



IMPACT OF AI ON HUMAN RESOURCE MANAGEMENT

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Abstract:

“Success in creating effective AI could be the biggest event in the history of our civilization, or the worst. We just don’t know. So we cannot know if we will be infinitely helped by AI, or ignored by it and side-lined, or conceivably destroyed by it.”

-Stephen Hawking

“Being the fifth largest global economy, India is also navigating the various challenges, harnessing the potential of AI for sustained growth and societal betterment. India is very much alive to AI’s transformative potential as a crucial economic driver in the years to come. AI refers to a computer program’s capability to perform tasks or undertake reasoning processes related to human intelligence. Today, AI is growing in leaps and bounds, and the day is not far when the existence of human-like machines will be the new normal. AI software and hardware advancements are set to assist humans in ways never thought of before. However, there is also a lurking fear that AI may even surpass the human brain and gain cognitive thinking abilities in a big way to the detriment of humanity. We will only find out the true extent of AI’s capabilities during the course of time. Even then, we might never truly be able to understand how powerful AI is. If we go by what experts say, AI is limitless and can do anything, eventually. Thus, we must take care not to let AI get out of hand or hand over resources to AI that it can use against society. However, we must also not let our fears get the better of us and allow AI to offer us the benefits that it can deliver in the fields of medicine, healthcare, biotechnology, and so many other industries that allow us to sustain ourselves. Today, in the Indian industrial sector, there is a large-scale effort to use AI in human resource management to perform both managerial and operational tasks.”

Introduction:

India has become the second country in the use of AI among a total of 73 countries. According to the research report, India is ranked second in terms of experts. The use of industrial robots in India increased by 59% in a year, the highest in the world. The use of robots in the UK increased by 51% during this period; there was a decrease of 43% in Taiwan and 5% in China. It ranks third in terms of research. This claim is based on data analysis from 73 countries. The number of people learning AI skills globally has increased by 323% in 2024 compared to 2023. America is 2.63 and India is 2.51, meaning India is the second country after America that is performing well in learning AI skills. India ranks 7th in global robot installations in 2024. In 2023, India installed 8,510 industrial robots, a 59% increase over the previous year, according to IFR. There has been significant growth in the automotive industry in India. Installations grew by 139% in 2023 to 3,551 units. India is one of the fastest-growing emerging Asian economies. Robot installations increased by 59% to 8,510 units in 2023, a new high. Demand from the automotive industry soared to 3,551 units - an increase of 139%. Both car manufacturers and suppliers contributed to this development. This growth makes India one of the fastest-growing economies among emerging Asian markets. Today, AI is significantly transforming Human Resource Management (HRM) in India by automating tasks, enhancing decision-making, and improving employee experiences. AI-powered tools are being used for recruitment, performance management, learning and development, and overall HR operations. This shift allows HR professionals to focus on more strategic and value-added activities, ultimately contributing to organizational goals.

Research Methodology:-

Research methodology is the specific procedures or techniques used to identify, select, process, and analyse information about a topic. In a research paper, the methodology section allows the reader to critically evaluate a study's overall validity and reliability. Search for knowledge through an objective and systematic method of finding a solution to a problem is research. As well as the systematic approach concerning generalization and the formulation of a theory, it is also research. I have chosen a descriptive and analytical research method. This study is mainly based on

secondary data. Necessary data has been collected from various reports, websites, journals, and books. Descriptive and analytical research myths have been selected for this current dissertation.

Hypothesis of the Impact of AI on Human Resource Management:

A hypothesis is the proposed explanation for an event. For a hypothesis to be a scientific hypothesis, a scientific method is required that an individual can use to test it. Although the terms "hypothesis" and "theory" are often used interchangeably, scientific assumptions are not the same as scientific theory. The Impact of AI on Human Resource Management: Some assumptions have been used for this research article.

- Artificial intelligence is being studied in human resource management for the global economic superpower.
- India is being recognized in the world as a digital country through artificial intelligence.
- Adopting artificial intelligence has its pros and cons.

The research paper has been prepared taking into account the above three factors.

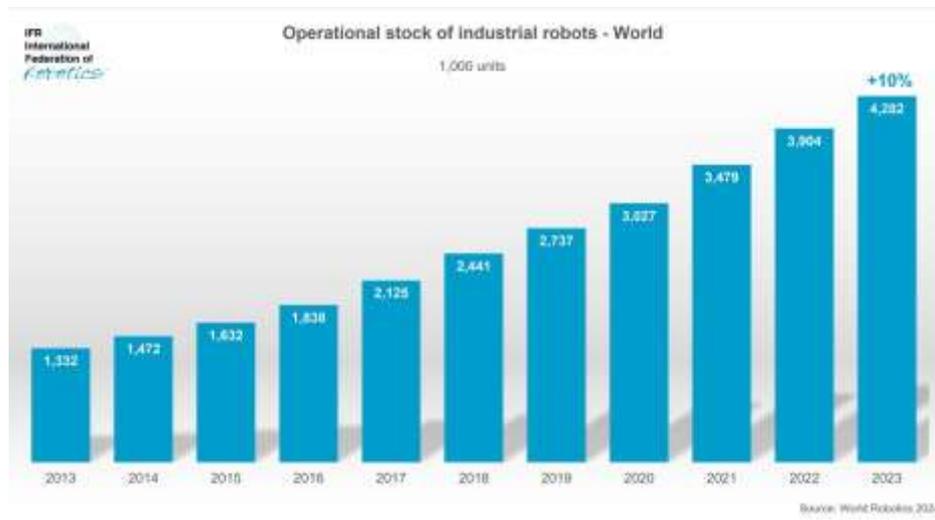
Objective of Research:

AI is delivering a wide range of benefits in human resource management. These include recruiting, performance management, learning and development, employee experience, data-driven decision-making, automation of routine tasks, predictive analytics, cost reduction, and improved recruitment efficiency. The use of AI has become a tool to enhance HRM capabilities. Ultimately, AI is revolutionizing HRM in India by increasing efficiency, improving employee experience, and enabling data-driven decision-making. By embracing AI and adapting to its evolving landscape, organizations can unleash the full potential of their human capital and achieve their strategic goals. This research paper on the impact of AI on human resource management has been written with the following objectives in mind.

- To study artificial intelligence in human resource management for a global economic superpower.
- To study the topic of creating a global identity as a digital country through artificial intelligence.
- To study the advantages and disadvantages of using artificial intelligence.

Since the bursting of the dot-com bubble in 2000, the rapid scale and pace of technological development, including the latest manifestations of AI, have brought about radical and disruptive changes in our society, human resource management, and daily life. The applications of AI are everywhere around us, in our devices. The public launch of Large Language Model, Chat GPT by open artificial intelligence in November 2022 has further disrupted the technology space. Other major players in the AI game are Google, Meta, Microsoft and Apple. The year 2023 was witness to the democratization of large language models. Never before has AI, with such human-like interfaces and vast knowledge, been so easily available. Today, India is leveraging Artificial Intelligence AI in HRM to boost its potential as a global economic superpower by improving efficiency, enhancing employee experience, and fostering a data-driven culture. AI-powered tools are streamlining recruitment, performance management, and employee engagement, while also raising important ethical considerations about bias and transparency. India is playing a key role in the global AI space with its AI startups, software services, and technological prowess, and is thus on its way to becoming an economic superpower.

Today, it spans healthcare, education, agriculture, smart cities, transportation, road safety, infrastructure, governance, finance, etc. The hi-tech dangers are generally apocalyptic, ranging from science fiction-inspired doomsday scenarios to the effects large language models and AI will have on creativity, work and the economy, and society as a whole. AI will have on creativity, work and the economy, and society as a whole. AI is everywhere, and it is also on our minds. This is more so because we don't know how far AI will evolve and when it will finally overtake us in terms of intelligence or resources. AI already wields a vast amount of control and has started replacing humans in multiple spheres of life. However, it is also making jobs easier for us and is allowing us to spend more time doing what we love. HRM, regardless of how beneficial advanced AI is, there is always the fear of AI going out of control or becoming too powerful for us to do anything about it. But that is only one of the thousand possibilities among mostly positive probabilities. Being the fifth largest global economy, India is also navigating the challenges and harnessing the potential of AI for sustained growth and societal betterment. India is very much alive to the AI's transformative potential as a crucial economic driver in *Human Resource Management* in the years to come.



Worldwide operational robots reach 4 million in 2023 © World Robotics 2024.

“The new World Robotics statistics show an all-time high in the number of industrial robots automating production around the world,” says Marina Bill, President of the International Federation of Robotics. “The annual installation figure of 541,302 units in 2023 is the second highest in history. It is only 2% lower than the record of 552,946 units installed in 2022.”

India is establishing itself as a digital nation globally with the help of artificial intelligence. Digital India and the use of AI, the Indian government has increased the use of AI in HRM and many sectors under the "Digital India" campaign launched in 2015. Such as e-governance (government services online), Digital Health Mission (health care through AI), Aadhaar card system (data analytics and identification), education and online learning platforms (AI-based education). Startups in the AI industry sector are growing at a rapid pace in India. Research on AI is going on in institutions like IIT. India has adopted the policy of AI for All. India has formulated a national policy on AI, including the use of AI in agriculture, industry and health, weather forecasting for farmers, AI-based applications for pest control, automated systems in factories, and AI advisory systems for diagnosis and treatment in hospitals. India is taking a global cooperation and strategic role in initiating digital infrastructure and ethical use of AI at the G20 and UN levels. In short, India is creating digital transformation in HRM in various sectors through AI, thereby creating a global identity as a digital nation. India's move in this direction is more dynamic and visionary.

India is the third largest digitalised country in the world, only behind the United States of America and China, according to a study by a Delhi-based think tank. The finding is a part of the State of India's Digital Economy Report, 2024, released by the Indian Council for Research on International Economic Relations on February 16, 2024. The report says the state of digitalization in India is better than in some developed countries, including the United Kingdom, Germany and Japan, compared to their aggregate level of digitalization. However, at the level of individual users, India is ranked 12th in digitalization among the G20 countries.

India is emerging as a digital nation in the world in the field of Human Resource Management (HRM), which can be explained in many aspects. The successful journey of Digital India has brought about revolutionary changes in the field of HRM, which include increasing use of HR technology. Companies in India are now using digital HR platforms such as SAP Success Factors, Zoho People, Darwinbox, Keka, etc. This has made employee recruitment, training, performance appraisal, attendance management, and payroll processes all digital. Use of AI and Automation, Indian companies are using artificial intelligence (AI), machine learning, and automation to hire talent, analyze employee behavior, and identify future workforce needs. These technologies are becoming more competitive globally. Remote Work and Digital Workforce: Work from Home or Hybrid Working Culture has been widely adopted in India post-COVID-19. For this, the use of digital communication tools (like Microsoft Teams, Zoom, Slack) and project management tools has increased significantly. E-learning and skill development, Employees in India are now using online platforms for skill development, such as Coursera, NPTEL, SWAYAM, Udemy, LinkedIn Learning, etc. These make world-class education easily accessible. Digital HR Data Analytics, Many Indian companies are taking a science-based approach to employee retention policies, satisfaction levels, performance improvement and decision-making using HR data analytics. As a result of government initiatives, "Digital India", "Skill India", "Make in India", "Startup India" schemes, companies are getting easy access to digital infrastructure and trained manpower. This is making *Human Resource Management* more efficient.

India's digital transformation in the *Human Resource Management* sector is making it globally competitive. India is now recognized as a leader in the digital revolution of HRM, thanks to the increasing use of digital HR systems across various industries, government policy support, and a young and tech-savvy workforce.

Many nations, from mighty America and China to tiny Singapore and the UAE, are scrambling to intensify their national quests to reap the benefits of AI. India cannot afford to lag behind. However, even as India looks to unlock the potential economic benefits of AI, it is a must that the country addresses the wide-ranging concerns that AI systems raise. These range from issues of privacy to bias and discrimination, security risks and intellectual property rights. According to the World Economic Forum, false and misleading information supercharged with cutting-edge AI

threatens to erode democracies and polarise societies, thereby posing a top immediate risk to the global economy. AI can be leveraged to produce deep fakes and impact large, gullible groups. AI can empower “malicious actors” by making it easier to carry out cyber attacks, such as by automating phishing attempts or creating advanced malware. AI can even poison data that is scraped off the Internet to train other AI systems, which is very difficult to reverse and could result in further embedding biases into AI models. So far as India is concerned, there is a need for a forward-looking approach vis-à-vis AI, given the fact that technology is constantly evolving. In the backdrop of AI overtaking a large number of human jobs, the Union Government must also focus on multiplying the number of engineers in AI-related technologies quickly. Moreover, regulatory frameworks cannot work in isolation. As AI will not be constrained by geographical boundaries, global collaboration will be required. Because AI is developing so quickly, there are worries that it could someday become unmanageable and exterminate humans.

The AI singularity is the term used to describe this time. Furthermore, computers and other machinery are emotionless. Humans work in teams, and accomplishing objectives requires effective team management. Robots are unquestionably better than humans in a variety of tasks. However, it is also true that computers cannot replace human creativity, consciousness, or emotions. AI has evolved significantly and is currently one of the most cutting-edge technological study areas with the goal of enabling robots to function autonomously without human supervision. There are a few projects at the current stage of AI development that tackle complicated issues with very little human input. AI is very helpful to people since it is a precise instrument with a wide range of applications, including online translation and medical diagnosis. However, because it is anticipated that computers will become so sentient that they will begin to compete with humans, AI technology is also believed to have a significant negative influence in the future. Therefore, it is imperative that laws and guidelines for the moral use of AI be established in order to guard against its negative consequences.

Conclusion:

In short, the use of AI has increased significantly in other areas, including human resource management. Among new technologies, Artificial Intelligence is at the forefront. It has taken the world by storm. It is changing everything, once and for all. AI has the ability to do tasks that require human intelligence. It represents an unprecedented change in technology, which is having far-reaching effects on various business functions. Artificial intelligence technology is at the forefront of everything from communications, healthcare, insurance, retail, travel and tourism, media and entertainment to manufacturing and supply chains, and even our daily lives. A recent report says that AI could add up to \$20 trillion to global GDP by 2030.

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