# Bridging Technology and Talent: Gen Z's Take on AI in Recruiting and Hiring

## Luciana-Floriana Poenaru<sup>1</sup> – Vlad Diaconescu<sup>2</sup>

ORCID iD: 0009-0005-5671-0575<sup>1</sup>, 0009-0004-7840-5849<sup>2</sup> luciana.holostencu@com.ase.ro, diaconescuvlad17@stud.ase.ro <sup>1,2</sup> Bucharest University of Economic Studies, Faculty of Business and Tourism, Department of Tourism and Geography Bucharest, Romania

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**Abstract:** This study explores the perceptions, experiences and preferences of Generation Z in relation to the use of artificial intelligence (AI) in recruitment and selection processes. The analysis is based on a nationwide survey conducted among a sample of 644 young adults aged 18 to 28 with different educational and professional backgrounds from Romania and used structural equation modeling to analyze the results. Findings show that ethical and human-centric priorities, like transparency and fairness, strongly enhance perceived AI benefits, which in turn increase familiarity and perceived accuracy. Anxiety over AI tools heightens human-centric priorities, revealing a tension between efficiency and emotional comfort. As digital natives, Generation Z appreciates AI's efficiency but seeks clarity and human oversight. This work fills a gap in understanding job seekers' perspectives and offers employers insights to craft fair, transparent AI hiring systems suited to Romania's emerging workforce.

**Keywords:** Artificial Intelligence (AI), Generation Z, Human Resources (HR) Technology, Recruitment, Selection

### JEL Classification codes: 033, J11, 015

## INTRODUCTION

In the continuous struggle to maintain their competitiveness in the global market organizations have started to undertake essential changes starting by adopting new strategies and stopping at complex tools such as artificial intelligence (AI) (Pan et al., 2021). Despite all these changes, human resource remains at the heart of an organization where effective human resource management (HRM) has become more significant, particularly in ensuring recruitment and selection of employees whose competencies are in line with organizational objectives (Ore & Sposato, 2022). As AI is increasingly integrated into HRM practices, it is therefore essential to critically examine its impact, especially in the area of recruitment and selection, in order to assess factors such as effectiveness (Tanantong & Wongras, 2024; Sposato et al., 2025), ethical considerations (Sposato et al., 2025) or risks (Sposato et al., 2025) from the perspective of all stakeholders. From the perspective of the organization or management, on which many studies have focused, AI has enabled a smarter and more efficient approach to recruitment and selection processes (Ore & Sposato, 2022). Nevertheless, little is known about the job seekers' perspective on the AI recruitment tool.

Generation Z, which is entering the world of work as digital natives (Șchiopu et al. 2023), is directly affected by these technological changes when it comes to recruitment (Pichler et al., 2021; Diaconescu, 2024). While this generation is very familiar with AI-driven technologies,

their perception of the ethical implications, benefits and accuracy of AI plays a crucial role in their acceptance of AI in recruitment. In addition, the emotional response (Pichler et al., 2021) to AI hiring tools, especially AI-based video interviews, can influence skepticism towards the fairness and transparency of AI. Understanding how these factors interact is crucial for recruiters, AI developers and policy makers who want to use AI responsibly in recruitment.

Though AI is becoming more common in recruitment, research exploring how Generation Z in Romania views and embraces these tech-driven processes remains scarce. Most articles so far analyze what HR experts think or how companies roll out AI, sidelining the applicants' view, which is extremely important for keeping recruitment fair and ethically sound. While traditional models of technology adoption explain usability or efficiency, they often do not consider the ethical and human-centric aspects that influence AI adoption, or the possible relationship between these factors. The main purpose of this research is to develop a deeper understanding of the Romanian Generation Z of job seekers for the use of AI in the recruitment and selection process. The current study aims to explore the relationship between ethical and human-centric priorities, perceived benefits, familiarity and anxiety as factors influencing Generation Z's perceptions, rather than their acceptance of AI technology in recruitment. Starting from the elements and framework of previous technology acceptance models such as The Technology Acceptance Model (TAM) (Davis, 1989), The Unified Theory of Acceptance and Use of Technology (UTAUT) (Venkatesh et al., 2003) and The Human Centered TAM (HC-TAM) (Akram et al., 2024), the current research proposes a construct that incorporates previously underexplored factors such as ethical priorities and anxiety, specific to the Romanian context. This model aims to test three hypotheses: (1) ethical and human-centric priorities are expected to positively influence the perceived benefits of AI, (2) that these perceived benefits influence familiarity with AI and trust in its accuracy, and (3) that anxiety triggered by AI influences the emphasis on ethical priorities. By exploring the perspectives of Generation Z, the study aims to shed light on the expectations of the future workforce and improve understanding of the role of AI in hiring practices.

Apart from the introduction, the paper is structured into four main categories: the literature review, which provides concise information regarding the topic and the research hypotheses; the methodology, which consists of a description of the data collection and processing; the results and discussion, which is dedicated to presenting the empirical results in the context of the existing literature; and the conclusions, a section that highlights the benefits of the research, its limitations and directions for future research.

## **1 LITERATURE REVIEW**

The incorporation of AI into HRM has profoundly reshaped recruitment and selection processes, signifying a swift transition from conventional approaches to cutting-edge technological solutions (Tsiskaridze et al., 2023; Almeida et al., 2025). Defined as systems capable of performing tasks that demand human cognitive abilities, such as learning and decision-making, AI enhances recruitment by automating repetitive activities, mitigating human bias, and efficiently handling large data sets (Pan et al., 2021; Clamel et al., 2024). For example, AI-driven tools like chatbots and virtual assistants streamline candidate sourcing and resume screening, enabling organizations to expedite procedures and elevate the candidate experience (Al-Alawi et al., 2021).

Generation Z provides a unique view on AI's application in recruitment, as they are the generation that has grown up solely within a digital age (Clamel et al., 2024; Almeida et al., 2025). Generation Z members value convenience and customization provided through AI-driven chatbots and virtual interviews, but also possess a sense of ethical concerns, including privacy and equity, during recruitment and selection (Tsiskaridze et al., 2023). Current

research indicates that Generation Z likes speedy and intuitive interactions but anticipates human touch and transparency for enhancing automation, with a requirement for user-centric AI models customized for their own specifications (Al-Alawi et al., 2021).

While the aforementioned theoretical models provide a generous framework for understanding technology acceptance, they often focus on cognitive factors (e.g. usefulness, ease of use) and lack the integration of ethical and emotional dimensions that are crucial for Gen Z candidates, especially in a country like Romania. This study addresses this gap by proposing an integrative model that extends these frameworks to explore how ethical priorities, perceived benefits, familiarity, and anxiety shape candidate perceptions. The body of existing research lays a strong base for probing these relationships, testing assumptions about how these factors link within Generation Z's perspective, and opening the door to a thorough look at AI's ethical and practical roles in HRM (Akram et al., 2024; Ore & Sposato, 2022). This work will shed light on what the next generation of workers expects and worries about, guiding companies to craft AI hiring systems that emphasize openness, equity, and respect for job seekers' confidence and ease.

## **1.1** Ethical and human-centric priorities in recruitment and selection

The integration of AI in recruitment and selection processes raises significant ethical and human-centric priorities that shape the perception of candidates, especially among Generation Z. These elements (transparency, fairness, human interaction and mitigation of algorithmic bias) can be analyzed from a holistic perspective that reflects the responsible use of AI in order to better understand how Gen Z candidates perceive the entire recruitment and selection process. Each element fulfils a unique but interconnected function within the frame. Transparency, characterized as the clarity of AI-driven decision-making procedures, allows candidates to understand the evaluation criteria, thereby enhancing trust and increasing perceived benefits, as highlighted by Nilashi et al. (2016), although the opacity of algorithms may undermine acceptance, as noted by Rigotti and Fosch-Villaronga (2024). Fairness and objectivity in AI recruitment mean that the algorithms offer equal opportunities to all applicants and avoid biases that could disadvantage some of them (Rigotti and Fosch-Villaronga, 2024; Akram et al., 2024). Applicants perceive fairness as equitable treatment and expect hiring decisions to reflect their skills and efforts while ensuring that they are treated with respect, dignity and honesty (Shneiderman, 2020). Previous work (Koivunen et al., 2022; Xu et al., 2023) indicates that human involvement remains a cornerstone of recruitment, a role that will grow with the arrival of AI tools on the global scene. While the AI-technology and its applications sharpen efficiency, stakeholders often emphasize the lack of personal engagement, a weakness that affects people's trust and openness to the tools (Akram et al., 2024; Tanantong & Wongras, 2024). Finally, dealing with algorithmic bias has the potential to reinforce societal inequalities and requires strong governance to uphold ethical standards in AI applications (Peng et al., 2022; Fabris et al., 2023).

Although previous research has concentrated on each of these factors separately, little attention has been paid to integrating these factors into an overarching construct, especially in relation to Generation Z. The model presented herein extends the HC-TAM Model (Akram et al., 2024) on the grounds that each of these factors could potentially have a cumulative effect on attitudes towards AI benefits, a correlation further examined in the model presented below.

## **1.2 Perceived AI benefits in recruitment**

AI's adoption into recruitment offers perceived benefits, such as increased efficiency, reduced bias, cost-effectiveness, and increased objectivity, that have a significant influence on candidate acceptability, particularly among Generation Z in Romania. These benefits are aligned with constructs from well-established technology acceptance models, including perceived usefulness in TAM (Davis, 1989) and performance expectancy in UTAUT (Venkatesh et al., 2003). Building on these models, the present study examines how perceived benefits impact familiarity and perceived accuracy, proposing a context-specific directional relationship tailored to Generation Z.

The efficiency and speed offered by AI are widely recognized advantages, as evidenced by their capacity to automate processes such as the screening of curriculum vitae (CV) and the scheduling of interviews (Akram et al., 2024). The substantial data-processing capabilities of AI algorithms contribute to a reduction in recruitment duration and bolster organizational efficiency (Rigotti & Fosch-Villaronga, 2024), a conclusion reinforced by investigations that reveal considerable time savings within large enterprises (Benhmama & Bennani, 2024). Another significant advantage lies in the mitigation of human bias, accomplished through the application of uniform evaluation standards that limit the impact of subjective factors in hiring decisions (Tanantong & Wongras, 2024). According to Rigotti and Fosch-Villaronga (2024), such fairness strengthens the impartiality of the recruitment procedure, while Yam and Skorburg (2021) emphasize that omitting demographic details from CVs promotes selection based on merit. Additionally, cost efficiencies emerge as AI streamlines repetitive tasks, diminishing the dependence on extensive HR teams or external recruitment agencies (Nguyen & Cao, 2024; Benhmama & Bennani, 2024), thereby enabling HR managers to concentrate on strategic responsibilities and further refining the allocation of resources.

Earlier studies have predominantly analyzed these benefits through an organizational lens, associating them with perceived usefulness (Akram et al., 2024) and performance expectancy (Tanantong & Wongras, 2024) within settings that emphasize efficiency and cost savings. Illustrative of this, the studies by Nguyen and Cao (2024) and Stone et al. (2024) emphasize the contribution of AI to expediting recruitment procedures and enhancing diversity, though their attention predominantly addresses employer-related outcomes, often overlooking the perspectives of candidates. Within the extended frameworks of technology acceptance models, perceived benefits are generally shaped by familiarity and ease of use, with the UTAUT model indicating that familiarity contributes to improved performance expectancy (Tanantong & Wongras, 2024). In contrast, the present investigation posits that these benefits may, in turn, affect familiarity and perceived accuracy among Generation Z, a reflection of their active engagement with technology as digital natives, an interrelationship that is further examined in the model outlined below.

## **1.3** AI familiarity and perceived accuracy in evaluating candidates

Understanding how AI functions, trust in its evaluative capabilities, and perceived accuracy significantly shape how Generation Z navigates AI-driven recruitment. This research fits these components into the aforementioned frameworks of the TAM Model (Davis, 1989) and the UTAUT Model (Venkatesh et al., 2003), which indirectly emphasize the role of familiarity and accuracy through constructs such as perceived ease of use and effort expectancy, and perceived usefulness and performance expectancy, respectively. This integrated approach extends the models by exploring a potential connection where the perceived benefits of different technologies can cultivate deeper familiarity and greater precision, particularly in line with Gen Z's digital-native inclinations.

The differing degrees of familiarity with these technologies among applicants and recruiters significantly influence their confidence and readiness to utilize such tools (Rigotti and Fosch-Villaronga, 2024). UTAUT posits that a greater insight into these systems will make them easier to use and perceived as useful, and therefore will promote acceptance (Tanantong & Wongras, 2024). However, a large percentage of Generation Z applicants have limited knowledge as to how these technologies work, which creates suspicion about their transparency, something particularly pertinent for a generation accustomed to digital interactions but wary of opaque processes (Benhmama & Bennani, 2024). The reliability of assessments, particularly in videobased interviews, is determined by automated analyses of behavioral cues, facial expressions, and speech patterns to evaluate interpersonal skills (George & Thomas, 2019). Large companies such as Unilever and Hilton have recorded up to a 90% reduction in recruitment time with the adoption of these innovations, enhancing efficiency and diversity (Stone et al., 2024; Benabou & Touhami, 2025), as well as tools such as HireVue improving consistency and enhancing access to talent pools (van Esch & Black, 2019). These innovations save on administrative loads and enable HR teams to focus on strategic talent management (Benabou & Touhami, 2025).

However, the validity of AI-driven candidate assessments is an area of scholarly debate, largely due to inherent biases in training data that can compromise the validity of results (Suen & Hung, 2024). Unilever's effective implementation of this technology demonstrates its commitment to promoting diversity and ensuring consistency (van Esch and Black, 2019). Nevertheless, platforms such as Knockri, which prioritize competencies while disregarding demographic factors, require greater transparency to address shortcomings in their data foundations (Tanantong & Wongras, 2024; Benhmama & Bennani, 2024). Ambiguities in decision frameworks and the limitations of technology to recognise emotions pose a major challenge, affecting candidate autonomy and confidence in the fairness of the assessment process (Rigotti & Fosch-Villaronga, 2024). The assessment of soft skills, including communication, leadership and emotional intelligence, places further demand on these systems. Studies suggest that while speech patterns and facial expressions can be analysed, a nuanced understanding of context is an exclusively human skill (George & Thomas, 2019; Benabou & Touhami, 2025). Companies such as IBM and eBay combine technology-enabled methods with human oversight to drive insights and maintain fair standards (Benhmama and Bennani, 2024). This study hypothesizes that the relationship between familiarity and perceived accuracy may be influenced by the perceived benefits of AI technologies-an interaction further examined within the framework outlined below.

## **1.4 AI-induced anxiety in recruitment**

The utilization of AI in recruiting, especially via video interviews, may induce anxiety in candidates, therefore influencing their perceptions and attitudes towards these technologies. This anxiety often arises from the stress and uncertainty associated with computerized assessments, which applicants may perceive as impersonal and opaque. Within the context of established technology acceptance models (e.g., Davis, 1989; Venkatesh et al., 2003), anxiety can act as a barrier to adoption by negatively impacting perceived ease of use and effort expectancy. This study builds upon the HC-TAM model (Akram et al., 2024) to examine the intersection of AI-induced anxiety with ethical and human-centric priorities, including transparency and fairness, issues that are especially pertinent to Generation Z, a demographic recognized for its focus on digital responsibility.

Anxiety connected to AI frequently arises from applicants' perceptions of diminished control and clarity during evaluations conducted via video interviews that assess their behavior, voice, and facial expressions (Majumder & Mondal, 2021). The anxiety is exacerbated by concerns of misunderstanding, particularly about cultural disparities, and by the lack of direct human engagement, which Generation Z candidates prioritize for establishing trust and rapport (Suen & Hung, 2024; van Esch & Black, 2019). These concerns are especially noticeable among Gen Z, who, despite their comfort with digital technologies, remain particularly sensitive to unclear processes that might compromise fairness. Their upbringing as digital natives fosters high expectations for transparency and procedural justice (Rigotti & Fosch-Villaronga, 2024; Benhmama & Bennani, 2024). Several companies, like Unilever, have implemented human oversight into their recruitment processes in order to address these concerns. This has resulted in a significant reduction in the anxiety that is associated with automated evaluations and has helped to boost the confidence of applicants (van Esch & Black, 2019). The opacity surrounding AI-driven recruitment processes can deeply undermine applicants' trust in the fairness of these systems, as highlighted by a recent study (Benhmama & Bennani, 2024). This concern is especially evident among the younger generations, for whom compliance with ethical standards in technological applications is of great importance. The study recommends consideration of AI-induced anxiety as a variable that can influence Gen Z job applicants' ethical priorities. This dynamic is also explored in more depth in the following conceptual framework and offers potential insights for alleviating Gen Z anxiety in tech-enabled recruitment.

## **1.5** Theoretical framework and hypotheses development

This exploratory framework (Fig. 1) integrates ethical, cognitive, and emotional determinants influencing Generation Z perspectives on AI in recruitment based on theories such as TAM (Davis, 1989), UTAUT (Venkatesh et al., 2003), and the contemporary HC-TAM (Akram et al., 2024). Such theories generally investigate technological acceptability using utility and usability lenses. Their impacts are extended to address the ethical and emotional dimensions of Generation Z perspectives in Romania. This experimental study investigates a less-researched phenomenon—interaction with AI by this generation—illuminating on the complex interplay between ethics and emotion in their worldview.

Existing research indicates that transparency in AI systems enhances perceived usefulness (Akram et al., 2024), fairness enhances perceptions of justice in system processes (Rigotti et al., 2024), and fair treatment by AI systems increases candidate engagement (van Esch & Black, 2019). In addition, bias reduction results in equitable outcomes consistent with governance goals (Peng et al., 2022), collectively shaping notions of objectivity and efficiency. This study integrates these into a composite construct in HC-TAM, as applied to Gen Z job applicants in Romania, on the grounds of ethical human rights considerations for AI recruitment (Hunkenschroer & Kriebitz, 2023). Moreover, while a potential correlation to familiarity is plausible, as an introductory step this study focuses on benefits as a primary outcome.

• **H1**: Ethical and human-centric priorities in AI recruitment and selection positively influence perceived AI benefits.

Literature such as UTAUT and TAM adaptations shows that perceived ease of use (based on familiarity) leads to perceived usefulness (Tanantong & Wongras, 2024; Akram et al., 2024). Unlike UTAUT's familiarity-to-usefulness direction, the current study proposes the analysis of perceived benefits over familiarity and accuracy for digital-native Gen Z candidates. As a result, this study proposes an extension in which perceived benefits such as efficiency (Tanantong & Wongras, 2024; Rigotti & Fosch-Villaronga, 2024; Akram et al., 2024; Stone et al., 2024; van Esch & Black, 2019), quality consistency (Tanantong & Wongras, 2024), objectivity (Rigotti & Fosch-Villaronga, 2024), personalization (Akram et al., 2024; Stone et al., 2024), accuracy (Stone et al., 2024; van Esch & Black, 2019), trust (Akram et al., 2024; Stone et al., 2024), and familiarity (van Esch & Black, 2019) promote greater adoption by HR professionals. Such

benefits, and possible support by bias reduction (Tanantong & Wongras, 2024), extend existing models by emphasizing perceived benefits in recruitment and general HRM processes, with empirical support by new generation candidates (e.g., Gen Z) showing greater appeal (van Esch & Black, 2019). Bias reduction is argued by Rigotti and Fosch-Villaronga (2024) to be contentious, as AI can reinforce or amplify existing biases through faulty data or algorithms, in contrast to more optimistic assumptions (e.g. Tanantong & Wongras, 2024), and objectivity is contentious through such algorithmic limitations. Transparency (Akram et al., 2024), ethical considerations (Stone et al., 2024), and treatment that is fair (van Esch & Black, 2019) can also influence trust and acceptance.

• **H2**: Higher perceived benefits of AI in recruitment and HRM processes positively influence its adoption among HR professionals.

In AI recruitment, studies show that anxiety is created by opaque and impersonal AI tests (Suen & Hung, 2024; Majumder & Mondal, 2021), and fears of transparency and justice drive mistrust (Akram et al., 2024; Benhmama & Bennani, 2024). Fair treatment can promote engagement (van Esch & Black, 2019), while inducing mixed responses. Contrary to prior studies that correlated anxiety with reduced trust, we propose it drives Gen Z's demands for transparency, justice, and human control and expand HC-TAM with a fresh emotional-moral link. Potential interrelations with perceived usefulness or familiarity remain under researched and are worth investigating (van Esch & Black, 2019).

• **H3**: AI-induced anxiety positively influences ethical and human-centric priorities about AI recruitment and selection.

### Fig. 1 Proposed conceptual model



Source: Authors

These hypotheses, put to test by the model depicted in Fig. 1, address an interesting gap in Gen Z's worldview about AI in Romania and provide fresh insights into how ethical and emotional factors play out in tech-enabled recruitment.

### 2 METHODOLOGY

This study aims to explore the perspective of Generation Z job applicants from Romania towards AI-driven recruitment technologies, focusing on how their ethical priorities, perceived benefits, familiarity and fears shape their attitudes towards the use of AI in recruitment. To achieve this objective, a nationwide survey was carried out, encompassing a cohort of 644 respondents. The target population consisted of young Romanian adults of Generation Z who are of legal age (at least 18 years old) and who have gone through at least one stage of a recruitment process for employment. The sampling frame was created based on key demographic variables. Employment status was not relevant for the present research, but age, gender, education and field of study were considered necessary to portray a potential candidate for a job. The composition of the sample can be found in Table 1. Data was collected between the 4th and 25th of January 2025 using an online survey uploaded on Google Forms.

Prior to completing the survey, respondents were given information about the research purpose along with necessary conceptual clarifications to facilitate their understanding of the research questions.

Demographic attributes		Number	Proportion
Age	18-22 years	510	79.2%
	23-28 years	134	20.8%
Gender	Male	319	49.5%
	Female	325	50.5%
Education	High school	134	20.8%
	University (currently enrolled)	376	58.4%
	University (graduate)	80	12.4%
	Master's/PhD	50	7.8%
	Other	4	0.6%
Field of studies	IT	62	9.6%
	Economics, business	359	55.7%
	Technical	67	10.4%
	Psychology, sociology, medicine	135	21.0%
	Other	21	3.3%

#### Tab. 1 Sample structure

#### Source: Authors

The data were processed and analyzed utilizing three software applications Microsoft Excel, IBM SPSS and Warp PLS for structural equation modeling (SEM). The decision to conduct exploratory factor analysis (EFA) was made based on a need to uncover latent constructs in survey responses and was motivated by this study's exploratory nature and by a lack of strong existing modelling of Generation Z opinion on recruitment tools. EFA was conducted with SPSS and used principal component analysis (PCA) with varimax rotation to identify underlying structure of these constructs. The suitability of the dataset for EFA was confirmed by a Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy with a value of 0.862, indicating robust sample quality, and a statistically significant Bartlett's test of sphericity ( $\chi^2 = 5708.807$ , df = 171, p < 0.001) (Hair et al., 2017). Four factors emerged from the analysis, which are based on the criterion eigenvalue greater than 1 and account for 63.228% of the total variance (original eigenvalues: component 1: 28.552%, component 2: 20.149%, component 3: 8.179%, component 4: 6.348%). After rotation, the variance distribution was adjusted to 63.154% (component 1: 18.717%, component 2: 17.930%, component 3: 17.420%, component 4: 9.087%). Items that had loadings greater than 0.6 in the rotated component matrix were retained (Hair et al., 2017), with a single exception in Factor 3-, namely the item "How familiar are you with AI in hiring?" with a loading of 0.530, which was retained due to its conceptual importance. All commonalities were above 0.5 (between 0.586 and 0.806). The resulting structure was then tested with PLS-SEM in WarpPLS to assess the hypothesized relationships. Four variables were developed based on items assessed via a 5-point Likert scale with the main objective of testing the conceptual model proposed in Figure 1. Table 2 outlines the composite variables: ethical and human-related priorities (six items), perceived benefits of artificial intelligence (four items), familiarity with AI and its perceived accuracy in candidate assessment (six items), and AI-induced anxiety (two items). The assessment of the model's appropriateness involved analyzing the reliability and validity of the constructs (Hair et al., 2020).

Construct	Item	Cronbach's Alpha	CR	AVE
Ethical and human- centric priorities (Factor 1)	QI1. How important do you think transparency is in the hiring process?	0.861	0.866	0.520
	QI2.How important do you consider fairness and objectivity in the hiring process?			
	QI3. How important do you consider human interaction in the hiring process?			
	DOt1. How significant do you consider the lack of human interaction as a disadvantage of using AI in recruitment?			
	Dot2. How important do you think the risk of algorithmic bias is as a disadvantage of using AI in recruitment?			
	Dot3. How significant do you think the lack of transparency in decision-making is as a disadvantage of using AI in recruitment?			
Perceived AI benefits (Factor 2)	AO1. How important do you consider speed and efficiency as advantages of using AI in recruitment?	0.820	0.816	0.526
	AO2. How important do you think eliminating human bias is as an advantage of using AI in recruitment? AO3. How important do you consider lower costs for employers as an advantage of using AI in recruitment?			
	AO4. How important do you think increased objectivity is as an advantage of using AI in recruitment?			
AI familiarity	FQ1. How familiar are you with the use of artificial intelligence (AI) in hiring and recruitment?	0.834	0.863	0.514
and perceived accuracy in evaluating candidates (Factor 3)	PQ1. How would you assess the effectiveness of AI in recruitment and hiring?			
	PQ2. To what extent do you believe AI improves fairness and objectivity in the hiring process?			
	PQv3. How effective do you think AI is in video interviews, such as assessing behavior and body language?			
	PQv4. How fair do you think AI is when used in video interviews to assess behavior and body language?			
	PQ7. How accurately do you think AI can assess a candidate's soft skills, such as communication and leadership?			
AI- induced anxiety (Factor 4)	PQv5. How intimidating do you find the use of AI in video interviews, such as for assessing behaviour and body language?	0.822	0.872	0.773

Tab. 2 Latent variables – internal consistency

Construct	Item	Cronbach's Alpha	CR	AVE
	PQv6. How stressful do you find the use of AI in video interviews, such as for assessing behaviour and body language?			

Note: CR = Composite Reliability; AVE = Average Variance Extracted. Source: Authors

The SEM methodology facilitates the estimation of dependency relationships among a set of constructs within a theoretical model (Malhotra et al., 2017). The study employed the Partial Least Squares (PLS) technique, a form of SEM, wherein latent variables are defined as aggregates of observable indicators, and the structural model highlights the interactions among these constructs (Hair et al., 2017). In the current study, the analysis of construct validity was performed by evaluating both convergent and discriminant validity. Convergent validity reflects the extent to which a scale demonstrates a positive correlation with alternative measures of the same construct (Malhotra, 2010). It is recommended that the factor loadings be above 0.5, preferably 0.7, and be statistically significant (Malhotra, 2010). In addition, the reliability of the constructs was analyzed by calculating composite reliability coefficients and Cronbach's alpha values (Hair et al., 2020). As presented in the second table, the values were above 0.81, indicating a high degree of internal consistency. This conclusion is supported by the Cronbach's alpha coefficients ranging between 0.820 and 0.861, all of which exceed the accepted threshold of 0.7 across all categories (Hair et al., 2017). High Cronbach's Alpha and CR values reflect robust constructs, not model over-definition, as substantiated by the EFAderived structure.

Variable	Factor 1	Factor 2	Factor3	Factor 4	SE	P value
QI1	(0.804)	0.179	0.032	-0.127	0.036	<0.001
QI2	(0.801)	0.192	-0.035	-0.176	0.036	<0.001
QI3	(0.769)	0.011	-0.055	0.066	0.036	<0.001
DOt1	(0.766)	-0.127	0.033	0.052	0.036	<0.001
DOt2	(0.735)	-0.169	0.046	0.144	0.036	<0.001
DOt3	(0.730)	-0.116	-0.019	0.064	0.036	<0.001
AO1	0.093	(0.808)	0.073	-0.042	0.036	<0.001
AO2	-0.008	(0.799)	-0.064	0.028	0.036	<0.001
AO3	-0.024	(0.765)	-0.053	-0.004	0.036	<0.001
AO4	-0.059	(0.851)	0.038	0.017	0.036	<0.001
FQ1	0.155	-0.335	(0.511)	-0.051	0.037	<0.001
PQ1	-0.091	0.008	(0.815)	0	0.036	<0.001
PQ2	-0.069	0.038	(0.794)	0.002	0.036	<0.001
PQv3	0.142	0.058	(0.768)	-0.026	0.036	<0.001
PQv4	0.073	0.12	(0.779)	0.015	0.036	<0.001
PQ7	-0.153	-0.005	(0.760)	0.043	0.036	< 0.001
PQv5	0.024	0.019	-0.02	(0.921)	0.036	<0.001

### Tab. 3 Indicator loadings and cross-loadings combined

Variable	Factor 1	Factor 2	Factor3	Factor 4	SE	P value
PQv6	-0.024	-0.019	0.02	(0.921)	0.036	<0.001

Note: SE = Standard Error; P value = probability value.

#### Source: Authors

Table 3 shows the factor loadings for the items found in each latent variable that were found to be statistically significant (p<0.01) and above 0.7, with a single exception of 0.511 found in factor 3. To finalize the validity assessment, the average variance extracted (AVE) must also be measured (Hair et al., 2017). According to Table 2, the AVE has a minimum threshold of 0.5 (Hair et al., 2017), which was exceeded by all four latent variables. Discriminant validity was also analyzed to assess the uniqueness of a construct compared to other constructs (Malhotra et.al, 2017). It is imperative for the assessment that the loadings of an item on the latent variable exceed the cross-loadings with other latent variables (Hair et al., 2017). According to the information in Table 3, this criterion is met, so the construct is valid.

#### **3 RESULTS AND DISCUSSION**

According to Figure 2, the elements that define the ethical and human-centric priorities of Romanian Gen Z towards the use of AI tools in the recruitment and selection process have a positive impact on the perceived benefits of AI. The path coefficient  $\beta$ =0.48; p<0.01 indicates a strong and significant correlation between the two variables. Therefore, hypothesis H1 is accepted. This result aligns with prior similar research by Akram et al. (2024), Rigotti and Fosch-Villaronga (2024) and Shneiderman (2020), linking transparency and fairness to enhanced perceived usefulness and efficiency. Similar to the first scenario with H1, the second hypothesis is also accepted. According to Gen Z, the perceived benefit of using AI in the recruitment process has a positive and significant influence on the familiarity and perceived accuracy of AI recruitment software. The strong positive relationship has a path coefficient  $\beta$ =0.45; p<0.01, indicating a significant correlation between the variables. This extends findings from van Esch and Black (2019), Stone et al. (2024) and Benhmama and Bennani (2024) where perceived efficiency and fairness influences in a positive way trust and familiarity with AI tools. There is a moderately strong positive relationship between anxiety triggered by the use of AI in recruitment and ethical and human-centric priorities about the whole process, with a path coefficient  $\beta$ =0.31; p<0.01 indicating a significant correlation between the fourth and first factors of the analysis. Thus, hypothesis H3 is supported by the results. Therefore, we can conclude that all three hypotheses as well as the proposed model were accepted. This result supports previous findings of Suen and Hung (2024), Majumder si Mondal (2021), and van Esch and Black (2019), connecting anxiety to heightened demands for transparency and human oversight.

#### Fig. 2 The tested model





The robust association confirmed by (H1) demonstrates that transparency, fairness and human engagement — elements emphasized in prior studies (Akram et al., 2024; Rigotti and Fosch-Villaronga, 2024) — not only mitigate reservations concerning artificial intelligence but also enhance confidence in its contributions, such as greater efficiency and objectivity in recruitment. This study emphasizes the perspective of applicants, especially those belonging to a generation often referred to as digital natives (Nistoreanu et al., 2024), which gives the field a new perspective. This is in contrast to studies that focus mainly on the perspective of companies (Ore & Sposato, 2022). This association most probably rises from the ethical code of this generation, who, although familiar with technology, favors methods that uphold ideals such as equal treatment and the mitigation of algorithmic bias. Nonetheless, the essential reliance on algorithmic openness, as emphasized by Benhmama and Bennani (2024), should not be disregarded. Without clarity in decision-making, the benefits perceived by candidates can be undermined by mistrust. This finding suggests that artificial intelligence developers should place more emphasis on clarity to increase candidate acceptance. From a theoretical perspective, this finding enriches the Human-Centric Technology Acceptance Model (HC-TAM) (Akram et al., 2024) by integrating a dimension in which ethical considerations reinforce perceived benefits, thus building a conceptual bridge between ethical integrity and operational effectiveness in recruitment.

The relationship between the perceived benefits of AI in recruitment-such as speed, bias reduction, cost savings, and objectivity-and the familiarity or perceived accuracy reflects dynamics shaped by the respondents' profile. Most participants (79.2% aged 18-22, 58.4% university students) are digital natives, which sheds light on why they acknowledge AI's efficiency yet harbor doubts about its ability to assess soft skills, a concern echoed in prior studies (George and Thomas, 2019). Unlike research examining employer perceptions and acceptance of AI in recruitment, which praises cost efficiencies and swiftness (Nguyen and Cao, 2024; Stone et al., 2024), these candidates-many from economics and business fields (55.7%)—value objectivity but seek greater clarity. This desire might stem from their exposure to opaque recruitment platforms like LinkedIn (Benhmama & Bennani, 2024). It is also reasonable to assume that respondents studying psychology or sociology (21%) show an increased awareness of the limitations of AI in video interviews where human nuances play a major role. Their technological familiarity is only likely to increase acceptance if the benefits are unambiguous. In practice, recruiters could tailor their processes to this educated youth by presenting clear examples of objectivity, while technology developers should refine their algorithms to meet the expectations of this young, discerning generation.

Concerns about AI in recruitment amplify ethical issues, and the demographics of respondents offer insights into the underlying reasons. Younger applicants (79.2% under 22) and women (50.5%), frequently subjected to stereotypes in recruitment, may experience insecurity due to continuous scrutiny, unlike employers who emphasize efficiency and disregard these responses (Benabou and Touhami, 2025). Those from humanities fields (21%) may be sharper in noticing AI's lack of empathy, which deepens the stress from not having control during the hiring process. It seems likely that this unease weighs heavier on students (58.4%), just starting their careers, who worry that automated judgments might twist their real chances of landing a job based on their skills. That reaction could grow from the strain of needing to perform flawlessly under technology's unyielding gaze—a point employers, focused on streamlining (van Esch and Black, 2019), tend to downplay. The lack of direct communication with recruiters can leave candidates feeling isolated, particularly those who want personal recognition for their efforts. Companies could offer pre-interview conversations to explain the process to reduce anxiety, while developers can create technology that allows for interaction or involve a human screener to address the emotional needs of applicants rather than just fulfill the company's requirements.

#### CONCLUSION

This study examined Generation Z candidates in Romania's perceptions of artificial intelligence in recruitment and selection, investigating the relationships among ethical and humancentered issues, perceived advantages, familiarity and perceived accuracy, and the anxiety elicited by AI tools in hiring procedures. The confirmed relationships reveal an intricate interplay between the moral expectations and emotional reactions of young people toward AI, spotlighting a generation (79.2% under 22, 58.4% students) that values the technology's efficiency yet ties it to demands for transparency and control. In contrast to previous studies, which focused only on the organizational aspect and praised speed and lower costs, this analysis shows a pronounced sensitivity of applicants to fairness and human interaction factors that are decisive for their acceptance of AI in recruitment. The composition of the sample, comprising 55.7% business students and 21% humanities students, suggests that these views are shaped by education and exposure to the digital world, providing a solid empirical basis for understanding technology adoption in a local environment. As such, the study not only supports an integrated conceptual model, but also changes the focus of AIdriven recruitment by placing candidates at the center of the conversation.

The contributions to the literature stand out, tackling a significant gap in research on AI acceptance in recruitment by focusing on Romania's Generation Z-a group rarely examined in this light. Unlike studies that probe AI from the employers' standpoint (Benabou and Touhami, 2025) or lean on broad technology adoption frameworks (Tanantong and Wongras, 2024), this work shifts the spotlight to candidates, weaving in ethical and emotional threads often overlooked. By showing how ethical priorities increase perceived usefulness, it enriches the HC-TAM model in new ways (Akram et al., 2024) and deepens our understanding of how moral values can increase the value of a technology in people's view. The link between anxiety and ethical priorities — supported by markers such as stress and intimidation in video interviews — builds on the findings of Majumder and Mondal (2021) and Suen and Hung (2024) and exposes the existing conflict between technical efficiency and the human need for empathy. By placing candidates at the center, this study responds to the call for a more comprehensive view of AI recruitment by showing how emotions can suppress operational gains. In the Romanian context, global insights are linked to local idiosyncrasies, suggesting that acceptance of AI is not universal, but is shaped by the cultural and educational roots of a generation entering the world of work.

The practical implications are significant and mutually beneficial, serving both candidates and companies. For young people in Generation Z, the findings point to familiarity with AI and an appreciation of its upsides—like speed and fairness—easing their doubts, but only if the steps involved are laid out plainly, cutting down on the unease tied to constant supervision. Those in disciplines aligned with the human sciences, such as psychology, may find reassurance through educational initiatives that clearly articulate AI's impartiality, countering concerns about impersonal, automated decision-making. For firms, the study highlights the necessity of adjusting hiring practices to align with this generation's ethical expectations, integrating human oversight into AI-driven workflows, as exemplified by Unilever (van Esch and Black, 2019). Organizations could introduce systems that provide instant feedback or allow candidates to engage with human assessors to meet the emotional needs of job seekers who value clarity. These changes not only increase technology adoption, but can also boost talent retention and an organization's reputation, giving it a competitive edge. In an economy characterized by rapid digital progress, integrating recruitment strategies with the values of Generation Z is essential to attract and retain the future workforce.

The current study has a number of limitations that require a thorough assessment of the scope of its findings. The sample, drawn exclusively from Romania, reflects a distinct socio-economic environment where access to technology and education may not meet the standards of

Western Europe or the emerging economies. This local focus is an advantage, even if it limits the global application of the results. Methodologically, the 5-point Likert scale adequately captured perceptions; however, more nuanced variations of fears or perceived correctness could benefit from the richer insights offered by qualitative interviews. Looking ahead, we would suggest extending the study to other Eastern European countries to investigate how culture influences AI adoption. Long-term studies could be useful to analyze how the views of the growing Generation Z are changing. Exploring differences between different fields of study or testing clearer algorithms could sharpen our understanding of the dance between humans and technology and pave the way for a fairer, more inclusive future in hiring.

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