

STRATEGIC INSIGHTS THE IMPACT OF ARTIFICIAL INTELLIGENCE ON HUMAN RESOURCE MANAGEMENT

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Abstract— Artificial Intelligence (AI), a prominent term now a days used by every individual, is basically replication of human intelligence that is being processed by machines mainly computers. It result to tremendous growth in business sectors, as a result of attaining efficiency in every aspect also helps businesses in automating routine work, achieving business insights by analysing the data and captivating with customers and employees so that efficiency can be achieved by the business as we all know that how significant human resource department of the company which help the business to comply with the needful by managing the employee work cycle in organisation

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to manage company policies and many other aspects. Both AI and HR (Human Resource) has contributed for the tremendous growth of the business. In present study, intervention of AI in four prominent aspects of HR has been reviewed with the help of descriptive study and secondary data and concluded with how AI has been trespassing the HR.

Keywords— Traditional Recruiting, Artificial Intelligence, Human Resource, On boarding and Off boarding Process.

Introduction

Human resource management (HRM) earlier known as personnel management mainly engaged in the work of recruiting and compensating employees. However, as time goes by, it converted into human resource management. HRM along with different practices nowadays focuses on relationship building with employees. As HRM represents Human Resource Management includes the process of recruiting, hiring, deploying, developing and managing organization's employees. In present study, we are going to focus on the evolution of traditional HR (Human Resource) practices to modern HR practices with interference of Automation in HRM.

In traditional recruiting, conventional methods were used to recruit employees such as newspaper advertisements, recruitment agencies, referral campaigns and in person interview were entertained but in modern recruiting complete interference of automation is justified. Nowadays we use various AI tools to match the job specialization with the cover letter or CV (Curriculum Vitae) of the employee. Online job platforms can be used nowadays to post job and find right candidate for the job.

HR Automation not only use for recruiting but also use for many other different practices included in HR such as training¹. Tracking training needs of every employee is very difficult without the use of AI nowadays therefore, many organisations are using automated training software and designs and develops training programs according to their job specialization. Earlier HRM known for recruitment, payroll administration, job evaluation and job analysis but now meaning of HRM took a 360 degree turn with giving importance to the values and mission of the organization along with the employees. More importance will be given to employees providing them with the power of leadership and facilitating them with the understanding of organization culture along with values shared in the organization by different employees.

Artificial Intelligence in human resource impacts all the practices included in the HRM. Perception regarding artificial intelligence is that it impacts HR in worst manner but in actual, it is nothing like that. It is not taking place of HR in corporate world, in fact it is helping HR in positive manner. As it helps HR to cope up with the technologies and becoming more efficient in the work. New automated tools are designed to help HR with responsibilities of collecting and analyzing data along with it helps to make a path for new comers by matching the cover letter with the job profile and shortlisting the candidates according to their CV's². After onboarding the candidate AI also helps them in understanding the organisation's culture and above that regular monitoring of the employees also done through various AI tools and employees can also be provided by different learning methods with the help of AI itself³. By this, the efficiency of HR departments increases

as AI took most of the burden on its shoulders and making HR department free to comply with more meaningful responsibilities.

LITERATURE REVIEW

(Yawalkar, 2019) Researcher used Descriptive Research Design and Secondary data. The data has been collected from research papers, journals, websites, blogs and survey reports published by various journals. According to researcher, In today's era of tremendous growth of industry everyone in this world dependent on artificial and machine language. Researchers advised industrialists to promote their industry by using new automated tools and techniques. In HRM where AI has been played crucial role in every field such as recruitment, selection, collecting data regarding employees, analysing performance etc. able to provide real time and accurate feedback as required.

(K.Sucharita, 2022) A sample of 150-200 respondents from the Hyderabad region (Using Descriptive Research Method), Via Convenience Sampling Method data was collected from Deloitte, Amazon companies and was analysed by using SPSS. Researcher found real time feedback can be available for employees with the use of AI via using Neural Network Technology. The implementations results prioritized the factor of short & fast learning outcomes in employees and also help them to take new decisions which enriched employee development along with clear, easy and fast learning performance. Along with this, it lowered the training cost.

(Anna Lena Hunkenschroer, 2022) An interpretative approach in contrast with quantitative study has been used to review the literature on ethicality of AI enabled recruiting and selection under four stages. The researcher concluded with four perspectives, Firstly he discussed theoretical perspective in which both humanistic insight and sophisticated technology have been given importance. In Practitioner perspective, awareness of AI technologies could have been acknowledged along with the strength and limitations of AI. In Legal perspective, employers provided with legal responsibility to ensure that tools do not create discriminated results. At last, in descriptive perspective people's reactions have been assessed to AI powered recruiting practices and the effect of AI in recruiting process.

(Marwan Mohamed Abdeldayem, 2020) Diversed literature review has been studied by the researcher. Also some electronic databases have been taken into consideration. English and Arabic language papers have also been considered published since 2012, pertinent to focus the purpose of the study. Along with this, reviews of new practices of HRM in leading organizations globally have been studied. AI has been playing a vital role to shift the HR functions to enter the digital era. Organisations were trying to depend upon AI to perform administrative duties so that HR departments may become more efficient and focus more on strategic planning of the organization along with providing answers to routine queries, recruiting, retention and measuring ROI.

(Ginu George, 2019) Study was primarily depend upon the secondary data, Extensive research was conducted to identify articles from various database of which 20 unpublished and 6 published articles were collected. Later on interview method has been adopted and with the help of questionnaires data has been collected from 117 professionals to understand AI implementation.

HR has been experiencing a major revolution with the help of AI. AI have been implemented to all functions of HR according to researcher.

(Geetanjali Panda, 2019) Qualitative semi structured interviews taken from 31 PR professionals under the category of exploratory research and also used secondary data to give insight the concept of AI in effectiveness of PR activities. The research highlighted the skills that are required for PR employees to understand the concept of AI based cognitive machines. In this realisation has been made to PR employees for crucial up skilling of AI. Also PR professionals can save their time spent on menial tasks and use them on creative conceptualization. AI helps the agency to spare time as well as a lot of resources that can be used in building more creative, innovative and customized PR solutions.

(Rathi, 2018) In this research paper secondary data has been used. Big data has been collected from several sources and things on internet made possible for the researcher to draw the expansion of AI in human resource. AI enable HR to perform and deliver the best. Thus staff can be free up to get more meaningful responsibilities. In recruiting, AI is used to reduce favoritism and retaining top talent. AI is now expected to grow as technology is becoming cost effective with increasing time efficiency. Also AI development can be broaden to develop AI safety

(Isha Tewari, 2020) The researcher used secondary data to highlight the applications of AI in the field of human resources and discussed about the benefits, challenges and future opportunities. This research concluded that AI helped in raising employee productivity, improved overall efficiency at work by reducing costs and mundane human tasks while giving useful insights using data analytics and predicting future outcomes. At present organisations which incorporate AI in its system can survive and takes full benefit also no experimental and descriptive study have been conducted so far in this area.

(Dr Garima Bhardwaj, 2020) Quantitative research with sample size of 115 HR professionals of Delhi/NCR Region in IT industry of which 110 responses used to analyse the data. Multiple Correlation and Regression method has been used. Study also used Secondary Data to complementing the findings. AI seen replacing routine jobs of HR functions and performing better than humans by reducing turnover rate and improving retention rate. Also has it's existence and importance in many HR functions. It is playing an integral role in recruitment, selection, hiring, providing real time and accurate information to many companies.

(Geetha R, 2018) This paper purely based on secondary data and this paper is conceptually developed on the basis of review of literature to understand the concept of AI and its flow in recruitment strategy. AI leads to maintenance of data with the benefit of cost and time saving to the organisations with more accuracy and access in recruitment process. AI has tremendous impact on recruitment activity as it enables to align unstructured data, construct uniform data and identify and match skill sets suitable for industry.

RESEARCH METHDOLOGY

In present study, researcher has used descriptive research design and secondary data has been collected from various research papers, published materials, online materials and websites.

Research Objective

In present study we are going to discuss about the role of AI in different practices of HRM with confer about the review of other researchers. Role of Artificial Intelligence in different aspects of



Human Resource Management
Figure 1: Different aspects of HR

- **Role of AI in Recruitment**

Recruitment is basically the process of hiring the potential candidate for a specified role in the organisation but it is very time consuming process so many companies nowadays to make it simple and less time consuming taking help from different AI tools so that efficiency and effectiveness of human resource department should maintained and also enhance the experience of candidates by reducing biasness and presenting simplified process among them. This would result to quality selection with better integration of AI tools such as Turbohire, Skillate, Zoho Recruiter and many others which help all the organisations to select best candidate for the job. From making possible that every potential candidate should apply to selecting the best candidate is the main work of these AI tools .

By these tools special traits of the candidates such as facial expressions and vocal tone of candidates has been taken into consideration and has been judge by through different algorithms along with that their queries session with chatbot explains a lot about their thinking, their analytical skills has been judged by different quiz sessions and tests which they perform. To conclude, it helps both candidate as well as manager to choose best.

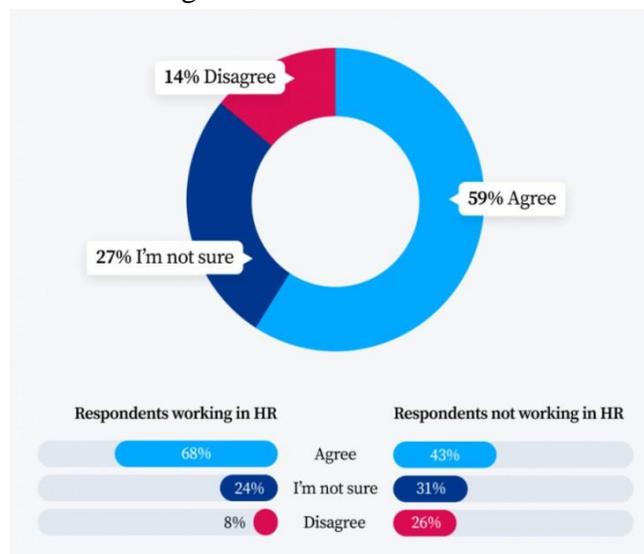


Figure 2 : Responses given by both HR working and non-working respondents regarding removing of unintentional bias with the intervention of AI.

- **Role of AI in Learning and development**

Learning And Development refers to providing knowledge to enhance their learning and infused it in their skills which results to better performance. Artificial Intelligence hereby suggest learning programmes according to qualifications and experience if suitable details are provided regarding employee and also it tracks learning pace and push you towards more and more learning which is nowadays necessary to cope up with this competitive world also it gives immediate feedback of learning by taking different tests and assessments. Earlier, when AI not exist in the aspect of Learning and Development no provision of customize lectures were there but now with the help of AI one can customize the learning process according to their need, attend virtual workshops to enhance the qualification and also to break the learning gap that occur because of not focusing on individual growth and development. Last but not the least it helps in improving ROI (Return on Investment) of the organisation and according to previous research organisations who are using AI effectively in their organisation having high chances of achieving more ROI as compare to other organisations. Also we can deploy Learning Management System (LMS) in our organisation to track the employee training program.

- Role of AI in Onboarding and Offboarding Process

Onboarding to Offboarding is basically the tenure of employee which he devote in the organisation. Onboarding process is basically the beginning of new life of employees in an organisation and includes all the procedure to make employees familiar with the culture of organisation. Onboarding of candidate is time consuming process so to shorten the time and making it easy for HR Manager AI helps them by automating the process and by making it in personalized manner for the new employee. It is a complete process which starts from the induction programme of employee by making them familiar with the company's policies, rules, objectives, mission and vision and then further for the engagement of new hiring some work has been assigned to them with the assistance of chatbot which has been customized according to the employee's role, qualification and experience in the organisation and then the process continues till offboarding.

Offboarding process seems simple but actually it is not, it is basically separation of employee from organisation. In this we have to ensure that all assets and documents of the organization have to be fully recovered from employee as well as we have to ensure all the legal compliance should be followed while departure of the employee which takes a lot of time . So, for this AI helps to make it simple and smooth process as it eliminates all the paperwork and automate all the process by strengthening IT security to revoke all the organisation's system access and speed up all the exit formalities of the employee also it analyse exit result itself and focus on retention period of employees.

- Role of AI in Performance Management

Performance Management is tactical process for organisation to keep surveillance on the performance of employees to maintain rich performance culture in the organisation. It totally depends upon the organisation that what points should be taken into consideration while review the performance but all organisations need some specialists to measure the performance of employees which consumes a lot of time even Delliote also reported that approximately

2,44,000. Employees spend more than 2 million hours on performance reviews.

So for saving time and to remove biasness from the judgement intervention of AI is important. As we all know, to promote fair and adequate results we have to be biased free but where there is human there is biasness, so we have to take initiative to remove biasness and introduce AI in performance management. AI seamlessly collects all the information from the employee’s system that how, what and when the work has been done and what was the quality of work also because of AI based on real time analysis which is possible accelerates time to time feedback and boost the performance of employees also highlight the points on which improvement seems to be necessary . Also AI keep engaging employees so that the time devoted in the organisation by employee is just for the organisation. One more contribution from AI is that it resolves queries of the employee multiple times which removes responsibilities of answering from the managers, team leaders and ensures no miscommunication and no query remain in the mind of employees.

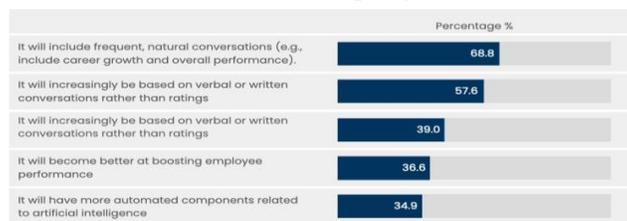


Figure3:- Trends in Performance Management

As given in figure survey has been done regarding future growth of performance management in June 2022 and over 200 HR professionals has been surveyed from which 68% voted in favour of frequent natural conversations such as career growth and overall performance and 36% voted for better at boosting employee performance. So, from this we can conclude that major professionals are in the favour of career growth and overall performance of the employee.

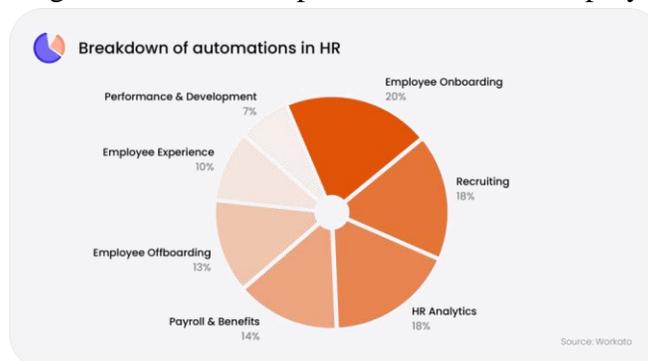


Figure 4:-Breakdown of Automation in HR

Figure 3 represents the breakdown of automation in HR. According to the report of Workato we can see that major role of Artificial Intelligence is in on boarding of the employee and minor role is in performance and development of the employee. Whereas time consuming aspect of HR i.e. recruitment covers only18% of AI and same in the case of HR Analytics. On the one hand where Employee onboarding covers 20%, employee off boarding on the other hand covers only 13%.

CONCLUSION

Artificial Intelligence in real world playing prominent role especially in Human Resource as

explained, it has been trespassed all the major aspects of HR and covering all day by day. Major benefit of AI in HR as per this research that it saves time of employers in every aspect discussed along with that AI gives major turn to the meaning of HRM. Also it helps to ascertain those things which are not possible to catch by human eye in one go just say in telephonic interview in recruitment aspect vocal tone of the candidate has been taken into consideration with the help of different types of algorithms and it completely removes biasness for employees which is great favour for them. To conclude, AI is giving positive environment and automating HR world completely only we have to ensure that this trespass do not become surpass.

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