ARTIFICIAL INTELLIGENCE (AI) ON HUMAN RESOURCES (HR) PRACTICES IN INDIAN IT COMPANIES

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Abstract:

Artificial Intelligence is an emerging technology that enables machines to think, understand, and perform tasks previously carried out by humans. Artificial intelligence is serving IT companies to make better, faster decisions. AI technologies provide substantial potential to advance functions in Human Resource Management. With using AI technology, organizations are able to improve existing performance and day to day functions.

This research paper is descriptive in nature. The researcher used secondary data collected from research papers, publications, websites, and HR blogs, etc. The main objective of this study is examining the role of artificial intelligence in the HR department, understanding the challenge in the HRM department and also to investigate the effect of Artificial Intelligence (AI) on Human Resources (HR) practices in Indian IT Companies. The research study has concluded that the role of AI is larger into various functions carried out in the human resource department whereby robotics companies can handle all HR operations, analyzing the data, collecting the data, reducing workload at the workplace and improving workplace efficiency.

Key words: Artificial, Intelligence, Human, Resources, Functions, Implications

Introduction

The development of technology and its rapid progression have brought a fantastic revolution in the industries, and organizations are now adapting to the digital era. The third revolution began in the year of 1970s personal computers and the internet entered into working life, and human labour was replaced by machines. Nowadays digital technologies like machine language (ML) and artificial intelligence (AI) both are entering into day to day working at the workplace and which will lead transformation in business. Artificial Intelligence (AI) outlined as an ideal intelligent machine that is a bendable agent that comprehend its environment and takes actions that maximize its chance of success at some cognitive content. Artificial Intelligence was coined for the first timein world in 1956. Artificial intelligence is helpful in various business functions where it can help to reduce the workload and work pressure on the employees at the workplace. Rapid changes in business need fast response. With using AI systems, organizations are able to inform the existing performance and day to day function. In this research paper, AI has been increasing, though managers understood the significance of artificial intelligence at the workplace.

Nowadays artificial intelligence has entered into the overall system of an organization and one of the areas is the human resource department where by using an AI system human replaced the human and all functions in the human resource department is carried out like candidate screening, recruitment, alignment of human resource activities and performance management.

Objectives of the study:
To study and understand the concept of Artificial Intelligence.
To investigate the effect of Artificial Intelligence (AI) on Human Resources (HR) practices in Indian IT Companies.
To acquiring benefits & Challenges of Artificial Intelligence in Human Resource Management

Review of Literature:

S Basu, (2022) Artificial intelligence (AI) systems and applications based on them are fast pervading the various functions of an organization. While AI systems enhance organizational performance, thereby catching the attention of the decision makers, they nonetheless pose threats of job losses for human resources.

Tiwari, (2020) researcher concluded that proper study and deployment of AI program should be carried out. In order to accomplish Prevent job cuts and confusion, organisations should ensure sufficient service awareness and expertise transfer to HR employees.

Dijkkamp, (2019) These qualitative studies explore the function of the HR expert with inside the recruitment and choice manner transforms whilst corporations enforce synthetic intelligence. The study's findings make contributions to this with the aid of using extending this view with the effect for the HR expert with the implementation of AI and map it for the one-of-a-kind degrees of the recruitment and deciding on manner. Result suggests how the obligations and obligations in sourcing and screening decrease, and as a result, the fee introduced with the aid of using the HR expert additionally decreases on this phase.

George & Thomas, (2019) This paper makes a speciality of qualitative studies and targets to give an explanation for how AI has been included in special capabilities of HR and its effect on the organizations, personnel and HR. The paper concluded that HR has been experiencing a chief revolution with the assist of AI which has been slowly trickled down to the various HR capabilities.

AI application in HR:
Technology enabler that improves and empowers people:

Technology has always been a tremendous enabler that improves and empowers people, strengthens living standard, creates new doors, encourages creativeness for workers and makes everybody's workplace fair. Artificial intelligence is an invention that allows computers to learn from and mention events that rely on knowledge recently obtained.

Human resource professionals must get ready for these changes by understanding the technology of its application across various functions. The focus of human resource professionals is to optimize a mixture of humans and digital work to create an easy, smooth and spontaneous work atmosphere. It provides time for inventiveness, aptitude, and responsiveness to transport an enhanced candidate and employee involvement.
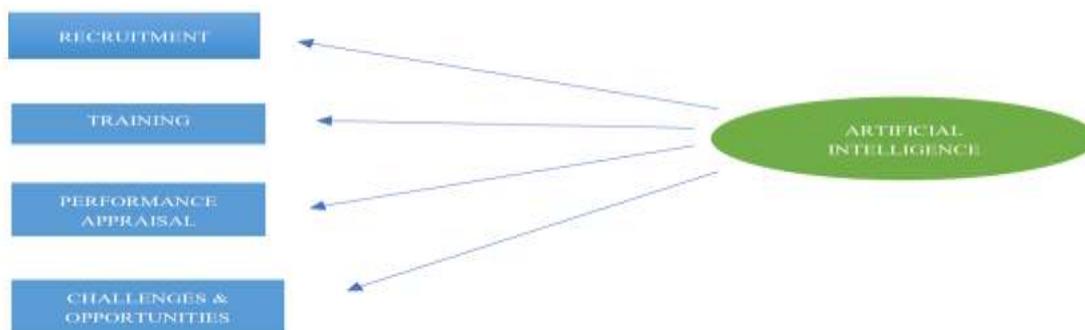
The application of artificial intelligence is escalating to a bigger range in human resource management. It begins off evolved from the employment manner to the go out manner of worker that consists of training, engagement, perks, records, and so forth. Human resources include recruitment, preparation, learning and advancement, success management and organisational development. Humans are an essential part of any organization, having strategic goals and objectives towards success with their knowledge and proficiency. Hence, recruiting the right employee, providing training for up skilling are some of the critical areas to work.

In human capital management ties, artificial intelligence may be functional from a number of viewpoints in order to smooth out processes and increase efficiency. While organizations are adopting artificial intelligence into their human resources processes at varying rates, the technology will have a lasting effect on the field as it becomes more widely accepted.

Human resource management of any company plays a crucial role as it is the main area that caters for the entire organization by selecting and retaining the right talent for the correct position. Instead of performing tasks that are cognitive and extensively people related companies use to follow the traditional human resource management processes in recruitment, training, performance appraisals for doing all entries manually, handling a large amount of data on papers with routine and mundane tasks. Hence, few of the companies gradually started using the progress of online processes in organisations with in HRM.

Benefits of AI in HR

Faster Recruitment process
Reduces employee attrition
Customized on boarding
Automation of human resource tasks
Effective training

table 1: please rate your level of knowledge / awareness of artificial intelligence value for the hr profession.

Options	No. of Respondents	Percentage
Completely Comfortable.	51	50
I have a Little Knowledge	44	43.10
Not Comfortable	7	6.90
Total	102	100

Sources: Survey data

INTERPRETATION:

From the above table, it is interpreted that 50%o f people already know about this and 43.10% of respondents moderately know about this and 6.90% of respondent doesn't know about this AI.
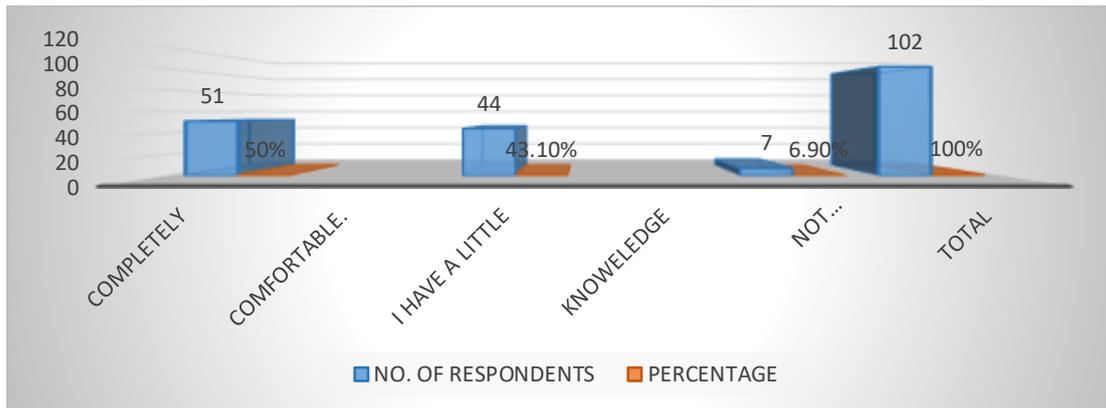

figure 1: knowledge/awareness of artificial intelligence.

table 2: rank the following ai technologies based on the extent of usage by organizations in feedback

OPTIONS	NO. OF RESPONDENTS	PERCENTAGE
STRONGLY AGREE	26	25.50
AGREE	37	36.30
NEUTRAL	33	32.40
DISAGREE	4	3.80
STRONGLY DISAGREE	2	2
TOTAL	102	100

Sources: Survey data

INTERPRETATION:

From the above table, it can be interpreted that 25.50% of respondents say they strongly agree, 36.30% of respondents are telling they agree, 32.40% of respondents are neutral, 3.80% and 2% of respondents disagree and strongly disagree.

Technology is evolving at an unmatched pace, and businesses that are just starting to sell AI software are in a great position to seize the next breakthrough. As an industrial revolution accelerator, AI will bring well-made projects to organizational administration structures. Modern businesses should consider the ability to ensure accurate and timely assessment of this work, as well as the ability to change organizational structures to accommodate new conditions and opportunities. Apart from marketing, it is also capable of repairing businesses using cutting-edge concepts.
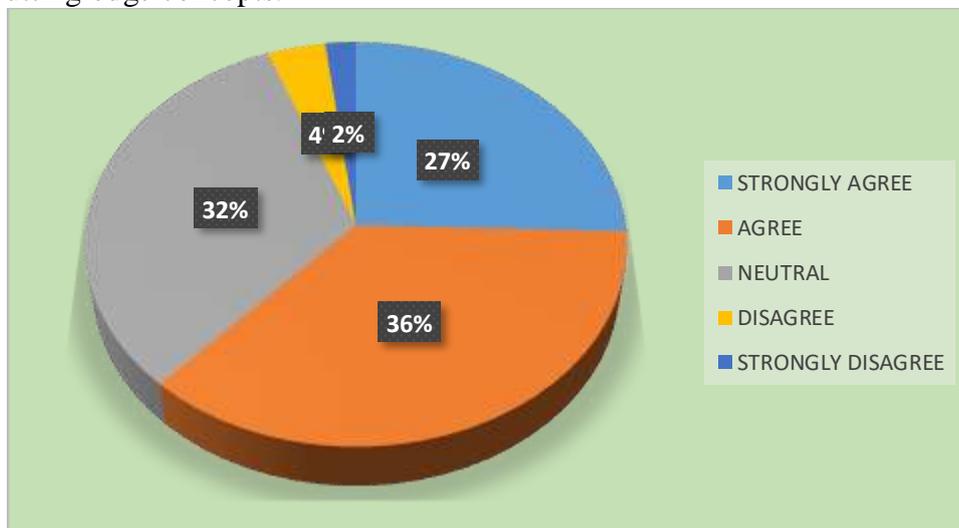

figure 2: rank of the following ai.

table 3 to what extent can application of ai tech can be effective in the reward and recognition development activities in an organization

OPTIONS	RESPONDENTS	PERCENTAGE
STRONGLY AGREE	20	19.60
AGREE	49	48
NEUTRAL	26	25.50
DISAGREE	5	4.90
STRONGLY DISAGREE	2	2
TOTAL	102	100

Sources: Survey data

INTERPRETATION:

From the above table, it can be interpreted as 19.60% and 48% of respondents STRONGLY AGREE and AGREE that AI technology can be effective, 25.50% of respondents say they are NEUTRAL on their comments about AI performance in their company, 4.90% and 2% of respondents say that they DISAGREE and STRONGLY DISAGREE with the statement.
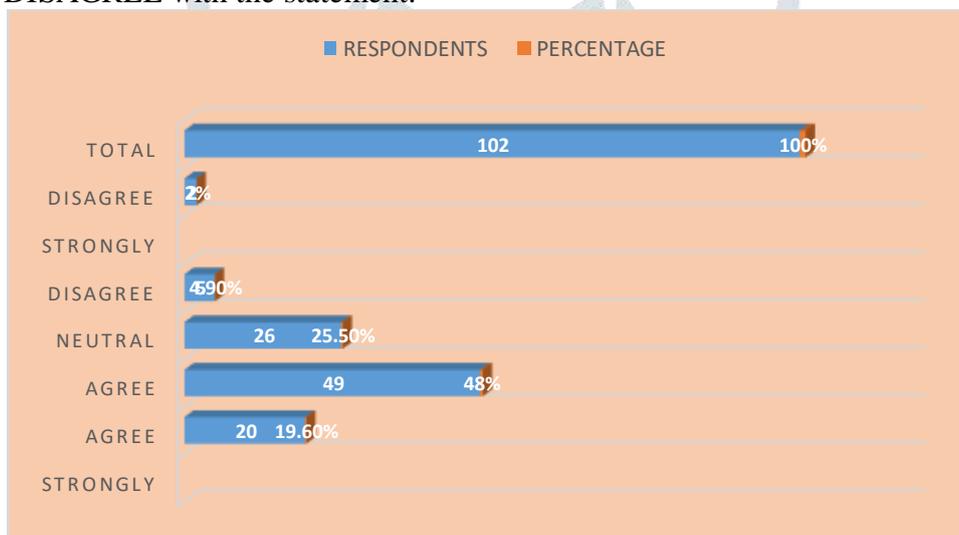

fig 3: people's opinion on ai technology in their organisation

table 4 artificial intelligence technology has the potential to improve diversity and inclusion

OPTIONS	RESPONDENTS	PERCENTAGE
STRONGLY AGREE	24	23.50
AGREE	43	42.20
NEUTRAL	28	27.50
DISAGREE	4	3.90
STRONGLY DISAGREE	3	2.90
TOTAL	102	100

Sources: Survey data

INTERPRETATION:

From the above table, it is stated as 23.50% and 42.20% of respondent believe AI will improve diversity, 27.50% of respondents go with the decision neither improves nor not and 3.90% and 2.90% of respondents say that it does not improve our diversity.

Conclusion

In this research study observed and concludes that the young mind working professionals perceives that leverage AI into HR amorphous shape shall enable the ability of the Human Resources arena. It believes that AI is not going to replace the HR functions have also undergone various changes with the usage of AI and their capabilities that will lead to a collaborative environment.

To enhance the speed and for routine work most of the industries adopting modern technologies such as Machine Learning (ML) and Artificial Intelligence(AI).

The implementation of AI, mainly in terms of cost savings and enhanced budget management, as well as increased efficiency in HR processes, appears to be associated with positive outcomes.

In recent study, KPMG report talked about HR professionals are not fitted out to expression forthcoming by 2025. This study comes as caution for HR professionals totie your belts and gear your skills and welcome artificial intelligence to take your positions in Indian IT Companies. After we have observed many areas, we propose to that further analytical studies can be undertaken to see the implementation of AI and the challenges that HR professionals.

In this study, various challenges to the implementation of Artificial Intelligence in Human Resources Management practices have been discussed, also certain solutions and their practical implementations are presented.

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