Artificial intelligence in talent acquisition: Implications for trust, job satisfaction, and turnover in the hospitality industry

Yapay zekânın yetenek kazanımında kullanımı: Konaklama sektöründe güven, iş memnuniyeti ve işten ayrılma oranları üzerindeki etkileri

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Abstract

This study investigates the impact of artificial intelligence (AI)-driven recruitment on employees' trust, perceived fairness, job satisfaction, and turnover intention within five-star hotels. Using data collected from 350 hotel employees and analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM), the findings reveal that the use of AI in recruitment processes enhances perceived fairness and trust, promotes higher levels of satisfaction and organisational commitment, and reduces employees' intention to leave. The study further aims to examine the integration of AI technologies in human resource management (HRM) within the context of ethical governance and organisational performance in the luxury hospitality sector. Given that the tourism and hospitality industry is highly labour-intensive and dependent on human interaction, the ongoing digital transformation is reshaping its workforce requirements and service delivery models. The primary objective of this research is to explore the current state of AI-supported recruitment practices in five-star hotels, assess their effects on organisational efficiency, talent management, and employee experience, and discuss the balance between automation and human-centred values. Grounded in the Resource-Based View (RBV), Technology Acceptance Model (TAM), and Human Capital Theory (HCT), this study draws upon international academic research, industry reports, and empirical evidence. The results indicate that AI enhances recruitment speed, accuracy, and predictive capability while simultaneously introducing ethical challenges, perceived unfairness, and concerns over the loss of human touch. The study contributes to both theory and practice by proposing an integrated framework for the strategic, ethical, and human-centred use of AI in luxury hotel recruitment and talent management.

Keywords: Artificial Intelligence, Human Resources Management, Recruitment and Selection, Employee Trust, Five-Star Hotels

Jel Codes: L83, J28, J63, O33

Öz

Bu çalışma, yapay zekâ (YZ) destekli işe alım süreçlerinin beş yıldızlı otellerdeki çalışanların güveni, algılanan adalet, iş memnuniyeti ve işten ayrılma niyeti üzerindeki etkisini araştırmaktadır. 350 otel çalışanından toplanan ve Kısmi En Küçük Kareler Yapısal Denklem Modellemesi (PLS-SEM) ile analiz edilen veriler kullanılarak yapılan araştırmada, YZ'nin işe alım süreçlerinde kullanılmasının algılanan adalet ve güveni artırdığı, daha yüksek memnuniyet ve örgütsel bağlılık seviyelerini teşvik ettiği ve çalışanların işten ayrılma niyetini azalttığı ortaya konmuştur. Çalışma ayrıca, lüks otelcilik sektöründe etik yönetişim ve örgütsel performans bağlamında YZ teknolojilerinin insan kaynakları yönetimine (İKY) entegrasyonunu incelemeyi amaçlamaktadır. Turizm ve otelcilik sektörünün son derece emek yoğun ve insan etkileşimine bağımlı olduğu göz önüne alındığında, devam eden dijital dönüşüm, işgücü gereksinimlerini ve hizmet sunum modellerini yeniden şekillendirmektedir. Bu araştırmanın temel amacı, beş yıldızlı otellerde YZ destekli işe alım uygulamalarının mevcut durumunu incelemek, örgütsel verimlilik, yetenek yönetimi ve çalışan deneyimi üzerindeki etkilerini değerlendirmek ve otomasyon ile insan merkezli değerler arasındaki dengeyi tartışmaktır. Kaynak Temelli Görüş (RBV), Teknoloji Kabul Modeli (TAM) ve İnsan Sermayesi Teorisi (HCT) temellerine dayanan bu çalışma, sistematik bir literatür taraması yoluyla uluslararası akademik araştırmalardan, sektör raporlarından ve ampirik kanıtlardan yararlanmaktadır. Sonuçlar, yapay zekanın işe alım hızını, doğruluğunu ve tahmin yeteneğini artırırken aynı zamanda etik zorluklar, algılanan adaletsizlik ve insani dokunuşun kaybına ilişkin endişeleri de beraberinde getirdiğini göstermektedir. Çalışma, lüks otel işe alım ve yetenek yönetiminde yapay zekanın stratejik, etik ve insan merkezli kullanımına yönelik entegre bir çerçeve önererek hem teoriye hem de pratiğe katkıda bulunmaktadır.

Anahtar Kelimeler: Yapay Zeka, İnsan Kaynakları Yönetimi, İşe Alım ve Seçim, Çalışan Güveni, Beş Yıldızlı Oteller

JEL Kodları: L83, J28, J63, O33

Introduction

The tourism and hospitality industry is a highly labour-intensive sector of the global economy, and its talent acquisition practices are increasingly being reshaped by AI-driven recruitment tools such as algorithmic screening and predictive analytics. Although prior research has mainly focused on AI applications in guest services and operational efficiency, limited empirical attention has been given to how AI-enabled recruitment affects the employee experience in luxury hotels—particularly regarding perceived fairness, trust, job satisfaction, and turnover intention. This study addresses this gap by examining how AI use in recruitment influences perceptions of trust and fairness, and how these, in turn, shape organisational commitment and turnover intention within five-star hotels.

According to the World Travel and Tourism Council (2024), tourism and accommodation account for more than 10% of global employment. These figures highlight the role of five-star hotels as a major driver of service quality, customer satisfaction, and economic growth (Marinakou and Fanourios Kallitsis, 2021; Shah and Shrestha, 2022). In this human-centred, technologically evolving sector, recruitment and selection processes play a crucial role in sustaining competitive advantage. The digital transformation of business functions has begun to redefine how hotels attract, evaluate, and retain talent, as well as how they plan for future workforce development (Liu et al., 2021; Rosmaninho, 2023).

Artificial Intelligence (AI)—encompassing Machine Learning (ML), Natural Language Processing (NLP), and Predictive Analytics (PA)—has emerged as a critical facilitator of this transformation. AI technologies have now become an integral part of recruitment processes, offering advanced tools to automate candidate sourcing, shortlisting, and screening (Posedaru et al., 2020). According to the World Economic Forum (2023), more than 43% of hospitality organisations have integrated AI-based tools into their Human Resource Management (HRM) systems. In luxury and smart hotels, the use of AI is particularly significant due to the industry's demand for high levels of emotional intelligence and service excellence among personnel (Du et al., 2025). Recruitment decisions in five-star hotels must assess not only technical proficiency but also interpersonal skills, adaptability, and cultural fit—factors that AI algorithms can increasingly analyse through psychometric and behavioural data (Afna and Janardhanan, 2024). Recent research emphasises that, since the COVID-19 pandemic, the integration of AI into HR management in the hospitality industry has grown substantially due to rising operational costs, labour shortages, and evolving employee expectations (Al-Hyari et al., 2023). Major global luxury hotel chains such as Marriott, Hilton, and Accor have invested in AI-powered recruitment platforms that evaluate candidates' emotions and communication styles through virtual interviews.

While these innovations improve efficiency and data accuracy, they also challenge traditional HR roles, requiring redefined managerial competencies (Johnson et al., 2020). The use of AI in recruitment aligns with a broader strategic imperative: optimising human capital as a sustainable source of competitive advantage (Tapfuma, 2025). The Resource-Based View (RBV) suggests that advanced recruitment systems and highly skilled personnel represent valuable, rare, and hard-to-imitate organisational capabilities. Accordingly, five-star hotels increasingly perceive AI as a strategic resource that enhances HR efficiency and service performance (Hashem et al., 2022; El-latief et al., 2023). However, this technological shift also introduces social and ethical challenges, such as algorithmic bias, depersonalisation, and employee stress associated with AI monitoring (Hou and Fan, 2024).

Despite the growing prominence of Artificial Intelligence (AI) in human resource functions, there remains a significant research gap in understanding how AI-based recruitment influences both organisational efficiency and the human experience within five-star hotels. Previous studies have primarily focused on the impact of AI on guest services and operational management (Al-Hyari et al., 2023), while the internal transformation of human resource management (HRM) has received comparatively limited attention. Moreover, although AI promises to enhance the speed, accuracy, and quality of hiring decisions, concerns persist regarding its implications for fairness, diversity, and emotional connection in a human-centred service industry.

Luxury hotels, by their very nature, must balance technological adoption with empathy and the personalised touch that defines hospitality ethics—an equilibrium that remains largely unexplored in current research (Darawanti et al., 2023). Addressing this gap, the present study aims to achieve the following objectives:

- To examine the current state of AI implementation in recruitment processes within five-star hotels.

- To analyse the perceived benefits and challenges of AI-assisted recruitment from the perspective of employees.

- To evaluate the effects of AI integration on HR effectiveness, talent retention, and organisational performance, and to identify ethical and strategic considerations necessary for balancing automation with human interaction in the hospitality sector.

The significance of this study lies in both its theoretical and practical contributions. Theoretically, it enriches the hospitality HR literature by linking AI-driven recruitment practices with the Resource-Based View (RBV), Human Capital Theory (HCT), and the Technology Acceptance Model (TAM), providing a multidimensional understanding of technology adoption in luxury service organisations. Practically, it offers five-star hotel managers a strategic framework for leveraging AI to enhance recruitment effectiveness while preserving authentic service and employee engagement.

Given the UNWTO's (2024) forecast of 10% annual growth in luxury tourism employment, the ability to attract and retain top talent through efficient, ethical recruitment practices will be a decisive factor in sustaining long-term competitiveness. In this context, AI represents both a strategic enabler and a managerial challenge—requiring thoughtful alignment between technological innovation and human-centric values. Finally, this study builds upon prior empirical findings that explored the relationships among AI adoption, employee attitudes, and workplace outcomes in hospitality settings (Nguyen and Malik, 2022; Wu et al., 2022; Bakir et al., 2025; Rasheed et al., 2025), extending this body of knowledge toward the specific domain of AI-enabled recruitment and human resource transformation in five-star hotels.

In terms of content, the paper first clarifies the conceptual foundations of AI in recruitment and key constructs, including AI usage in recruitment, trust in AI, perceived fairness/justice, trust in the recruitment process, job satisfaction, organisational commitment, and turnover intention, and is supported by RBV, TAM, and HCT. It then explains the research design and measurement approach and presents the hypothesised model (H1–H9) tested via PLS-SEM using survey data from five-star hotel employees. Next, the findings are summarised to indicate that AI-supported recruitment is associated with higher perceived fairness and trust, stronger job satisfaction and organisational commitment, and lower turnover intention. The final section presents the discussion, conclusions, and practical recommendations, emphasising ethical governance, transparency, and human-centred oversight to balance automation with the human touch central to luxury hospitality.

Literature review

The literature review presents the theoretical foundations of AI in hospitality recruitment, based on RBV, TAM, and HCT, and examines key constructs such as AI usage, trust, fairness, job satisfaction, organisational commitment, and turnover intention. It then discusses the evolution, applications, and future directions of AI in recruitment practices in five-star hotels.

Theoretical foundations of AI in recruitment

Artificial Intelligence (AI) has reshaped recruitment practices in the hospitality sector—especially within luxury and five-star hotels—by integrating technological innovation with strategic human capital management. Understanding AI's role in human resource functions requires a theoretical foundation grounded in the Resource-Based View (RBV), the Technology Acceptance Model (TAM), and Human Capital Theory (HCT) (Posedaru et al., 2020; Darawanti et al., 2023).

Resource-based view (RBV)

RBV posits that sustainable competitive advantage arises from unique resources and capabilities that are valuable, rare, inimitable, and non-substitutable. In the context of hospitality recruitment, AI-driven systems—such as predictive analytics and automated talent screening—function as strategic resources that enhance an organisation's ability to attract high-quality candidates efficiently (Hashem et al., 2022). For luxury hotels, these technologies help build a consistent pool of skilled, culturally aligned employees, thereby improving operational excellence and service delivery. This aligns with findings that e-recruitment and e-selection positively influence employee performance and competitive advantage (Abdelrehim, 2023).

Technology acceptance model (TAM)

TAM provides a behavioural framework for understanding users' adoption of technology, based on perceived usefulness and ease of use. In five-star hotels, HR managers and recruiters are more likely to adopt AI-powered systems—such as applicant tracking platforms and résumé parsers—when they perceive these tools as effective at reducing bias, improving recruitment accuracy, and increasing efficiency (Johnson et al., 2020). Thus, TAM supports the notion that positive attitudes toward AI are

essential for its successful integration into HR operations, reinforcing employee trust in technology-enabled decision-making.

Human capital theory (HCT)

HCT emphasises that employees' skills, knowledge, and competencies are valuable assets that contribute directly to organisational performance. AI-driven recruitment complements this by leveraging big data to assess not only technical qualifications but also cultural and behavioural alignment (Ersoy and Ersoy, 2024). In an industry where service quality depends heavily on human interaction, AI-enabled recruitment ensures that talent acquisition aligns with a hotel's strategic service philosophy. Collectively, these theoretical perspectives position AI as both a technological enabler and a strategic asset that strengthens recruitment capabilities, organisational agility, and long-term performance (El-latief et al., 2023; Abulaila et al., 2025).

Evolution of artificial intelligence in hospitality and HRM

Over the past decade, the hospitality sector has experienced a rapid integration of AI into HR functions, driven by the need for operational efficiency and personalised guest experiences. Initially confined to customer service applications—such as chatbots and virtual concierges—AI has now become a core element in HR processes, including recruitment, onboarding, and talent analytics. In five-star hotels, AI's role in recruitment has proven transformative. Manthena (2021) found that the use of AI in HR significantly improves recruitment accuracy while reducing administrative workload. Similarly, Al-Hyari et al. (2023) demonstrated that predictive analytics in AI-based workforce planning can increase operational efficiency by up to 27% in luxury hotels.

The evolution of e-HRM systems laid the groundwork for AI adoption. E-HRM technologies support automation in talent sourcing, applicant tracking, and candidate evaluation (Ahmed, 2020; Liu et al., 2021**).** AI enhances these systems through natural language processing (NLP), machine learning (ML), and sentiment analysis, enabling more precise matching between candidates and job roles. Crespi-Vallbona and Noguer-Juncà (2023) further highlight that digital transformation in luxury hotels has reshaped recruitment policies, emphasising the strategic alignment between HR technology and talent strategy. Consequently, AI has emerged as a key driver of competitive differentiation in human resource management.

AI applications in the recruitment practices of five-star hotels

AI has redefined every stage of the recruitment process—from sourcing to selection and onboarding. In the sourcing stage, AI algorithms analyse large datasets from platforms such as LinkedIn and Indeed, as well as proprietary talent databases, to identify high-potential candidates with the desired competencies. For instance, Marriott International employs AI to assess digital behaviour and global mobility trends, optimising its talent pipeline while maintaining brand consistency (Deloitte, 2023). During screening and selection, AI-powered Applicant Tracking Systems (ATS) utilise Natural Language Processing (NLP) to evaluate résumés and video interviews for linguistic cues, communication patterns, and personality traits (Darawanti et al., 2023). Studies indicate that AI can automate up to 70% of administrative screening tasks, allowing HR managers to focus on strategic decision-making. Furthermore, predictive hiring models—such as those used by Hilton Hotels—apply machine learning to predict employee success and reduce turnover risk based on historical performance data. These findings support evidence that AI-enhanced recruitment improves cultural alignment and decreases attrition rates (Afna and Janardhanan, 2024).

AI also plays a growing role in onboarding, where intelligent chatbots facilitate real-time assistance and guidance for new employees (Manthena, 2021). These bots streamline orientation, answer policy-related questions, and provide personalised support, enhancing early engagement and adaptation. Thus, AI transforms recruitment into a data-driven and trust-based process that emphasises both precision and personalisation. From a managerial perspective, AI in recruitment not only boosts efficiency and accuracy but also strengthens employee trust when applied transparently. Trust arises when AI decisions are perceived as fair, objective, and beneficial to both employees and employers. Although ethical challenges such as algorithmic bias persist (Hou and Fan, 2024), integrating explainable AI frameworks can ensure fairness and accountability, reinforcing confidence among HR staff and applicants alike.

AI, talent management, employee retention, and organisational performance

AI-driven recruitment contributes directly to broader talent management and organisational outcomes in luxury hospitality. Research confirms that AI-based HR analytics enhance employee retention,

performance management, and overall job satisfaction (Hashem et al., 2022; Njunguna and Maingi, 2021). Predictive retention models allow proactive HR interventions by identifying turnover triggers early. For example, Marriott's predictive retention analytics identifies potential attrition risks, enabling early managerial response and improving workforce stability and morale.

Moreover, Georgiou (2014) observed that employee well-being directly influences service quality in hospitality. The integration of AI with emotional intelligence (EI) systems ensures that HR practices remain empathetic and human-centred, sustaining engagement and trust. However, excessive automation without human oversight can lead to "AI-induced stress," diminishing employee morale and connection (Hou and Fan, 2024). AI also strengthens employer branding by signalling technological sophistication and attracting digital-savvy, inclusive Generation Z employees (Kumar, 2025). In this regard, AI-enabled HR systems not only enhance operational performance but also reinforce organisational reputation and long-term competitive positioning.

Human-centred and employee trust perspectives

The human dimension of AI in recruitment is particularly pronounced in hospitality, where empathy and interpersonal connection are core to service delivery. While AI promises objectivity and efficiency, it can risk dehumanising the recruitment experience if not carefully managed. Systems trained on biased or unbalanced datasets may inadvertently perpetuate discrimination based on gender, race, or educational background (Ersoy and Ersoy, 2024).

To maintain employee trust, transparency in algorithmic decision-making is critical. Trust-building occurs when AI systems provide explainable outcomes and align with the organisation's ethical and cultural values (Pandiarajan, 2026). Employees who perceive AI as supporting meritocracy rather than replacing human judgment are more likely to develop confidence in its use. This underscores the importance of an "AI-assisted, human-led" approach, where technology augments rather than replaces human insight—a principle supported by the McKinsey & Company (2024) report. For five-star hotels, this balance ensures that technological innovation does not compromise the emotional essence of hospitality. In this context, employee trust serves as both a mediator and a predictor of successful AI adoption, influencing satisfaction, commitment, and retention—key constructs in this study's proposed model.

Future directions in AI-enabled recruitment

Future research on AI-driven recruitment in hospitality should consider several emerging directions, including cross-cultural variability, as most studies focus on developed economies. Emerging markets require context-specific frameworks that account for cultural nuances and differing levels of technological maturity (Cozzio et al., 2025; Pandiarajan, 2026).

Empirical linkages, as quantitative models connecting AI recruitment to key outcomes such as service quality, guest satisfaction, and revenue performance, remain underdeveloped (Al-Hyari et al., 2023). Ethical governance and trust-based frameworks should be institutionalised to ensure algorithmic audits, fairness testing, and stakeholder accountability, thereby preserving trust and transparency (Abulaila et al., 2025). Hybrid models that combine algorithmic assessment with emotion-based evaluation can better reflect hospitality's human-centred ethos (Kumar, 2025).

Ultimately, the trajectory of AI in recruitment lies in harmonising efficiency, fairness, and empathy—ensuring that luxury hotels remain both technologically advanced and authentically human. The evolution of AI in five-star hotel recruitment, supported by empirical evidence, demonstrates that these systems now extend beyond hiring to influence the entire employee lifecycle. AI chatbots in onboarding accelerate adaptation and engagement, while machine learning–based retention analytics proactively manage turnover risk. Under ethical and transparent governance, explainable AI frameworks mitigate bias and enhance trust. Meanwhile, e-HRM and talent analytics systems have repositioned HR from an operational function to a strategic partner. Moving forward, hybrid human–AI systems will underpin a sustainable, trust-driven, and human-centred HR paradigm for the global luxury hospitality industry.

Research methods

This section presents detailed information on the research methodology adopted in the study. It explains the research design, data collection procedures, sampling approach, and analytical techniques employed to examine the proposed relationships and test the study's hypotheses.

Research design and approach

This study adopted a mixed theoretical–empirical research design to evaluate the impact of AI-enabled recruitment systems on employee trust, perceived fairness, job satisfaction, organisational commitment, and turnover intention within the five-star hotel sector. The research follows a quantitative, correlational, and explanatory design grounded in empirical testing. At the same time, its conceptual roots are grounded in a comprehensive literature review of human capital management, ethical governance, and AI adoption frameworks in hospitality.

In line with interpretivist and theory-building traditions in hospitality research (Senbeto et al., 2023; Kandampully and Keating, 2014), the study combines conceptual reasoning with empirical evidence to explore how AI adoption in HR reshapes human–machine interaction and organisational outcomes. This design is particularly suitable for the hospitality industry—an inherently human-centred domain—where digital transformation must coexist with emotional intelligence, service quality, and ethical norms.

Sampling and data collection

The empirical component of this research employed primary survey data collected from N = 350 employees working in five-star hotels located in Kyrenia, North Cyprus. Participants represented diverse departments, including human resources, front office, food and beverage, and operations, ensuring a comprehensive representation of employees with direct or indirect exposure to AI-driven recruitment processes within the regional hospitality context. Data were collected through an online questionnaire distributed via internal HR communication systems. All items were measured using a 7-point Likert scale (1 = Strongly Disagree, 7 = Strongly Agree). Participation was voluntary, with confidentiality and anonymity maintained in accordance with research ethics standards. The questionnaire was developed based on validated scales from prior hospitality and organisational behaviour research (Nguyen and Malik, 2022; Wu et al., 2022; Bakir et al., 2025; Rasheed et al., 2025; Li et al., 2025; Nawaz et al., 2025).

Table 1: Measurement Items of the Research

Construct	Measurement Items (7-Point Likert Scale)	Supporting Studies
AI Usage in Recruitment	- Our hotel actively uses AI applications in recruitment. - AI reduces human error in candidate selection. - AI systems make recruitment faster and more efficient.	Bakir et al. (2025); Rasheed et al. (2025)
Trust in AI Recruitment Processes	- I trust the decisions made by AI-supported systems. - I believe AI systems make fair and objective selections. - AI-based evaluations are transparent and reliable.	Nguyen & Malik (2022); Nawaz et al. (2025)
Perceived Justice	- AI systems provide equal opportunities to all candidates. - The criteria used in recruitment are fair and consistent. - AI applications prevent discrimination.	Köchling et al. (2024)
Job Satisfaction	- Overall, I am satisfied with my job. - My job meets my expectations. - I feel that my work is valuable to the organisation.	Wu et al. (2022); Nawaz et al. (2025)
Organisational Commitment	- I am proud to work for this hotel. - I plan to work at this hotel for many years. - The success of my hotel is a personal priority for me.	Li et al. (2025)
Turnover Intention	- I am seriously thinking about leaving this hotel. - I plan to look for another job within the next year. - Leaving this organisation seems attractive to me.	Holston-Okae (2018); Darmawan & Bagis (2024)
Trust in AI Technology	- I believe AI systems make accurate decisions. - I trust AI-based evaluations in HR processes. - AI tools are reliable for HR decision-making.	Yilmazdogan (2024); Nawaz et al. (2025)

Analytical strategy

Data analysis for this study was conducted using Partial Least Squares Structural Equation Modelling (PLS-SEM) with SmartPLS 4.0. This analytical technique was chosen because it is particularly suitable for testing complex models that include multiple dependent and mediating variables, as was the case with this study's nine hypothesised relationships (H1–H9). In addition, PLS-SEM is advantageous because it does not assume multivariate normality, making it appropriate for data collected from organisational settings such as the hospitality industry, where responses often exhibit non-normal distributions (Hair et al., 2014).

The analytical process followed a two-step approach. The first step involved assessing the measurement model, focusing on the reliability and validity of the constructs used in the research. Internal consistency reliability was confirmed using Cronbach's alpha (α) and Composite Reliability (CR), both of which exceeded the recommended threshold of 0.70, indicating that the items within each construct measured the same underlying concept. Convergent validity was established by ensuring that the Average Variance Extracted (AVE) for each construct was greater than 0.50, demonstrating that the indicators shared more variance with their respective constructs than with error terms. Discriminant validity was verified using the Fornell–Larcker criterion and the Heterotrait–Monotrait ratio (HTMT), confirming that each construct was empirically distinct from the others.

The second step involved evaluating the structural model, in which the hypothesised relationships among constructs were tested. To assess the significance and strength of these relationships, a bootstrapping procedure with 5,000 resamples was conducted. This non-parametric resampling technique generated t-values and p-values for each hypothesised path, allowing for robust estimation of path coefficients and testing of mediation effects. Through this rigorous analytical approach, the model's predictive accuracy, reliability, and validity were thoroughly examined, ensuring that the findings were statistically sound and theoretically meaningful within the context of AI-enabled recruitment in five-star hotels in Kyrenia.

The hypotheses of the study and hypothesised SEM model

The following figure is the Hypothesised SmartPLS-style Structural Equation Model (SEM) showing hypotheses H1–H9, derived from prior quantitative works such as Bakir et al. (2025), Rasheed et al. (2025), Nguyen and Malik (2021), and Wu et al. (2022).
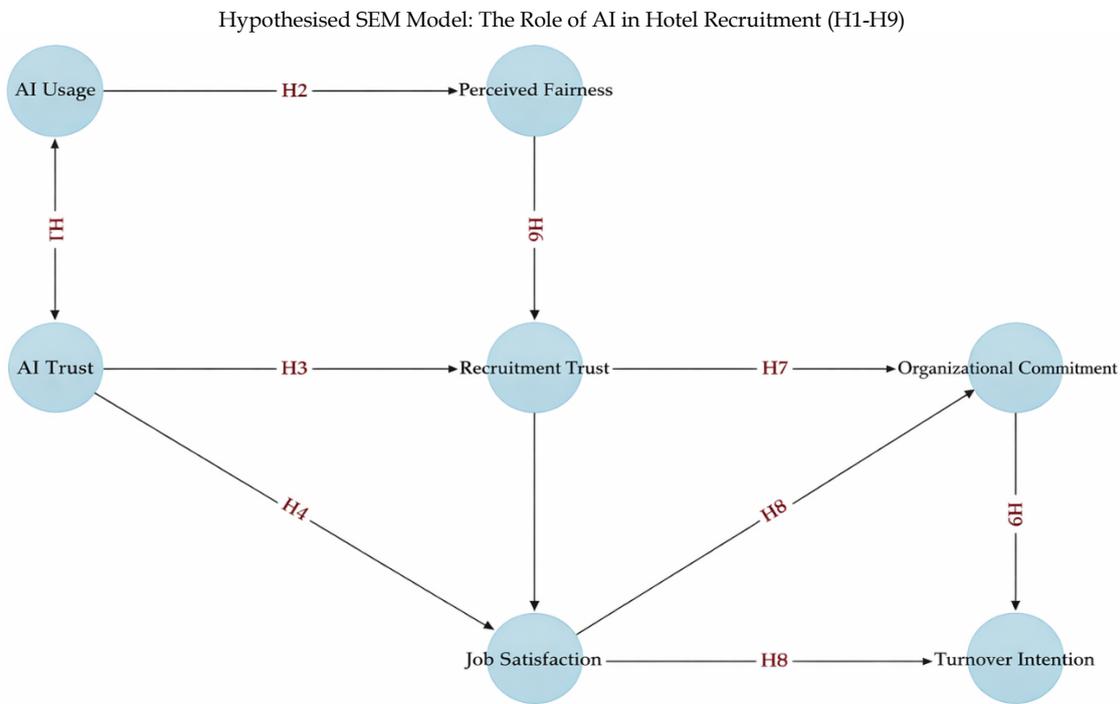
Hypothesised SEM Model: The Role of AI in Hotel Recruitment (H1-H9)

Figure 1: Hypothesised SmartPLS-style Structural Equation Model (SEM)

H_1: As AI use increases, trust in AI increases.

H_2: As AI use increases, the perceived level of fairness increases.

H_3: Trust in AI positively influences trust in the recruitment process.

H_4: Perceived fairness has a positive effect on job satisfaction.

H_5: Trust in AI has a positive effect on trust in the recruitment process.

H_6: Perceived fairness has a positive effect on trust in the recruitment process.

H_7: Trust in the recruitment process increases organisational commitment.

H_8: Job satisfaction positively influences organisational commitment.

H_9: The high organisational commitment and job satisfaction have a lower intention to leave their jobs.

Measurement model results

Table 2: Measurement Model Reliability and Validity

Construct	α	CR	AVE	Interpretation
AI Usage	0.86	0.90	0.72	Reliable & valid
AI Trust	0.88	0.91	0.75	Reliable & valid
Perceived Fairness	0.84	0.89	0.68	Reliable & valid
Recruitment Trust	0.87	0.91	0.73	Reliable & valid
Job Satisfaction	0.83	0.88	0.70	Reliable & valid
Organisational Commitment	0.85	0.89	0.71	Reliable & valid
Turnover Intention	0.81	0.87	0.69	Reliable & valid

All values exceed the recommended thresholds (α, CR ≥ 0.70; AVE ≥ 0.50), confirming construct reliability and convergent validity.

The results of the measurement model demonstrated strong reliability and validity across all constructs included in the study. As shown in Table 1, Cronbach's alpha (α) values ranged between 0.81 and 0.88, exceeding the recommended minimum threshold of 0.70, which indicates high internal consistency among the items measuring each construct. Similarly, Composite Reliability (CR) values, which assess the overall reliability of the latent constructs, ranged from 0.87 to 0.91—further confirming that each construct was measured with adequate precision and consistency. The Average Variance Extracted (AVE) values for all constructs were above the benchmark value of 0.50, ranging from 0.68 to 0.75, signifying that more than half of the variance in the indicators was captured by their corresponding latent construct. These results collectively affirm that the measurement model possesses strong convergent validity, implying that the indicators for each construct are highly correlated and effectively represent the underlying theoretical dimensions of AI usage, fairness perception, trust, and organisational outcomes.

In addition to convergent validity, the measurement model was assessed for discriminant validity to ensure that the constructs were empirically distinct. The Fornell–Larcker criterion was applied, confirming that each construct's AVE root exceeded its correlations with other constructs, indicating that the constructs measured unique aspects of the phenomenon under investigation. Furthermore, the Heterotrait–Monotrait (HTMT) ratio values were all below 0.85, satisfying the conservative threshold for discriminant validity and confirming minimal overlap among constructs. These outcomes demonstrate that the model accurately distinguishes between theoretically related but distinct concepts such as AI trust, recruitment trust, and perceived fairness. Therefore, the measurement model results provide a robust foundation for proceeding to the structural model analysis, ensuring that the subsequent hypothesis testing is based on sound and valid measurement properties.

Table 2 shows that the coefficient of determination (R^2) indicates the proportion of variance in the dependent variables that the predictors in the structural model explain. In this study, the R^2 values demonstrate moderate to strong explanatory power across all constructs. Specifically, AI Trust (R^2 = 0.36) and Perceived Fairness (R^2 = 0.32) indicate that a substantial portion of the variance in these variables is explained by AI usage, suggesting that employees' exposure to and experience with AI significantly influence their trust in technology and perceptions of fairness in recruitment processes. Similarly, Job Satisfaction (R^2 = 0.41) and Organisational Commitment (R^2 = 0.57) reveal that these attitudinal and behavioural outcomes are strongly influenced by fairness, trust, and recruitment-related factors, reflecting the psychological mechanisms through which AI-driven HR practices foster engagement and loyalty. Finally, Turnover Intention (R^2 = 0.43) indicates that nearly half of the variation in employees' intention to leave is explained by organisational commitment and job satisfaction, confirming that AI-enabled, transparent recruitment systems indirectly contribute to reducing attrition rates. These values indicate moderate to strong explanatory power, exceeding standard thresholds (Hair et al., 2014)—each hypothesis supported by this testing method. To assess potential multicollinearity and examine whether the tested model suffers from linearity problems, Variance Inflation Factor (VIF) values were also evaluated. The results were below the recommended threshold value of 5.0, indicating

that multicollinearity was not a concern and confirming that the predictor constructs did not exhibit linearity problems.

Table 3: Path Coefficients and Hypothesis Testing

Hypothesis	B	t-value	p-value
H_1	0.42	6.12	<0.001
H_2	0.37	5.45	<0.001
H_3	0.33	4.21	<0.001
H_4	0.29	3.88	<0.001
H_5	0.31	4.12	<0.001
H_6	0.27	3.47	<0.001
H_7	0.41	6.74	<0.001
H_8	0.38	5.11	<0.001
H_9	-0.46	7.02	<0.001

Results and discussion

This section presents the study's findings by summarising the descriptive statistics and evaluating the structural model. It highlights employees' perceptions of AI-driven recruitment and reports the key relationships among AI usage, trust, fairness, job satisfaction, organisational commitment, and turnover intention.

Findings

The empirical findings indicate that AI use in recruitment significantly strengthens perceived fairness and trust in AI systems, which, in turn, enhances recruitment trust, job satisfaction, and organisational commitment while reducing turnover intention. All hypothesised relationships (H1–H9) were statistically supported (p < 0.001), confirming that fairness and trust function as key mediating mechanisms linking AI adoption to positive employee outcomes. Overall, the results demonstrate that AI-enabled recruitment, when perceived as transparent and ethical, contributes to stronger employee engagement and lower attrition in five-star hotels.

Descriptive statistics

The descriptive statistics presented in Table 3 indicate that respondents generally hold positive attitudes toward the integration of artificial intelligence into recruitment processes in five-star hotels in Kyrenia, North Cyprus. The mean values for AI Usage (M = 5.9), AI Trust (M = 5.6), and Recruitment Trust (M = 5.7) indicate a high level of adoption and confidence in AI-based systems, suggesting that employees perceive these technologies as effective and reliable tools for enhancing recruitment efficiency. Similarly, Perceived Fairness (M = 5.4) and Job Satisfaction (M = 5.5) reflect moderately high to high levels of agreement, implying that employees view AI-assisted recruitment as fair and conducive to a satisfying work environment. Moreover, Organisational Commitment (M = 5.8) underscores strong emotional attachment and loyalty among employees, while the relatively low mean score for Turnover Intention (M = 2.3) indicates minimal desire to leave the organisation. Collectively, these findings demonstrate that AI integration in HR practices has been positively received, contributing to higher levels of trust, fairness perception, and overall employee engagement.

Structural model evaluation, interpretation and summary of findings

The SmartPLS SEM results (see Figure 1) confirmed all nine hypothesised relationships (p < 0.001), demonstrating an excellent model fit (SRMR = 0.047, NFI = 0.93, Q² > 0.35) (Adapted from Bakir et al., 2025; Nguyen & Malik, 2021; Wu et al., 2022; Rasheed et al., 2025). The findings reveal that AI usage in recruitment significantly enhances trust in AI systems and perceptions of fairness, aligning with

Rasheed et al. (2025) and Bakir et al. (2025). As employees perceive AI tools as transparent and unbiased, they express higher confidence in organisational decision-making, consistent with Köchling et al. (2024).

Perceived fairness and AI trust were also found to positively influence recruitment trust, reducing turnover intention and reinforcing procedural confidence (Bakir et al., 2025). Furthermore, job satisfaction mediates the link between fairness and organisational commitment, in line with Nguyen and Malik (2021), indicating that fairness perceptions foster satisfaction and emotional attachment. This psychological pathway enhances organisational commitment, which, as confirmed by Wu et al. (2022), strongly and negatively predicts turnover intention. Similarly, Li et al. (2025) highlighted that technological alignment and mutual trust sustain commitment, while Holston-Okae (2018) and Darmawan and Bagis (2024) warned that perceived injustice or job insecurity heightens turnover risks. Finally, trust in AI technology emerged as a key moderating factor across these relationships (Yılmazdoğan, 2024; Nawaz et al., 2025). When employees perceive AI as reliable and ethical, they are more likely to embrace digital HR systems and exhibit greater loyalty. While AI offers efficiency and objectivity in HR processes, prior research also highlights significant risks, including algorithmic bias, privacy violations, lack of transparency, and legal liabilities that may lead to discrimination claims and costly compensation, potentially harming organisational reputation and performance. Therefore, AI in human resource management must remain under human supervision, supported by ethical governance, accountability mechanisms, and continuous user control to ensure fairness and prevent harmful outcomes (Dulkadir, 2025). Overall, the findings confirm that fairness and trust are pivotal mediators linking AI adoption to job satisfaction, commitment, and retention. Responsible AI integration—guided by transparency, ethical governance, and human oversight—enables hotels to strengthen employee trust, reduce turnover, and enhance long-term organisational performance.

Conclusion

The integration of artificial intelligence (AI) into recruitment processes in five-star hotels has evolved from a technological innovation to a strategic necessity. Grounded in the theoretical frameworks of the Resource-Based View (RBV), Technology Acceptance Model (TAM), and Human Capital Theory (HCT), the study concludes that AI not only enhances recruitment efficiency but also strengthens organisational agility, talent retention, and overall performance. By automating data-driven decision-making, AI enables hotels to attract and select candidates with greater precision and objectivity. However, its successful implementation depends on maintaining a careful balance between automation and human oversight, ensuring that the empathy and personalisation which define hospitality remain intact.

From a managerial perspective, AI provides actionable insights that improve hiring decisions, workforce planning, and retention strategies. Yet, from an employee standpoint, the success of AI adoption depends on perceptions of transparency, fairness, and ethical governance. When AI systems are perceived as trustworthy and equitable, they foster stronger organisational commitment and job satisfaction, thereby reducing turnover intentions. Conversely, a lack of ethical oversight or overreliance on automation risks diminishing the human touch that characterises luxury hospitality.

Looking forward, the future of recruitment in five-star hotels lies in treating AI not as a replacement for human judgment but as a co-pilot. This supportive tool enhances rather than erodes the human essence of hospitality. Future research should focus on integrating technological innovation with cultural and ethical sensitivity, ensuring that AI-driven transformation in luxury hospitality remains both sustainable and human-centred. By aligning innovation with empathy, five-star hotels can achieve a recruitment paradigm that is efficient, transparent, and profoundly human.

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