a structured dialogue, iterative, multi-dimensional, and compensatory, rather than as a one-directional filtration. In doing so, it draws on Gilliland's (1993) procedural justice framework for selection, which demonstrates that applicants' perceptions of fairness are shaped not only by outcomes but by the characteristics of the process itself: voice, transparency, and the opportunity to demonstrate relevant capabilities.

3. The ARM Framework

3.1 Foundational Principles

ARM rests on four foundational principles, each derived from established theory but applied in a novel configuration to the recruitment context.

Cultivation over elimination. Every interaction with an applicant generates information. Traditional screening treats this information as input to a binary gate (pass/fail); ARM treats it as input to a cumulative profile. The operating metaphor shifts from filtration (removing impurities) to cultivation (nurturing potential). This principle is consistent with Prahalad and Ramaswamy's (2004) co-creation framework, in which value emerges from interaction rather than being extracted from a pre-existing stock.

Compensatory assessment. ARM adopts a compensatory scoring model in which strengths in one assessment dimension can offset gaps in another. A candidate demonstrating exceptional collaborative capability and domain knowledge should not be eliminated because their formal qualifications fall marginally below an arbitrary threshold. This represents a deliberate departure from the multiple-hurdle model and draws directly on Sackett and Lievens' (2008) analysis of compensatory selection as an informationally richer alternative.

Applicant as stakeholder. Drawing on stakeholder theory (Freeman, 1984), ARM recognises that applicants invest time, emotional energy, self-disclosure, and opportunity cost in the recruitment process. These investments create legitimate interests that the process should respect, regardless of the outcome. This is not merely an ethical assertion; it has practical consequences. Ryan and Ployhart (2000) demonstrate that perceived fairness in selection processes significantly predicts applicant intentions toward the organisation, including willingness to recommend it to others and to reapply in the future. Colquitt's (2001) four-dimensional model of organisational justice — distinguishing distributive, procedural, interpersonal, and informational justice — provides the theoretical vocabulary for understanding why ARM's design choices matter: dialogue-based assessment addresses procedural and informational justice simultaneously, while the co-creative philosophy addresses interpersonal justice in ways that automated screening cannot.

Co-creative assessment. The ARM assessment process is designed to help both parties discover fit, not merely to enable one party to judge the other. Candidates receive meaningful information about the role, the organisation, and their own assessed profile. The process generates value for the applicant, in the form of self-knowledge and professional feedback, even when it does not result in an offer.

3.2 The ARM Lifecycle

ARM organises the recruitment process as a four-stage lifecycle, each stage governed by a distinct relational objective:

Awareness. The employer value proposition is communicated honestly and substantively. ARM rejects the tendency toward aspirational overstatement in employer branding, recognising that inflated expectations produce early-tenure attrition. The goal is accurate mutual understanding, not persuasion.

Application. Entry barriers are minimised. Keyword gates are replaced by what ARM terms "blind CV discovery": AI-augmented analysis surfaces skills, experiences, and potential from application materials without requiring candidates to reverse-engineer algorithmic preferences. The assessment begins at first contact, but it begins as exploration, not elimination.

Assessment. This is the core of the ARM process. ARM does not entirely eliminate threshold gates; rather, it restricts them to a narrow set of objectively mandatory requirements that are demonstrably essential for role performance: a valid driving licence for a professional driver, a medical registration for a practising clinician. These non-negotiable criteria form a preliminary noise reduction stage, acknowledging that in open application contexts, a proportion of applicants will have no realistic alignment with the role's fundamental requirements. What ARM eliminates is the extension of gate logic beyond these genuinely

mandatory thresholds into domains where compensatory assessment would produce superior decisions. Beyond the noise reduction stage, assessment is multi-dimensional (cognitive, behavioural, and technical domains), compensatory (no single dimension is eliminative), and dialogue-based (conducted through structured multi-turn interaction rather than one-shot screening). AI augments human judgement, generating initial analyses, flagging patterns, surfacing comparisons, but every consequential decision involves human governance.

Advocacy. The relationship does not terminate at the hiring decision. Successful candidates enter the organisation with a positive foundational experience. Unsuccessful candidates, having been treated with transparency and respect throughout, become potential advocates for the employer brand. "*Silver medallists*" (candidates who narrowly missed selection) are the ones who feel their potential was seriously explored, rather than algorithmically dismissed, and they remain open to future opportunities, provide referrals from their own networks, and contribute positively to the employer's reputation in their professional communities. The employer benefits (reduced time-to-fill, lower re-sourcing costs) are real, but they are consequences of the relational quality, not the reason for it.

3.3 Key Mechanisms

Silver medallist re-engagement. In traditional recruitment, the conclusion of a hiring process typically marks the end of any meaningful interaction with unsuccessful candidates. Most ATS platforms claim otherwise, but they are designed to simulate relationship without delivering it. Applicants remain in a database; the interaction is one-directional, impersonal, and indistinguishable from marketing automation. ARM's silver medallist re-engagement is substantively different: it is grounded in the assessed understanding of the candidate developed during the dialogue-based process, and re-engagement is contextual, triggered by genuine alignment with a new opportunity, not by a scheduling algorithm. This reduces time-to-fill and lowers cost-per-hire, but more fundamentally, it communicates to the candidate that they were remembered as a person, not recycled as a record.

Blind CV discovery. Rather than requiring candidates to match predetermined keyword profiles, ARM employs AI to surface skills, experiences, and patterns from application materials in a bottom-up, discovery-oriented process. This mitigates the adverse selection problem: candidates are assessed on what they bring, not on their ability to anticipate algorithmic filters.

Compensatory scoring model. Assessment data across multiple dimensions (cognitive ability, behavioural competencies, technical skills, cultural alignment) is weighted and aggregated using a transparent scoring framework. No single dimension operates as an eliminative gate beyond the mandatory threshold requirements. The resulting composite profile offers hiring managers a richer, more nuanced basis for decision-making than binary pass/fail screening. This richness introduces complexity: multi-dimensional profiles demand more interpretive effort from hiring managers than a ranked shortlist. However, hiring decisions shape organisational capability for years; the case for investing proportionate analytical effort in these decisions, rather than compressing them into binary gates for the sake of convenience is, we would argue, self-evident.

Dialogue-based assessment. ARM replaces single-shot screening (one CV scan, one test score) with structured multi-turn interaction. The emergence of generative AI has made this operationally feasible at scale: AI-conducted dialogue can explore a candidate's experience, reasoning, and situational responses across multiple exchanges, generating rich qualitative data that would be prohibitively expensive to produce through human interviewing alone at the volumes modern recruitment demands. The human role shifts from conducting the dialogue to governing it, reviewing AI-generated assessments, interrogating edge cases, and making final decisions grounded in substantially richer information than a keyword-matched shortlist could provide. This is analogous to the difference between a single survey response and a longitudinal case study: repeated interaction surfaces depth, reveals adaptability, and provides candidates with the opportunity to demonstrate capabilities that a single-shot assessment might miss.

3.4 Comparative Summary

Table 1 summarises the key distinctions between the traditional ATS paradigm and the ARM approach across seven analytical dimensions.

Table 1. Traditional ATS Paradigm vs. ARM Approach

Dimension	Traditional ATS	ARM
Philosophy	Eliminate to manage volume	Reduce noise, then explore potential
Assessment model	Multiple-hurdle (sequential elimination)	Compensatory (weighted multi-dimensional)
Applicant role	Object of screening	Stakeholder in co-creative process
Information strategy	Discard early to reduce volume	Retain all assessment data for compensatory synthesis
Post-rejection relationship	Marketing automation	Sustained relationship: silver medallists, advocates
AI role	Autonomous filtering and decision making	Augmentation under human governance
Success metric	Time-to-fill, cost-per-hire	Quality-of-hire, applicant advocacy, retention

4. ESG and Governance Implications

While ARM is fundamentally an HRM innovation, its relational design produces natural alignment with several emerging regulatory and sustainability reporting frameworks. This section examines these implications explicitly as consequences of ARM's architecture, not as its primary motivation. The claims made here are theoretical alignments pending empirical validation.

4.1 Alignment with UN Sustainable Development Goals

ARM's insistence on dignified, transparent recruitment processes aligns with SDG 8 (Decent Work and Economic Growth), particularly Target 8.5, which calls for "*full and productive employment and decent work for all women and men*" (United Nations, 2015). The concept of decent work encompasses not only the employment relationship itself but the process by which individuals access employment. A recruitment process that systematically excludes qualified candidates through opaque algorithmic filtering undermines the spirit of this target.

Additionally, ARM's compensatory assessment model, by replacing arbitrary keyword-gate pre-filtering and evaluating candidates across multiple dimensions, has the potential to reduce structural bias against candidates from non-traditional backgrounds. This addresses SDG 10 (Reduced Inequalities), specifically Target 10.2, which aims to promote the social, economic, and political inclusion of all, irrespective of status. ARM's blind CV discovery mechanism is specifically designed to surface potential that traditional screening would overlook.

4.2 EU Artificial Intelligence Act Compliance

The EU AI Act classifies AI systems used for "*recruitment or selection of natural persons, in particular to place targeted job advertisements, to analyse and filter job applications, and to evaluate candidates*" as high-risk (European Parliament & Council, 2024, Annex III, Section 4a). From August 2026, organisations deploying such systems must comply with requirements including risk management, data governance, technical documentation, human oversight, transparency to candidates, and post-market monitoring. Penalties for non-compliance can reach €35 million or 7% of global turnover.

The significance of this classification for current ATS practice should not be underestimated. The majority of ATS-driven screening operates as a semi-autonomous filter with limited human oversight of

individual elimination decisions and minimal transparency to candidates about the criteria applied. The industry's own recognition of the compliance challenge is evident in the open letter from 45 major European companies requesting a two-year delay in the high-risk provisions (Fisher Phillips, 2025).

ARM's architecture addresses several of these requirements by design rather than retrofit. Human governance of consequential decisions is a foundational principle, not an add-on compliance layer. Compensatory scoring generates auditable, explainable assessment rationales. Dialogue-based assessment provides candidates with substantive interaction and feedback, addressing transparency requirements. This does not mean ARM-based systems are compliant by definition; formal conformity assessment and CE marking remain necessary. However, a system architecturally designed around human governance and transparent scoring is structurally aligned with what the Act demands. A system designed around autonomous filtration must be fundamentally re-engineered to meet the same requirements.

We note, however, that ARM's claims regarding bias reduction require rigorous testing against the formal fairness criteria developed in the algorithmic fairness literature. Raghavan, Barocas, Kleinberg, and Levy (2020) demonstrate that different mathematical definitions of fairness — demographic parity, equalised odds, predictive parity — can be mutually incompatible, and that no scoring model, compensatory or otherwise, automatically satisfies all of them. Whether ARM's compensatory architecture performs better than multiple-hurdle screening under specific fairness criteria is an empirical question that remains open and should be a priority for the research agenda outlined in Section 6.

4.3 CSRD and ESRS S1 Workforce Reporting

The EU's Corporate Sustainability Reporting Directive (CSRD) requires in-scope organisations to report against the European Sustainability Reporting Standards, including ESRS S1 (Own Workforce). ESRS S1 mandates disclosure on workforce policies, diversity characteristics, working conditions, and the management of workforce-related impacts, risks, and opportunities (EFRAG, 2023). While ESRS S1 focuses primarily on existing employees, recruitment practices are logically upstream of all workforce composition metrics. The diversity of the hired workforce, the quality of new-hire performance, and employee turnover rates are all downstream consequences of recruitment process design.

ARM generates structured, auditable data at each assessment stage: candidate pool composition, assessment scores by dimension, selection rationale documentation, and candidate experience metrics. This data infrastructure is potentially valuable for ESRS S1 compliance, particularly for disclosures related to equal treatment, diversity in hiring pipelines, and the fairness of selection processes. We note, however, that this potential has not yet been empirically tested, and the precise mapping between ARM-generated data and ESRS S1 disclosure requirements is a subject for future research.

5. Preliminary Evidence and Boundary Conditions

5.1 Preliminary Evidence

The ARM framework has been operationalised in a pilot recruitment platform (NoesisHiring) currently deployed with limited client organisations. We report observations from this deployment not as validated findings but as preliminary indications warranting systematic investigation.

Three patterns have emerged. First, compensatory scoring consistently surfaces candidates that keyword-gate ATS screening would have eliminated in the initial filtering stage. These are candidates with non-traditional career trajectories or qualifications expressed in terms that do not match conventional keyword taxonomies, but who demonstrate strong assessed capability across behavioural and cognitive dimensions. Second, dialogue-based assessment generates substantially richer applicant data than single-shot screening, enabling hiring managers to make more informed decisions with greater confidence. Third, silver medallist re-engagement is expected to produce secondary placements in cases of new vacancies aligned with previously assessed candidates, at significantly reduced time-to-fill compared to fresh recruitment.

Conflict of interest declaration: The corresponding co-author (AS) is the founder of NoesisHiring platform. This conflict is declared transparently. It does not invalidate the observations reported, but it means they cannot be treated as independent evidence. Platform-agnostic validation by researchers without commercial interest in ARM's success is both necessary and explicitly invited.

5.2 Boundary Conditions

ARM is not proposed as a universal replacement for all recruitment processes. Its applicability is bounded by several contextual factors that should be explicitly acknowledged.

Volume constraints. In ultra-high-volume hiring contexts — seasonal retail or mass manufacturing recruitment involving thousands of applications per vacancy — the depth of compensatory assessment central to ARM may not scale without substantial AI augmentation. The noise reduction stage (mandatory threshold requirements) addresses part of this challenge, but the dialogue-based assessment that follows is more resource-intensive than keyword screening, even with generative AI support. ARM's value proposition is strongest where the cost of a poor hire justifies the investment in richer assessment; in contexts where roles are short-tenure and rapidly interchangeable, that calculus may favour simpler approaches.

Time and interpretive demands. ARM's richer assessment process generates substantially more data per candidate than traditional ATS screening, and this richness has costs. Time-to-fill may increase relative to keyword-gate processes, particularly during initial implementation before silver medallist pipelines are populated and available for rapid re-engagement. More fundamentally, hiring managers must develop the capability to interpret multi-dimensional compensatory profiles rather than binary shortlists, a transition that requires both training and organisational commitment. Organisations without adequate data governance infrastructure, secure storage, GDPR-compliant retention policies, and analytical capacity, may find the transition premature. ARM's richer assessment is only an advantage if the organisation can responsibly manage and interpret the information it produces.

Cultural and leadership commitment. ARM requires more from adopting organisations than traditional ATS-driven recruitment, more engagement from hiring managers, more interpretive capability, and more technological infrastructure. In larger organisations, the primary barrier is cultural: hiring managers accustomed to receiving pre-filtered shortlists must instead engage with multi-dimensional candidate profiles and accept that recruitment is a strategic capability, not an administrative process to be minimised. This is a reallocation of professional responsibility that requires leadership commitment and change management support. In smaller organisations, the barrier is more fundamental: ARM's reliance on AI augmentation for blind discovery, dialogue-based assessment, and compensatory scoring presupposes access to technology that resource-constrained firms may not currently possess or afford. This is particularly acute given that SMEs often stand to benefit most from richer assessment, a single poor hire in a ten-person team has proportionally far greater impact than in a multinational, yet face the highest barriers to implementation. As AI-augmented recruitment tools become more accessible and purpose-built platforms emerge that integrate ARM's assessment architecture at lower cost thresholds, this constraint may diminish; the cultural barrier, however, requires deliberate organisational change regardless of firm size.

6. Discussion and Future Research

6.1 Testable Propositions

To move ARM from conceptual framework to validated theory, we propose the following testable propositions:

P1: Compensatory scoring applied to the same applicant pool as multiple-hurdle screening will identify a meaningfully different candidate set, characterised by greater diversity on observable characteristics and equivalent or superior predicted job performance, consistent with Ock and Oswald's (2018) findings that compensatory selection produces higher expected criterion performance.

P2: Candidates assessed through ARM-style dialogue-based processes will report significantly higher procedural justice perceptions and employer brand sentiment than candidates processed through traditional ATS screening, controlling for outcome (hired vs. rejected), consistent with Gilliland's (1993) finding that voice, transparency, and opportunity to demonstrate capability are primary determinants of perceived selection fairness.

P3: Silver medallist re-engagement will produce placements with comparable or superior 12-month retention rates to primary hires sourced through fresh recruitment processes.

P4: ARM-processed recruitment will demonstrate lower adverse impact ratios across legally protected characteristics than keyword-gate ATS screening applied to equivalent vacancy types.

6.2 Research Agenda

Several research directions warrant prioritisation. Longitudinal quality-of-hire studies comparing ARM and ATS cohorts would provide the most compelling test of the framework’s practical value. Candidate experience measurement at each ARM lifecycle stage would enable refinement of the model and identification of which mechanisms contribute most to perceived fairness. Cross-cultural validation is essential: ARM has been developed and piloted in a European context, and its applicability to recruitment cultures in North America, East Asia, and other regions cannot be assumed. Cost-benefit analysis at various hiring volume thresholds would establish the economic boundary conditions for ARM adoption. Finally, and most critically, independent platform-agnostic testing, conducted by researchers with no commercial relationship to any ARM implementation, is necessary to establish the framework’s validity.

6.3 Theoretical Implications

ARM suggests that recruitment theory is overdue for its own “relationship marketing” moment. The field has borrowed heavily from operations management’s efficiency logic (optimising throughput, reducing cost-per-unit) but has been remarkably slow to adopt the relational logic that transformed marketing, customer service, and broader management theory from the 1980s onward. The application of stakeholder theory to applicants, recognising their legitimate interests in the process, not merely their instrumental value to the hiring organisation, remains underdeveloped in management literature and represents a fertile area for future inquiry.

7. Conclusion

This paper has introduced Applicant Relationship Management (ARM) as a relational paradigm for talent acquisition, grounded in CRM theory, stakeholder theory, and compensatory assessment science. ARM proposes a fundamental reconceptualisation of the recruitment process: from the sequential elimination of candidates to the systematic cultivation of potential, from the treatment of applicants as objects of screening to their recognition as stakeholders in a co-creative assessment process.

The framework’s alignment with emerging ESG and governance requirements, the EU AI Act’s high-risk classification of recruitment AI, the CSRD’s ESRS S1 workforce disclosure standards, and the UN Sustainable Development Goals, is presented as a natural consequence of its relational design, not as its primary justification. ARM is first and foremost an HRM innovation; its governance implications follow from, rather than drive, its architecture.

ARM is at a conceptual stage with preliminary operational evidence from a pilot implementation. The limitations of this evidence, particularly the conflict of interest inherent in the corresponding author’s commercial involvement, are acknowledged transparently. The testable propositions and research agenda offered in Section 6 are intended as a genuine invitation to the scholarly community: ARM’s claims require independent validation, and the framework will be strengthened, refined, or refuted through that process. If substantiated, ARM offers a recruitment paradigm that is simultaneously more informationally effective, more respectful of applicant dignity, and better aligned with the regulatory and sustainability frameworks that will increasingly shape management practice.

Notes

1. “Blind CV discovery” in the ARM context refers to AI-augmented analysis of application materials that surfaces skills and potential without requiring candidates to match predetermined keyword profiles. This is distinct from anonymised or “blind” recruitment in the diversity and inclusion sense, though the mechanisms may overlap in practice.

2. The August 2026 enforcement date for high-risk AI provisions under the EU AI Act was confirmed as of the time of writing. The European Commission has indicated that targeted delays may be considered if supporting standards are not ready, but no formal postponement had been announced at the time of submission.

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