

Impact of Artificial Intelligence on HR

ISHA GUPTA

ABSTRACT

In intense competitive world, AI (Artificial Intelligence) has emerged as advanced technology and major challenge to current and coming next 5 years. It is observed to rapidly penetrate in almost every field from HR to banking, journalism, Food industry, Education, Business and other respectively changing the way of performing task in innovative manner, automating almost each and every task and work through AI to eliminate manual work and burden and providing ease in operation. In HR field, involvement of AI is increasing at fast pace as it is entering in each and every process of HR from recruiting to selection, shortlisting, hiring and onboarding, playing important role in simplifying process, ease in operation and providing benefit of effectiveness in terms of cost and time as it is lengthy process and helped top management to focus on important and main work. But alongwith benefits, it also acted as a major challenge for employees and people of organization, creating in employees fear of loss of job as most of their task and work is being done through AI which leads to idleness in employees and declining their worth for the organization. Although AI have entered and replace human in most of the process but can never replace in other aspects like employee engagement, counselling as it can only be useful in technical and operational task but lack emotions and cannot handle employees grievances and cannot be helpful in motivation and other needs which is very important for both employee and organization. Thus, although AI has been ahead in competition but can never replace humans.

Introduction

Artificial Intelligence (AI) is an internet enabled technology which refers to an artificial creation of human-like intelligence that can learn, reason, plan, perceive, or process natural language. It brings immense socioeconomic opportunities, and socio-economic challenges.

Several issues occurred when addressing AI, including, socio-economic impacts; issues of transparency, bias, and accountability; new uses for data, considerations of security and safety, ethical issues; and, how AI facilitates the creation of new ecosystems.

AI has emerged as a boon for upcoming future and is rapidly spreading in every field from Human Resource (HR) to Journalism, IT (Information and Technology), Food industry and Medical field but also bringing many challenges like: lack of transparency and interpretability in decision-making; issues of data quality and potential bias; safety and security implications; considerations regarding accountability; and, its potentially disruptive impacts on social and economic structures. Artificial intelligence (AI) has received increased attention in recent years. Innovation, made possible through the Internet, has brought AI closer to our everyday lives. These advances, alongside interest in the technology's potential socio-economic and ethical impacts, brings AI to the forefront of many contemporary debates. Industry investments in AI are

rapidly increasing, and governments are trying to understand what the technology could mean for their citizens

Background

Human Resource is the most important and integral part of organisation which is the backbone of every organisation without which any organisation cannot survive . It is that branch of management which deals with process of staffing including recruitment , selection ,planning workforce , training and development, employee engagement , performance appraisal and management and employee welfare.

But with fast emerging technological development created need for new skills and advancement in training and development which has become necessary for employees in current scenario , which resulted in emergence and existence of AI in HR rapidly penetrating in this field. It provides significant opportunities to improve HR functions, such as self-service transactions, recruiting and talent acquisition, payroll, reporting, access policies and procedures. The adoption of AI in HRM and in recruiting can be called as 'the new age of HR', since AI has changed the recruitment industry by replacing routine tasks that are conducted by human recruiters .

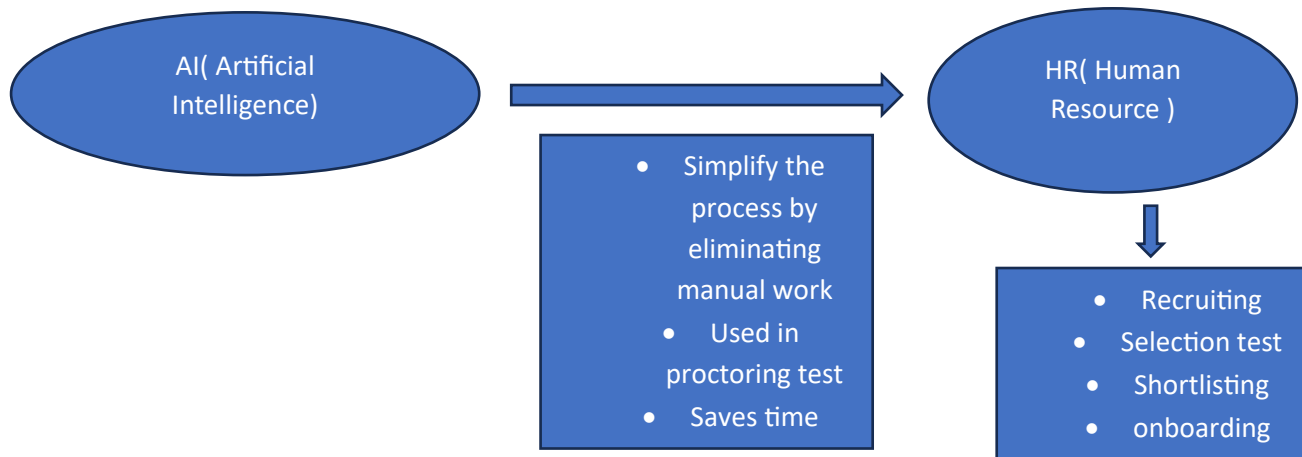
Overall AI has played an important role in bringing advancement and modernisation in HR operation and functions in changing world by making work of HR easy ,simple and in quick manner and along with it brought various challenges which may affect it .

Literature Review

Integration of HR practices with AI based applicants definitely have a stronger impact in enhancing the organizational performance. The study depicts that AI is everywhere in HR, be in recruitment, training, on boarding, performance analysis, retention and so on, but many of the organizations are still lagging in integrating AI to its HR – practices because of its cost associated in integration. AI and machine learning can affect HR practices today. AI is becoming increasingly relevant and reshaping the way businesses employ and do every activity recruitment is simple for practitioners as machine learning technology will use chatbot to carry out all activities, AI will screen candidates and send the confirmation or rejection email to the candidates. according to the analysis of India report of Delloite 5th annual global human capital trends 53% of companies are ready to deploy digital tools while 22% have already deployed their tools. AI – based applications raise employee productivity. It has the ability to analyze, predict, diagnose and become more capable resource while focusing on employee need and outcomes.

AI is being adopted by many companies helping in smooth functioning of operations and making most of the process simple and providing efficiency both in quality and time . It also ensures benefit of speeded quality and elimination of routine tasks, which acts as major challenge in most of the companies' - overall readiness towards the new technologies. Present world is ruled by the advanced technologies, which is intimidating the global workforce. Out of which , AI is the most emerging one, in each and every sector including banking, health care insurance etc. Most of the companies across the globe are adopting AI, India is also part of it , where new firms especially(start-up's) are now integrating their business with AI to stay more visible and to be BEING competitive. Some of the start-up's that have integrated its business with AI in India are: ARYA.ai, BOXX.ai, cuddle.ai, Imbibe, Edge networks.

Research Model : Research model depicts the relation between two variables : Independent variable and Dependent variable. It shows the impact of Independent variable on dependent variable. In this Two variables are : AI (Independent variable) and HR (Dependent variable) where , it states the effect of AI on HR .



Research Hypothesis :

H0 (Null): AI have an adverse impact on HRM and cannot replace HR

H1 (Alternative): AI has a significant impact on HRM

Research Objective :

- Impact of Artificial Intelligence on Human Resource Management
- To identify the role of AI based software in hiring the best talent from industry
- To evaluate the function of AI based software specifically towards the screening process which is the primary process of hiring and cost of using such systems
- To understand the effect of AI based software on recruiters' job

Impact of Artificial Intelligence on Human Resource Management : AI has impacted HRM in both positive and negative way-

- There is an increasing interest in talent and the recruitment of highly qualified personnel, which is necessary for facing the changing environment and high competition.
- Helped create new businesses and develop existing ones
- Majority of the organizations have adopted the AI in their Human Resource Management practices

Role of AI based software in hiring the best talent from industry:

- Recruitment : Use of AI technology in recruitment function of HR helps the team to analyze the resumes received and comparing it with the job description as well as the existing employee with the same job role and then select the best suitable candidate. This eliminates the human intervention and bias completely. Thus, AI helps in speeding up of the recruitment process.
- Talent Management: AI benefited organisation in talent management by helping the interviewers to sort through the applications ahead of time.
- Scheduling : There are many AI based tools like Amy Ingram and zoom.ai which learns from observing employees' preferences overtime and then manages it in an automated manner for them. It even allows employees to automate regular tasks like looking for a file and scheduling meetings.
- On- Boarding Process : HR can automate many tasks of onboarding that would take hours by Tools like zoom.ai which is used to rescue as it can collect relevant data from new employees as well as generate their offer, send out the documents and answer the queries. It saves time and energy of HR department such that HR team can focus on integrating the employee into mainstream of the organization

Effect of AI based software on recruiters' job: AI can adversely affect recruiter's job as all the process from recruiting to selecting and hiring is automated and done through AI which may lead to loss of job security to many employees who used to do that job.

Research Methodology : Research methodology is that the specific procedures or techniques used to identify, select, process, and analyze information a few topics. In a research paper, the methodology section allows the reader to critically evaluate a study's overall validity and reliability. Sociologists draw on a spread of both qualitative and quantitative research methods, including experiments, survey research, participant observation, and secondary data.

Research methodology applied here is- **Primary data collected through Questionnaire**

Research Design : Type of research used in this – **Causal Research** as it shows effect of one variable on other : Effect of AI on HR