

UNLOCKING POTENTIAL: THE ROLE OF ARTIFICIAL INTELLIGENCE IN MODERN HR PRACTICES

G. BHUVANESWARI, Research Scholar, Department of Commerce, B.S. Abdur Rahman Crescent Institute of Science & Technology, Vandalur, Tamilnadu

Dr. T. PORKODI, Assistant Professor, Department of Commerce, B.S. Abdur Rahman Crescent Institute of Science and Technology, Vandalur, Tamilnadu

Abstract

The aims of the organization are closely tied to its operative utilization of resources, particularly in the areas of recruitment and training. By attracting suitable talent and offering comprehensive training, the organization augments its overall performance, thereby facilitating the achievement of its strategic objectives. The significance of Artificial Intelligence (AI) continues to grow across multiple sectors. The integration of AI into human resource practices yields numerous advantages for both HR professionals and employees, including the identification of suitable candidates, the optimization of the onboarding process, and the provision of tailored training, all of which contribute to cost efficiency and time savings. The research paper adopts a descriptive approach. The study utilized secondary data, which was gathered from various sources including research papers, publications, websites, HR blogs, and survey reports. The primary aim of the study was to investigate the role of artificial intelligence within the human resources department and to comprehend the challenges faced by this department. Furthermore, the quality enrichment is possible by integrating Artificial intelligence in HR Practices.

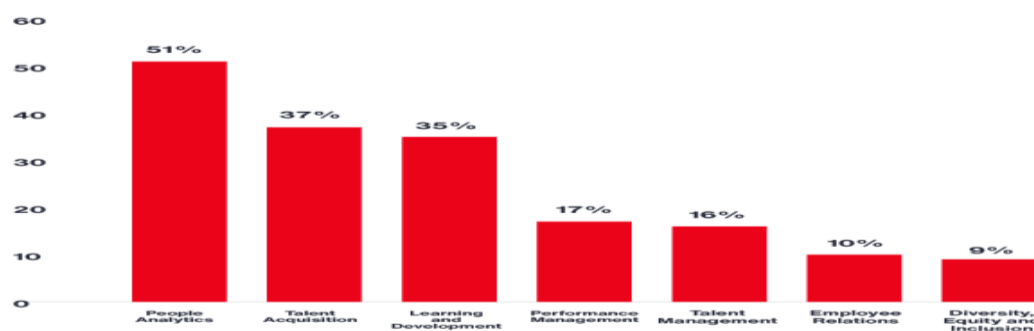
Keywords:

Artificial Intelligence, Human Resource Management, Machine Language.

Introduction

The application of artificial intelligence in human resources involves the utilization of machine learning, natural language processing, and various other AI technologies to streamline HR functions and facilitate informed decision-making. This approach promotes a data-driven methodology for talent acquisition, employee development, and retention, aiming to reduce bias and improve the experiences of both job candidates and current employees. The AI tools assist HR leaders in various areas like candidate screening and recruitment, onboarding, performance assessment and payroll processing. The United Kingdom launched AI sector Deal in April 2018 for the purpose of increasing AI related research to 2.4 % by 2027. Lambros Lambrou, the CEO of Human Capital at Aon, stated, "In the context of emerging and swiftly evolving technologies, it is common for individuals to adopt a 'wait-and-see' stance. However, in the realm of artificial intelligence, human resources departments possess a remarkable opportunity to take the initiative. By comprehending the impact of AI on the workforce, HR can effectively equip everyone for the forthcoming changes". By means of AI, makes HR task easier. The present study seeks to examine the role Artificial Intelligence in HR management.

Figure 1



Source: Aon's North America 5 HR Trends webcast, February 2024

Objectives of the study

1. To understand the role of Artificial Intelligence in Human Resource Management.
2. To analyse the benefits of Artificial Intelligence in Human Resource Management.
3. To investigate the challenges of Artificial Intelligence in Human Resource Management.

Research Methodology

The study has adopted descriptive method. In this research, secondary data was used and the data was collected from research papers, publications, websites, HR blogs, and survey reports.

Literature Review

The future is an AI era as it is witnessed by gradual increase of its usage in all the sector; particularly, in service sector (**Varsha Bhardwaj, 2022**).

AI is technology wise efficient, cost and time saved, and increased the efficacy of the work force (**Ranjitha S & Usha K, 2021**).

Banking and financial sectors could improve satisfaction and build a cordial relationship with customers by using AI (**Geetha A, 2021, and Syed Mansoor Pasha & Mounika S, 2021**).

The recruitment and training process is entirely changed because of using AI and it is positively influenced to the growth of an organisation by selecting right person as well as inculcate quality training (**Owais Ahmed, 2018**).

However, day-by-day increasing fraudulent activities by using AI and it can be effectively rectified through AI (**Geetha A, 2021**), thus AI has solution to AI problem.

Role of Artificial Intelligence in Human Resource Management

Now a days HR department heading towards the digital revolution and using various method to simplify the resources by using big data analysis, artificial intelligence, and cloud computing. (Amla & Malhotra, 2017). By leveraging advanced technologies such as Machine Learning and software integrates AI provides solutions to HR departments. The following are the role of Artificial Intelligence in Human Resource Management:

1. Recruitment and hiring

This research paper defined 96 percent of HR professionals believe that AI will enhance talent acquisition and retention, but only 12 per cent of hiring professionals using AI in recruitment process. The Amazon.com, Unilever, Delta Air Lines and Domino's are using AI in recruitment. The AI tools was developed from identifying the right person to apply for and providing the candidates online assessment. The AI system analyse the video interviews, scanning candidate's facial expressions, body language etc. The companies also developed chatbots to answer candidate queries.

2. Onboarding

Onboarding is the process of integrating employees to understand their job roles and responsibilities. Automated onboarding process can reduce the manual task and administrative burden. Accenture, a global professional company uses AI in employee onboarding. New hirers can interact with their team members, participate in virtual team exercise and can learn their new environment. Through this futuristic approach the organisation can engage their employees in an onboarding process.

3. Training and Development

Many companies are adopting AI in training and development to enrich personalized learning experience. AI in training and development can boost employee performance. Through building specialized training modules company can quickly scale their training programs. Automating tasks such as scheduling session, marking assessment, saving time and cost. Enhancing learning through the use of chatbots and virtual assistants by making the training interactive.

4. Employee Engagement

Companies leveraging the use of AI in employee engagement to tackle the challenge in engagement of employees. Leading companies like Amazon and HP uses AI tools to understand employee morale and engagement and foster healthier corporate culture. By using algorithms and coding programs can

monitor employees' engagement and further techniques like sentiment analysis and Natural Processing Language (NPL) can determine behaviour pattern, facial expression and body language.

5. Performance Management

AI system is widely used in performance management and helps to analyse employee performance and track employee progress. Report from Performance Enablement found that 2 in 3 managers need additional support of performance management. AI helps the companies in real time tracking of employees, personalised developmental plans etc. According to Deloitte, 70% of the company's adopter AI in performance management for reducing administrative work and increasing operational efficiency.

Table 1: Role of Artificial intelligence in Human Resource Management

S.No	HR Process	Role of AI
1	Recruitment	<ul style="list-style-type: none"> - Identifying the right person to apply - Analyse the video interviews, scanning candidate's facial expressions, body language - chatbots to answer candidate queries
2	Onboarding	<ul style="list-style-type: none"> - Reduce the manual task and administrative burden - Participate in virtual team exercise
3	Training and Development	<ul style="list-style-type: none"> - Personalized learning experience - Finding Skill Gap - Scheduling session, marking assessment, saving time and cost
4	Employee Engagement	<ul style="list-style-type: none"> - Algorithms and coding programs can monitor employees' engagement - Natural Processing Language (NPL) and Predictive analysis can determine behaviour pattern, facial expression and body language
5	Performance Management	<ul style="list-style-type: none"> - Tracking employee progress - Reduces administrative work and increasing operational efficiency

Benefits of Artificial Intelligence in Human Resource Management

1. Reduces administrative work of the organisation
2. Streamline HR Process
3. Unbiased decision making
4. Providing personalised training to the employees
5. Recruiting right people
6. Real time feedback
7. Increases operational efficiency
8. Less consumption of time and cost
9. Flexibility through virtual employee engagement
10. Real tracking of employees

Challenges of Artificial Intelligence in Human Resource Management

Nowadays, AI is a game changer in every process of Human resource. There is no absolute doubt AI provides wide range of advantages to HR consequently there is challenge in using AI.

Primarily, when AI is adopted, it replaces large number of employees. One of the major challenges of application of Artificial Intelligence leads to unemployment problem where massive number of work force are to be replaced.

Secondly, the organisation should be cautious in getting a right people who can handle Artificial intelligence effectively. Moreover, it has reduced the low-end jobs.

Thirdly, there is a threat of employee data privacy in adoption of Artificial Intelligence.

Conclusion of the study

In today's era, AI has integrated into various sectors of the industry. AI reshaping the Human Resource Management providing various benefits to HRs and employees of the organisation. This study investigated role and challenges of Artificial Intelligence in Human Resource Management. For speedy completion of work in modern world AI plays a crucial role and making the task easier and providing flexible work environment. AI can help in undertaking repetitive work with better experience. By using AI to save time, HR professionals can focus on developing staff strategies, new trends and implementing new business strategies.

Reference

1. Geetha A (2021), A Study on Artificial Intelligence (AI) in Banking and financial services, International Journal of Creative Research Thoughts (IJCR) Volume 9 110-114. www.ijcr.org
2. Rane, N. (2023). Role and challenges of CHATGPT and similar generative artificial intelligence in human resource Management. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.4603230>
3. Ranjitha S & Usha K (2021), A study on application of Artificial Intelligence and its challenges in HR: PalArch's Journal of Archaeology of Egypt/ Egyptology (PJAEE) 18(9) 112-120. <https://archives.palarch.nl/index.php/jae/article/view/9293>
4. Owais Ahmed (2018), Artificial Intelligence in HR, International Journal of Research and Analytical Reviews (IJRAR) Volume 5 971-978. www.ijrar.org
5. Sujithra K, Dr. R. Seethalakshmi (2022), Artificial Intelligence in Training and Development for Employees with Reference to Selected IT companies, Journal of Positive School Psychology, Volume 6, 2700-2715
6. Syed Mansoor Pasha, Mounika S (2021), Impact of Artificial Intelligence on HR practices of Banking and Automobile Sectors, International Journal of Scientific Development and Research (IJS DR) Volume 6 73-77. www.ijsdr.org
7. Varsha Bhardwaj (2022), Impact of Artificial Intelligence on HR practices in service sector in India, International Journal of Creative Research Thoughts (IJCR) Volume 9 d481-d486. www.ijcr.org
8. <https://www.morganmckinley.com/article/ai-in-financial-services-and-banking-shaping-workforce-future>
9. <https://www.computerweekly.com/news/252443238/Bank-uses-AI-to-select-job-candidates>
10. <https://insights-north-america.aon.com/events-webinars/top-five-hr-trends-to-watch-for-video>
11. <https://www.ibm.com/think/topics/ai-in-hr>