

# **ARM: Beyond Multiple Hurdles — A Relational Paradigm for Talent**

## **Acquisition**

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The perception that organisations face an acute talent shortage has become one of the most persistent themes in contemporary human resource management. Industry surveys consistently report that 70–75% of the reachable talent market is not actively engaging with hiring processes, a figure typically interpreted as evidence of insufficient supply. This paper argues that the interpretation is dangerously incomplete. While structural market pressures — including compensation distortion by frontier technology firms, margin compression from globalisation, and AI-driven productivity gains — are genuine and largely beyond individual employers' control, a significant component of the apparent shortage reflects a behavioural response to the selection process itself. Qualified, available professionals have made a deliberate decision to withdraw from hiring processes that repeated experience has taught them to regard as opaque, unrewarding, and unlikely to treat them as anything more than data points to be filtered.

The paper identifies two interconnected problems that the existing literature has treated as separate concerns. The first is compensatory talent exclusion. The multiple hurdle model, which dominates personnel selection practice, assesses candidates sequentially against independent thresholds: a candidate who falls below the cut-off on any single criterion is eliminated regardless of their standing on all others. Ock and Oswald (2018), in a direct comparison of selection architectures, demonstrated that compensatory models — in which a candidate's full profile is evaluated as an integrated composite — yield superior predictive validity and better workforce diversity outcomes. De Corte, Lievens, and Sackett (2007) reached compatible conclusions through a different analytical route. The evidence is unambiguous: the most widely adopted selection architecture systematically excludes candidates whose integrated profiles would, under compensatory evaluation, be among the strongest in the pool.

The second problem is market-level talent disengagement. The applicant reactions literature (McCarthy et al., 2017; Hausknecht et al., 2004; Konradt et al., 2020) has established that perceptions of procedural unfairness drive withdrawal from selection processes. This paper extends these individual-level findings by proposing that the cumulative experience of eliminative selection, repeated across organisations and career stages, produces a systemic pattern of market-level withdrawal — a disengagement spiral in which opaque processes generate frustration, frustration drives withdrawal, and withdrawal weakens applicant pools, prompting further eliminative screening that accelerates the cycle. Grossman and Schoolderman (2022), drawing on over a decade of benchmarking data from the Candidate Experience Awards across more than 1,200 organisations and 1.25 million candidates, provide practitioner-scale evidence consistent with this dynamic: organisations that treated the candidate journey as administrative throughput experienced compounding reputational damage, while those that invested in structured, transparent experiences reported measurably higher rates of candidate advocacy, reapplication, and referral behaviour. The dynamics of this disengagement also suggest an adverse selection effect in the talent market: employed, high-performing candidates — those with the highest opportunity cost of engagement — disengage first, while the applicant pool skews toward those whose circumstances compel participation regardless of expected return. Schellmann's (2024) investigative reporting, drawing on whistleblower testimony, leaked internal documents, and first-person testing of commercial AI hiring tools, provides further empirical grounding: several widely deployed systems produced assessments with no demonstrable relationship to job-relevant criteria, operating as black boxes that structurally preclude the correctability dimension of procedural justice.

The paper proposes Applicant Relationship Management (ARM) as a relational selection paradigm that addresses both problems through a unified framework. ARM reconceptualises the hiring process not as a sequence of evaluative gates but as a sustained, bilateral relationship in which both the organisation and the individual contribute to the evaluative process over time. Its theoretical architecture draws on Social Exchange Theory (Blau, 1964), Organisational Justice Theory (Colquitt, 2001; Gilliland, 1993), and the compensatory selection evidence that the dominant hurdle model has failed to operationalise.

ARM makes three sequentially dependent contributions. First, co-creative assessment operationalises compensatory evaluation at scale by inviting candidates to review, contextualise, and supplement the organisation's AI-assisted initial evaluation of their profile before any selection decision is made. The candidate's input shapes the evaluation rather than contesting a completed judgment, creating the mechanical-plus-clinical combination that Kuncel et al. (2013) identified as

optimal for predictive accuracy. This architecture is consistent with Daugherty and Wilson's (2024) "missing middle" concept, drawn from research across 1,500 organisations: the productive application of AI lies not in full automation but in hybrid processes where algorithmic capability and human judgment are structurally combined. The paper addresses the objection that co-creative assessment may be exploited through impression management, arguing that the AI-assisted baseline provides detection capability exceeding that of conventional selection processes, and that attempting to eliminate residual risk through more aggressive algorithmic filtering would reproduce exactly the false-negative problem the framework is designed to solve — penalising honest candidates to catch rare manipulators. ARM accepts that final judgment on authenticity remains a human evaluative responsibility.

Second, Silver Medallist re-engagement formalises the systematic recovery of near-miss candidates — individuals assessed as strong but not selected — contingent on the quality of the original evaluative experience rather than the frequency of subsequent contact. Grossman and Schoolderman's (2022) benchmarking data demonstrates that the single most consequential moment in shaping post-process candidate behaviour is not the hiring decision itself but the quality of communication at the point of rejection. The re-engagement relationship is initiated at the point of original closure, not at the point of future contact. This contribution is sequentially dependent on co-creative assessment: Silver Medallist re-engagement cannot function without the relational foundation that a co-creative evaluative experience creates.

Third, relational lifecycle management extends the evaluative relationship beyond any single hiring decision, enabling temporal and cross-functional compensatory matches that point-in-time models cannot detect. A candidate who lacks a specific capability today may develop it; a moderate match for one role may be exceptional for another that opens later. The lifecycle makes these matches possible not through passive data retention but because the quality of the original experience created a foundation worth reactivating.

The paper situates ARM within a broader debate about the role of AI in selection. Costa (2025), examining the transformation of work from an organisational strategy perspective, frames AI as a test of organisational capacity: organisations that deploy AI as a substitute for human judgment reveal an impoverished understanding of what those processes were doing; organisations that use AI to make human contribution more visible and accountable demonstrate a relational maturity that extends beyond the technology itself. ARM's position is explicit: the algorithmic analysis is designed to be incomplete without the candidate's contribution. The distinction is not between using AI and not using it — a binary that is no

longer tenable — but between AI deployed to replace human judgment and AI deployed to scaffold bilateral human judgment.

Preliminary evidence from a pilot implementation illustrates the framework's operational feasibility, demonstrating that co-creative assessment can be operationalised within a technology-enabled recruitment process and that initial practitioner responses are directionally consistent with the theoretical predictions. The paper acknowledges that this evidence is illustrative rather than confirmatory, and identifies five directions for future empirical research: validation across organisational contexts and sectors, longitudinal investigation of the market-level disengagement hypothesis, empirical testing of co-creative contribution accuracy, cross-role applicability, and cultural adaptation of procedural justice expectations.

ARM does not eliminate the necessity of selecting and excluding. It transforms the character of that process and what candidates carry forward from the experience. The paper responds directly to Potočník et al.'s (2021) call for theory-driven paradigm development in recruitment and selection research.

**Keywords:** applicant relationship management, compensatory selection, multiple hurdle model, applicant reactions, procedural justice, co-creative assessment, Silver Medallist, adverse selection, talent acquisition, disengagement spiral, AI in hiring, relational lifecycle