
**“A STUDY ON THE IMPACT OF ARTIFICIAL INTELLIGENCE ON HUMAN
RESOURCE MANAGEMENT”**

Submitted in partial fulfillment of the requirements for the award of

MASTER OF BUSINESS ADMINISTRATION

by

STUDENT NAME: A. BARATH KUMAR

Reg.No: 42410010



**DEPARTMENT OF BUSINESS ADMINISTRATION
SCHOOL OF MANAGEMENT STUDIES**

SATHYABAMA

**INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)**

**Accredited with Grade “A++” by NAAC
JEPPIAAR NAGAR, RAJIV GANDHISALAI,
CHENNAI – 600119**

DECEMBER 2023

SATHYABAMA



SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY

(DEEMED TO BE UNIVERSITY)

Accredited "A" Grade by NAAC | 12B Status by UGC | Approved by AICTE

www.sathyabama.ac.in

INSTITUTE OF SCIENCE AND TECHNOLOGY(DEEMED TO BE UNIVERSITY)
Accredited with Grade "A" by NAAC | 12B Status by UGC | Approved by AICTE

JEPPIAAR NAGAR, RAJIV GANDHI SALAI, CHENNAI - 600 119

This is to certify that this Project Report is the bonafide work of **A. BARATH KUMAR (42410010)** who carried out the project entitled "**A STUDY ON THE IMPACT OF ARTIFICIAL INTELLIGENCE ON HUMAN RESOURCE MANAGEMENT**" under my supervision from January 2023 to March 2023.

Dr.K.SASIREKHA

Internal guide

External Guide

Dr. BHUVANESWARI. G

Dean – School of Management Studies

DECLARATION

I **BARATH KUMAR. A (42410010)** hereby declare that the Project Report entitled “ **A STUDY ON THE IMPACT OF ARTIFICIAL INTELLIGENCE ON HUMAN RESOURCE MANAGEMENT**” done by me under the guidance of **DR.K.SASIREKHA,B.Sc.,B.ED.,MBA., PhD** is submitted in partial fulfillment of the requirements for the award of Master of Business Administration degree.

DATE:

PLACE:

BARATH KUMAR. A

ACKNOWLEDGEMENT

I am pleased to acknowledge my sincere thanks to the Board of Management of **SATHYABAMA** for their kind encouragement in doing this project and for completing it successfully. I am grateful to them.

I sincerely thank Dr. G. Bhuvaneswari, Dean - School of of Management Studies, and Dr. A. Palani, Head of – the School of the Management Studies, for providing me with necessary support and details at the right time during the progressive reviews.

I would like to express my sincere and deep sense of gratitude to my Project Guide **DR.K.SASIREKHA** for her valuable guidance, suggestions, and constant encouragement paved the way for my project work's successful completion.

I wish to express my thanks to all Teaching and Non-teaching staff members of the **School of Management Studies** who were helpful in many ways for the completion of the project.

TABLE OF CONTENT

CHAPTER NO	TITLE	PAGE NO
1	Abstract	8
	Introduction	
	1.1 Introduction	9
	1.2 Purpose Of the Study	13
	1.3 Research Questions	14
	1.4 Objectives Of The Study	15
	1.5 Limitation Of The Study	15
	1.6 Statement Of The Problem	15
2	Literature Review	
	2.1 Literature Review	16
	2.2 Research Gap	26
3	Research Design	
	3.1 Research Design	27
	3.2 Data Collection	29
	3.3 Data Analysis Tool	29
	3.4 Research Model	30
	3.5 Research Hypothesis	30
4	Data Analysis And Interpretation	
	4.1 Respondents Characteristics Analysis	31
	4.2 Reliability Analysis Of The Survey Instrument	34
	4.3 Analysis Of The Impact Of Ai On Hrm	34
5	Findings And Conclusion	
	5.1 Findings	38
	5.2 Suggestions	38
	5.3 Conclusions	38
	References	39
	Questionnaire	40

LIST OF TABLES .

TABLE NO	PARTICULARS	PAGE NO
1	Cronbach's Reliability Test Output	34
2	Model Summary	35
3	ANOVA	36
4	Multiple Regression Output	37

LIST OF FIGURES

CHAPTER NO	PARTICULARS	PAGE NO
3	Fig 1 Research Model	30
4	Fig 1 Age Analysis Of The Respondents	31
	Fig 2 Occupation Analysis Of The Respondents	32
	Fig 3 Occupation Analysis Of The Respondents Sector Wise	33

ABSTRACT

This competitive world demands for the human resources as a mandatory asset in order to improve the organizational performance. The organizations have to strive for adopting the innovative HR practices to improve their performance and be different among its competitors. In near future, HRM is moving from the traditional way of HR practices to more advanced progress like automation, augmented intelligence, robotics and AI.

AI has been proved as life – changing for us. From automation of mundane and time-consuming tasks, to the professionals today are more towards optimizing the combination of human and automated work to gain a simple and intuitive work environment. It provides them enough time to deliver the enhanced employee performance.

To compete with AI and advanced machines, the real challenge now lies within the respective HR department that how will they train and re-transform their workforce in understanding the AI and collaborating and working with AI and robotics.

augmentation and amplification of human capabilities, AI has the potential to drastically transform the way we live and work. For HR, this is not just an opportunity but also an urgency to adapt and adopt.

CHAPTER 1

INTRODUCTION

1.1 Introduction

1.1.1 What is Artificial Intelligence?

Tecuci (2012) mentions that Artificial Intelligence (AI) is a rapidly evolving technology, made possible by the Internet, that will soon have major impacts on our daily lives. The name of Artificial Intelligence was verified in 1956 (Stuart & Norvig, 2016). AI traditionally refers to an artificial creation of human-like intelligence that can learn, reason, plan, perceive, or process natural language. Such traits allow AI to bring immense socioeconomic opportunities, and socio-economic challenges.

As AI is an Internet enabled technology, the Internet Society recognizes that understanding the opportunities and challenges associated with AI is critical to developing an Internet that people can trust.

As machine learning is used more often in products and services, there are some significant considerations when it comes to users' trust in the Internet. Several issues must be considered 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.

At the same time, in this complex field, there are specific challenges facing AI, which include: a 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.

In evaluating the different considerations and understanding the various challenges, the Internet Society has developed a set of principles and recommendations in reference to what we believe are the core “abilities” that underpin the value the Internet provides.

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.

1.1.2 What is Human Resources Management?

Human resource management is a separate and specialized function which all managers need to perform.

It is that branch of management which is concerned with the recruitment, selection, development and the best use of employees. Thus, human resource management ensures that every employee makes his maximum contribution to the achievement of organizational goals. The human resource management that we find today is the result of a number of significant inter-related developments since the era of industrial revolution.

With the emergence of trade union movements, need for a person who could act as an important link between management and workers was strongly felt. Such a role was initially performed by Labour Welfare Officer confined only to the welfare activities of the employees.

With the passage of time, factory system was introduced. Thousands of persons were employed under one roof. The need for employing more and more employees had arisen. And the role for filling and giving people for the organization was given to a person known as 'Personnel Officer'. His main function was to recruit, select and place the employees.

As time went by, fast changing technological development necessitated new skill development and training to existing and new employees. Human relations approach recognized people as the most valuable source in any organization. The traditional concept of Labour welfare and Personnel Management had to be replaced with Human Resource Management. Presently, all these aspects viz recruitment, selection, placement and labour welfare etc. are concern of Human Resource Management.

Keeping the foregoing in view, it can be concluded that human resource management has replaced the traditional concept of Labour Welfare and Personnel Management.

The main functions performed by Human Resource Management are:

- (i) Determining the number & types of employees required.
- (ii) Recruitment, selection & placement of employees.
- (iii) Providing training to the employees for improving their performance & career growth.
- (iv) Performance appraisals
- (v) Motivating the employees by providing both financial & non-financial incentives.

(vi) Ensuring social security for employees & handling their grievances.

(vii) Defending enterprises from legal complications

(viii) Establishing amicable relations between union & management.

In any enterprise all managerial functions are performed by individuals. No enterprise can function and achieve its objectives in the absence of efficient and competent employees. Committed, honest, determined and loyal employees are required not only for the growth but also for the survival of organization. Therefore, human resource is considered as the most valuable resource of an enterprise.

After deciding what is to be done and how it is to be done through planning and deciding the organization structure, the human requirement of the organization is assessed. Staffing function starts with the process of need assessment and goes on to recruit and select people as per the requirement of organization.

Staffing is also considered as a distinct functional area of management just as marketing management and financial management. Further, success of employees depends upon the quality and stability of the jobs for which they are appointed. Ensuring same is an important role played by the human resource department.

Therefore, staffing is referred to as both viz “a line as well as a staff activity” i.e. an essential function of the management as well as a distinct functional area of management.

1.1.3 Artificial Intelligence in Human Resource Management:

AI technologies offer significant opportunities to improve HR functions, such as self-service transactions, recruiting and talent acquisition, payroll, reporting, access policies and procedures. We are living in an era in which AI capabilities are reaching new heights and have a major impact on how we operate our business.

Human resources executives have faith that merging AI into HR administration functions will benefit and improve the overall employee experience. This will provide more capacity, more time and budget, and more accurate information for decisive people management. According to Nilsson (2005) machines should be able to do most of the jobs that human intelligence demands, which he calls for human-level AI.

Humans and learning machines are working together to produce an ever-increasing amount of HR data in the cloud, and the use of artificial intelligence analyses offer better insight into how to execute and operate. The success of any organization depends on how effectively it combines people, process and technology intelligently to deliver transformational value at optimized cost. AI will help to efficiently automate many back-office functions for reliable HR transactions and service delivery. This document is focused on conversational AI capabilities for HR transactions and provides insight about intelligent automation via the technology-agnostic chatbot. The adoption of AI in HRM and in recruiting can be called as 'the new age of HR', since AI changes the recruitment industry by replacing routine tasks that have been conducted by human recruiters (Upadhyay & Khandelwal, 2018)..

What are the barriers to adopting AI technologies? What is causing the slow adoption of AI in this field? Financial barriers can be blamed for the lack of wider tool implementation to assist in HR administrative tasks. Other key barriers to AI adoption include:

- **Talent gap:** it can be expensive and hard to find properly educated or skilled people.
- **Concern over privacy:** confidential HR data must be accessed securely and available only to the authorized person.
- **Ongoing maintenance:** as with other innovative technologies, AI requires deep learning and regular review and updates.
- **Integration capabilities:** data availability is limited, due to the HR trend toward SAAS (Software as a Service).
- **Limited proven applications:** many products and services are feasible based on proof of concept only. However, the cost of using AI can be justified for the following human resource functions:
 - Reducing the amount of time HR professionals spend on administrative tasks
 - Reducing the burden of shared service centers and help desks by performing HR transactions and providing answers for routine queries
 - Recruiting and retention
 - Measuring return on investments
 - Reducing bias in HR decision-making

If organizations wish to remain competitive in today's global economy, they will need to look at ways to incorporate conversational AI for HR transactions in their decision-making process. Organizations should rely on AI to perform administrative duties so that HR departments may become more efficient. HR professionals will be able to focus more on strategic planning on an organizational level. AI processes data more quickly than the average human. It is also able to cast a wider net, bringing attention to people who employers might not have considered or who may not even be looking for work. Having more qualified candidates from the beginning shortens the process, enabling managers to dedicate more time to analyzing HR data and improving strategic planning.

1.2 Purpose of the Study

The purpose of this study is to know what impact the Artificial Intelligence has on Human Resource Management in the current era or how AI will affect HRM in the future. As a concept, artificial intelligence has been used around decades. But from last 20 years, the successful application of machine learning enabled the boom of AI. This study is important because AI, today, has begun to engage the workforce. It is helping the staff to manage their time effectively and add the strategic value to the organization. AI has the potential and capability to solve many business problems as well as to make shift in productivity of the industries by introducing automation for tedious, time consuming, mundane and repetitive tasks.

HR is one of the core functions of any organization. Adopting AI in technology in HR might give both short term as well as long term gains. Some have been witnessed already while others are expected to be witnessed in the near future.

There are many ways in which AI can play an important role in HR which are as follows:

1. Recruitment

Gusdorf, Myrna (2008) explained that the 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.

2. Talent Management

Every organization has the need of human capital. Talent management refers to the planning done by the organization to meet the employee's needs. For this, the HR department undertakes the activities such as talent management, succession management etc.

Implementing AI in this will benefit the organization in many ways. For example – AI would observe minute details such as whether an employee submitted their work sample through LinkedIn or Glassdoor.

3. 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. By doing so, employees of the organization can focus on more important and strategic tasks. It ultimately helps in improving the employee productivity and providing the best result.

4. On boarding Process

HR can automate many tasks of onboarding that would take hours otherwise. Tools like zoom.ai come here 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.

Thus, the purpose of AI adoption in HR is to improve the productivity and efficiency of HR so that it can meet its core objectives. Hence, it should be kept in mind that the impact of AI technology in HR is to facilitate employee experience at every level.

1.3 Research Questions

1. Do the software used for hiring process in your organization is based on application of AI or latest technologies?
2. Are AI - based software helping to find the best talent for the job?
3. Is AI - based software future of HR practices?
4. Is AI easing HR operations?
5. Implementing AI in HR practices will lead to the loss of Human Jobs?
6. Are organizations interested in seeing AI-based software for HR practices?

1.4 Objectives of the Study

The objectives of the study are as follow:

- 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
- To find out the AI based software in screening process of hiring

1.5 Limitations of the Study

In order to conduct this study, the following research limitations have been recognized by the researcher:

The main limitation of this research was that a low number of recruitment professional participated in the survey/questionnaire. Of the 150 Google forms sent out to professionals, only 19 replies were received. However, response rate of 20% is acceptable if the information collected is of good quality. In order to collect and analyze

the data from the respondents, the research requires a high amount of time. However, this study has a particular deadline, which increased limitation in data analysis.

Secondly, respondent error is another limitation which can occur. Participants may make mistakes when filling information in the questionnaires. In order to combat this, the questions provided in the questionnaires, were easy to understand and left little room for confusion.

There are chances that the employees might have misinterpreted the questionnaire also. (Source – ideal.com, 2019)

1.6 Statement of the Problem

To study the Impact of Artificial Intelligence on Human Resource Management.

CHAPTER 2

LITERATURE REVIEW

Scott W. O'Connor (2020): In the article titled Artificial Intelligence in Human Resource Management, the author clearly says that artificial intelligence will continue to positively shape the field of human resources management in the coming years. HR professionals should also be more aware of the challenges that they might face. Thus, to prepare for the future of human resource management, professionals should take the necessary steps to learn about the current trends in the field, as well as lay a strong foundation of HR knowledge that they can build upon as the profession evolves.

Prasanna Vatsa and Kusuma Gullamjji (2019): In the paper titled “To Study the Impact of Artificial Intelligence on Human Resource Management”, it is clearly stated that the 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.

Jennifer Johansson and Senja Herranen (2019): In the paper titled “The Application of Artificial Intelligence in Human Resource Management”, it is mentioned that the area of AI in recruitment is new and there are not many organizations that has implemented AI in all parts of the recruitment process. It also mentions that the main benefits of AI are seen as the speeded quality and elimination of routine tasks, while major challenge is seen as the companies’ overall readiness towards the new technologies.

Albert Christopher (2019): In his article names as “Use of Artificial Intelligence in Human Resource Management, the author says that 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. However, there are challenges like privacy, talent gap, maintenance, integration capabilities or limited proven applications. AI systems must be managed carefully by finding reliable learning data sets, using the right implementation approach, seeking clarity, eliminating bias and considering unintentional consequences.

Barbara van pay(2018): In this article how AI is reinventing HR it was clearly stated that all the organizations mostly looking for AI solutions for their business and they are scared of letting a non-human entity handle the procedures of business. By using the AI in organization it can reduce the time consumed for filling and hiring the candidates who applied for the job, through screening multiple candidates, gathers data they rank the candidates by considering other information like experience ,skill set etc., to find right person. After finding the perfect fit for the role next main part is interviewing, now days AI interviewing software such as hike vue, mya are used mostly. AI technology takes care from sourcing to interview which drastically reduces the recruitment timeline and help to hire right candidates with ability to perform in specific roles and make placements much easier and at faster rate.

Anupam jauhari (2017): In the paper title how 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.

Edge Admin (2017): Now the present world is ruled by the advanced technologies, which is intimidating the global workforce. Out of all the technologies, we can say AI is the most groundbreaking one. As importance in the application of AI almost in each and every sector may it be banking, health care insurance etc., but the results achieved are remarkable. AS most of the companies across the globe are adopting AI, India is also not an exception that new firms especially(start-up's) are now integrating their business with AI to stay more visible and to be 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, and Haptic to name a few.

Literature review

1. Anupam Jauhari (2017): In the paper title how AI and machine learning will impact HR practices today. AI has become more and more important and is reshaping the way companies hire and do each and every activity. Recruitment becomes easy for practitioners because machine learning technology will make use of chatbots and proceed all the activities. AI will screen candidates and send the confirmation or rejection email to the candidates. According to the analysis of India report of Deloitte 5th annual global human capital trends, 53% of companies are ready to deploy digital tools while 22% have already deployed these tools. AI and machine learning are the current buzzwords in present days. HR chatbots to work efficiently, actually HR managers will have many tasks to do; they should be capable of using chatbots to get solutions. The major challenge HR managers face is about performance appraisal, that means basing upon employee's performance the performance appraisal will be decided and it can decide employees' career path.

2. Barbara van Paay (Sep 30, 2018) In this article how AI is reinventing HR it was clearly stated that all the organizations are mostly looking for AI solutions for their business and they are scared of letting a non-human entity handle the procedures of business. By using the AI in organization, it can reduce the time consumed for filling and hiring the candidates who applied for the job, through screening multiple candidates, gathering data they rank the candidates by considering other information like experience, skill set etc., to find the right person. After finding the perfect fit for the role, the next main part is interviewing, nowadays AI interviewing software such as HireVue, Mya are used mostly. AI technology takes care from sourcing to interview which drastically reduces the recruitment timeline and helps to hire right candidates with ability to perform in specific roles and make placements much easier and at a faster rate.

3. Buzko et al. (2016) found that the main factor for influencing the amount of training in the company is the net income of the company for the previous year and the transition from discrete paradigm of information processing to continuous paradigm allows faster and more accurate adapting to environment requirements. The authors have concluded that in the modern business conditions, it becomes more relevant to use artificial intelligence technologies for decision making.

4. Dianna L. Stone (2015). Technology has fundamentally changed the way work is accomplished, and has revolutionized the field of Human Resource Management. A recent survey suggested that nearly all

organizations are utilizing technology to support core HR practices and this technology is transforming the way that organizations recruit, select, motivate, train and retain employees.

5.Edge Admin (2017): Now the present world is ruled by the advanced technologies, which is intimidating the global workforce. Out of all the technologies, we can say AI is the most groundbreaking one. As importance in the application of AI almost in each and every sector may it be banking, health care insurance etc., but the results achieved are remarkable. AS most of the companies across the globe are adopting AI, India is also not an exception that new firms especially(start-up's) are now integrating their business with AI to stay more visible and to be competitive. Some of the start-up's that have integrated its business with AI in India are: ARYA.ai, BOXX.ai, cuddle.ai, Imbibe, Edgenetworks, and Haptik to name a few.

6.Eva wislow (2017): In the title of top ways to use AI in HR it was clearly stated that AI is reshaping the way that companies manage their work force and make the plans which increases productivity and employee engagement in general. Talent acquisition is main important thing, we can remove tons of stressful and monotonous work from HR managers namely talent acquisition software can scan, read and evaluate applicants and quickly eliminates 75% of them from the recruiting process .AI can plan, organize and can give so many training programs to the newly joined employees through online courses and digital class rooms. AI can predict the requirements of employees then retention will be more for the employees in the organization it plays a very important role in the organization because work cannot be done manually so with the help of artificial intelligence the work will be done easily.

7.FAIYAZ Md.iqbal(2018) : In the paper title can AI change the way in which companies recruit, train, develop, and manage HR in work place .already AI have significance in HR management but there is a necessity to enhance this technology in each and every organization it makes the work of HR manager or superiors easy for instance under armourit is an American company which manufactures footwear.so it receives nearly30,000 resumes so in order to shortlist and select the candidates it will be very difficult for the superiors so they used this AI enabled technology called as hirevue to make the task easier by using this technology. Managers in the organization can conduct interviews to applicants with the help of some pre recorded questions so that candidates will attend interviews and there will be algorithms which are already coded to the system suit see how to select the candidates, on what bases they have to select according to the requirements of an organization this AI technology can be used to reduce employee's

turnover in the companies and definitely it will be the key era for managers.

8. Geetha R & Bhanu Sree Reddy D, “Recruitment through artificial intelligence: A conceptual study” (2018) The major objective of this paper is to study how Artificial Intelligence influences the recruitment strategy. The study also throws light on the techniques used by companies in AI while recruiting. This study is entirely done based upon secondary sources of information like conceptual papers, various peer reviewed journal articles, books and websites are used to further explore the concept. Secondary sources such as Websites, Journals, Reports, Publication of professionals and books are referred for drafting the entire paper. In conclusion the role of AI – it’s the combination of humans and AI that leads to data maintenance, save the cost and time to the organizations with more accuracy and access in total recruitment process.

9. Ian Bailie Head of HR - “An Examination of Artificial Intelligence and its Impact on Human Resources” (2018) This report tells about big firms that adopt AI and examine the basics of AI and explore how AI is being applied in HR. It has been developed for those that would like to learn more about the potential application of AI in HR. It examines both industry and academic sources to develop a representation of AI and its application in business with a specific focus on HR. The report also uses primary research found in Cognition’s directory of AI powered HR products, survey results, and interviews with vendors and experts. It focused on the few questions around the budget to implement new tools for AI, technology advanced enough from ROI perspective, HR having the right technical expertise to work with AI and considering ethical implications when implementing AI technology.

10. Dr Jeremy nunn(2019): In the paper title the emerging impact of AI on HR at present AI became most important in almost every industry it is the dream of every HR manager to use AI in their organization mainly automates communication with candidates the two important things in AI it mainly eliminates biasness while selecting the candidates and increasing efficiency of the candidates AI mainly helps in screening process it analyze candidates profile and interact with them and take a decision of selecting the right candidates it mainly reduces the burden of work and the main focus will be on the top candidates ,AI can do facial recognition and also it conducts the interviews basing upon education levels and their ability etc., through AI the gaps can be filled in HR department like mainly regarding to training and development that means automatically analyzing the skills and requirements to fulfilled by employees it

mainly connects company's vision and to achieve the goals .AI starts from recruitment and at last compensation level it mainly used so for sure AI will be an emerging technology in every organization.

11.Lorenzo Milani, Dario Rahmati, Rizky Nurakbarianti & Philippe von Klitzing (2017): In the paper title exploring the impact of AI on HRM .AI was initially introduced in the year 1950 and from 1970- 190's stagnation due to excessive expectation and from 2012 new wave of AI has been evolved. It uses many algorithms and concepts .it is an automation in the organization actually AI is a combination of psychology, mathematics, philosophy it delivers better services to the customer and not having excessive costs also. Now at present many companies are using AI and getting many benefits through this like companies such as google, IBM are using this technology. through this AI customers have easy access of information. AI will reduce the work load for HR managers and time also because it helps in recruitment and selection as well as granting leaves to employees in the organization because if it is manual means the person has to check all the records whether there is anyone who applied for leave on that day but if it is AI, it gives clear cut information and updating all the information regarding to employees every time. So, there will be authorized access. there are many areas in which AI has been used such as automatic cars etc. .it has its impact on HRM and HR managers work load will be reduced the needs will be fulfilled in multiplied ways

12.Malathi Sriram and L. Gandhi, Shri Dharmasthala Manjunatheshwara "Exploring the dynamic Virtus of Machine Learning (ML) in Human Resource Management - A Critical Analysis of IT industry" (2017) This paper focuses on the use of machine learning that has replaced certain functions related to Human Resources Management, specifically in the IT industry. The objective is to understand the use of AI and ML in HR functions in the IT industry. - To attempt a model based on the findings. A few companies' cases have been selected in this paper to show how they transformed their HR processes through the use of Machine Learning. Sample cases are taken to highlight how the companies succeeded in implementing Machine Learning in HR. In conclusion there can be many innovative ways of applying Machine Learning and Artificial intelligence in HR functions.

13. Merlin & Jayam, “Artificial Intelligence in Human Resource Management” - International Journal of Pure and Applied Mathematics (2018) This paper tries to address the possibilities of how Artificial intelligence is transforming and supporting the Human Resource functions like recruitment, training, talent management & retention through real time examples, gives insights on intersection of Artificial intelligence & Human resource management cases and finally it addresses the future impact on the HR workforce. They have used secondary research to addresses the possibilities of how Artificial intelligence is transforming and supporting the Human Resource functions like recruitment, training, talent management & retention through real time examples, gives insights on intersection of Artificial intelligence & Human resource management cases and finally it addresses the future impact on the HR workforce.

14. DR Owais Ahmed (2018): In the paper titled AI in HR, it mainly stated that it increases the effective working of an organization and reduces the burden of HR managers it mainly provides personalized employee experiences like it the new employees join in an organization then they don't know where to go and with whom they have to contact then AI plays an important role in it by providing help desk to the employees they can post their queries in it and can get the possible solutions. AI helps us to take variation requests like to grant leaves .it also helps us to know about the rules and procedures of the company it can be used anywhere at any time and it answers all employees questions there will be some algorithms in AI which makes recruiting process easy for HR practitioner there will be unbiased selection and development in the organization. AI can identify patterns of stress ,employees feels at organizational level and what type of remedies should be taken to overcome them .so mainly it is an automation process that does the repetitive value added tasks

15. Peter (2018): In the paper titled the impact of AI on HR function clearly shows that in near coming future AI is going to bring a drastic change in the way of

implementing HR practices with the implementation of ai in an organization .It is true that several jobs may be affected but in reality it raises the productivity of an organization although some of the western companies are successful in integrating AI with some HR practices and became productive and others are still counting on the cost aspects and out of all the HR practices recruitment is the best function in integrating with AI from sourcing ,screening the qualified applicants and finally it is the duty of the governments and the respective organizations to reshape ,re skill and upgrading their work force to compete with these intelligent machines .

16.Prashant srivastava(2018) : In the paper title the impact of AI on strategic HR decisions making AI plays a important role in human resources management it mainly help us in manpower planning and productivity management actually it is very difficult to analyze the performance of an employee's manually so by using AI it can be done automatically and moreover recruitment becomes easy like maximum time which is spend by the HR manager on recruitment only so to reduce time this AI helps us a lot either it may be for middle management and senior management hiring decision which are taken by AI will be superior to the decisions taken manually .performance appraisal of employees or officials through AI there will be no discrimination as well as the decisions of the compensation will be done here by using fairly sophisticated algorithms thoroughly AI there will be better development in every organization.

17. Rajeev bhardwaj :(January 5th 2019) In this article titled Artificial Intelligence Is Revolutionizing Hiring to Engagement it was clearly stated that any organization will receive plenty of resumes out which only 10% are relevant. From hiring to employee engagement, artificial intelligence is transforming the way thanks to the advent of AI supported systems. This process is now taken over by software search algorithm that are able to successfully prove out the few people matching your requirements from a pile of irreverent applications. Artificial intelligence is re-shaping and revolutionizing every sphere in life including HR management It can be incorporated in process like boarding, performance, review, feedback, training, retention apart from talent acquisition. Hence, it allows HR manager greater time and

energy to focus on mentoring and motivating employees. HR department is highly benefited with the AI supporting system.

18. Robert Charlier and Sander Kloppenburg, PwC, Artificial Intelligence in HR: A Nobrainer (2017) - To find right talent against low costs and in less time, this is a huge argument in today's organization. As per this paper which was based on research after the various aspects of artificial intelligence by the global network of PwC, the input of business partners, interviews with experts in the field, and the valuable remarks of the participants of our Round Table session in October 2017, and which was organized in cooperation with Seed link. This study helps us to understand how do we embrace AI successfully with a case study on Loreal Business.

19. Severin Lemaignan (2017): Human-robot interaction (HRI) represents a challenge for AI. Even though every work done by humans physically, can be done through AI. But emotional intelligence is not there for AI. As this is the major drawback of human robot interaction becomes critical. Robots can only do the things which are pre-instructed to them. They can't change their actions by their own as they are controlled by humans. It is a difficult task to impose the independent software modules, specially it is not only a technical challenge, but it is also an architectural challenge.

20. Shweta Jain - The Engine Driving the Next Wave of Transformation in Business (2017), in this paper the author discusses about how artificial intelligence brings out total digital transformation when the organization well coordinate with the different units like HR, marketing, Finance, Manufacturing or process. In the report the author concluded that HR professionals can make use of different AI technology and tools for all the functions of HR be it recruitment, selection, training, development, performance management, compensation and reward management. Reference to Anupam Jauhari. -(2017): Artificial Intelligence Adaptation and its Impact on

Human Resources Practices Among the IT and ITES Companies in Chennai- volume 7 issue 9. o Barbara van pay. - (sep 30, 2018)- How AI is reinventing HR- volume 2

o Buzko et al -(2016). Artificial Intelligence technologies in human resource development- volume 6

o Dianna L. et. Al-(2015)- Advantages and Unintended Consequences of using Electronic Human Resource Management (EHRM) Process- volume 32. o Eva wislow. - 2017): top ways to use AI in HR- volume 2

o FAIYAZ Md. iqbal. - (2018) - Can AI change the way in which companies recruit, train, develop, and manage HR in work place- volume 1

o Geetha R & Bhanu Sree Reddy D.- (2018) - “Recruitment through artificial intelligence: A conceptual study” A conceptual study- volume 9 issue 7

o Ian Bailie Head of HR.- (2018) An Examination of Artificial Intelligence and its Impact on Human Resources – volume 10 issue 3

o Dr Jeremy nunn. -(2019)-The emerging impact of AI on HR at present

o Lorenzo Milani, Dario Rahmati, Rizky Nurakbarianti & Philippe von Klitzing. - 2017): exploring the impact of AI on HRM – volume 1

o Malathi Sriram and L. Gandhi, Shri Dharmasthala Manjunatheshwara. - (2017)- “Exploring the dynamic Virtus of Machine Learning (ML) in Human Resource Management - A Critical Analysis of IT industry”- volume 5 issue 12. o Merlin & Jayam. - (2018) “Artificial Intelligence in Human Resource Management”- volume 119 No.17

o DR owais ahmed. - (2018) - AI in HR- volume 2

o Peter. - (2018)- the impact of AI on HR function-volume 14

o Prashant Srivastava. - (2018) - The impact of AI on strategic HR decisions making

o Rajeev Bhardwaj. -(January 5th 2019) -Artificial Intelligence Is Revolutionizing Hiring to Engagement-volume 5

o Robert Charlier and Sander Kloppenburg. - (2017) -Artificial Intelligence in HR: A Nobrainer – volume 1

o Severin Lemaignan. - (2017)- Artificial Cognition for Social Human-robot interaction (HRI) represents a challenge for AI -volume 2

o Shweta Jain -(2017)-The Engine Driving the Next Wave of Transformation in Business- volume 6

2.2 Research Gap

There is a particular gap regarding the recruitment and selection processes in the industry. The studies available shows the general HR practices related to job satisfactions, organizational performance and productivity rather than hiring methods and technologies used for hiring. Most of the previous researches are based on how IT is transforming HR process, which is very broad area. Though AI is an application of IT, but is relevantly different.

Chapter -3

RESEARCH METHODOLOGY

3.1 Research Design

On the general term, the research design is viewed from two perspectives, quantitative research design or qualitative research design. They can both be used or applied distinctively or together.

A quantitative research design is used to examine the relationship between variable by using numbers and statistics to explain and analyze its findings and there are four types of quantitative research design

1. **Descriptive research** is used to describe characteristics of a population or phenomenon being studied. It does not answer questions about how/when/why the characteristics occurred. Rather it addresses the "what" question (what are the characteristics of the population or situation being studied?). The characteristics used to describe the situation or population are usually some kind of categorical scheme also known as descriptive categories.

In our topic there is need for data collection which will include population. So, we would be selecting this design for research.

2. **Correlational design research:** This seeks to discover if two variables are associated or related in some way, using statistical analysis, while observing the variable.
3. **Experimental design research:** This is a method used to establish a cause and effect relationship between two variables or among a group of variables. The independent variable is manipulated to observe the effect on the dependent variable. For example, a certain group is exposed to a variable and then compared with the group not exposed to the variable.

Qualitative Research - A qualitative research design is used to explore the meaning and understanding of complex social environments, like the nature of people's experience, using case studies. Qualitative research design, on the other hand, is exploratory in nature as it tries to explore not to predict the outcome.

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. Quantitative methods aim to classify features, count them, and make statistical models to check hypotheses and explain observations. Qualitative methods aim for an entire, detailed description of observations, including the context of events and circumstances.

Questionnaires: Questionnaires are an honest thanks to obtain information from an outsized number of individuals and/or people that might not have the time to attend an interview or participate in experiments. They enable people to require their time, believe it and are available back to the questionnaire later. Participants can state their views or feelings privately without fear about the possible reaction of the researcher. Unfortunately, some people may still be inclined to try to give socially acceptable answers. People should be encouraged to answer the questions as honestly as possible so on avoid the researchers drawing false conclusions from their study.

Questionnaires typically contain multiple choice questions, attitude scales, closed questions and open-ended questions. The drawback for researchers is that they typically have a reasonably low response rate and other people don't always answer all the questions and/or don't answer them correctly. Questionnaires can be administered in a number of different ways (e.g. sent by post or as email attachments, posted on websites, handed out personally or administered to captive audience (such as people attending conferences). Researchers may even plan to administer the questionnaire face to face which has the advantage of including people that have difficulties reading and writing. In this case, the participant may feel that s/he is participating in an interview instead of completing a questionnaire because the researcher is going to be noting down the responses on his/her behalf. We are going to use the Questionnaires method for the study. As it can get data from large number of people and it can help us getting the honest opinions of the people.

Theories and literatures have been searched to support the research. Next, the problem and the research question has been developed and research method has been elected. The next step is to collect data with using the methods planned. After the data is collected, the researcher has analyzed the data with selected theories. At last, the conclusion is drawn.

The research methodology adopted for this paper is a mixture of both qualitative as well quantitative research methods.

The data for the research have been collected through the primary source of data by creating a questionnaire and conducting a survey among the respondents. The data has also been collected from secondary sources of data which includes the previous publishes papers as well as the articles and blogs of well-known authors. The qualitative research methodology has been used in the sense that the record keeping method in has been used by taking reference from the past published related papers and the articles.

3.2 Data Collection

This study utilized both primary and secondary data. The primary data was gathered with the help of a structured questionnaire. The questionnaire was distributed to 150 respondents. After considering the reliability and the plausibility of the data, 19 completely filled questionnaires were used for data analysis. The secondary data was collected from articles, journals and PDF's. Primary and secondary data was interpreted and analyzed to arrive at logical conclusion.

3.3 Data Analysis Tool

SPSS tools was used for data analysis. Cronbach's alpha was used to determine the reliability and internal consistency of the questionnaire. Then the data was analyzed using multiple linear regression. This analysis was conducted to determine the effectiveness of the research model in assessing the impact of Artificial Intelligence on HRM and HR practices and also to find out if the impact was significant.

3.4 Research Model

Figure below represents the research model used in this project. The independent variables in this research model are Artificial Intelligence technologies and software. The dependent variable used in this study is HRM and HR Practices.

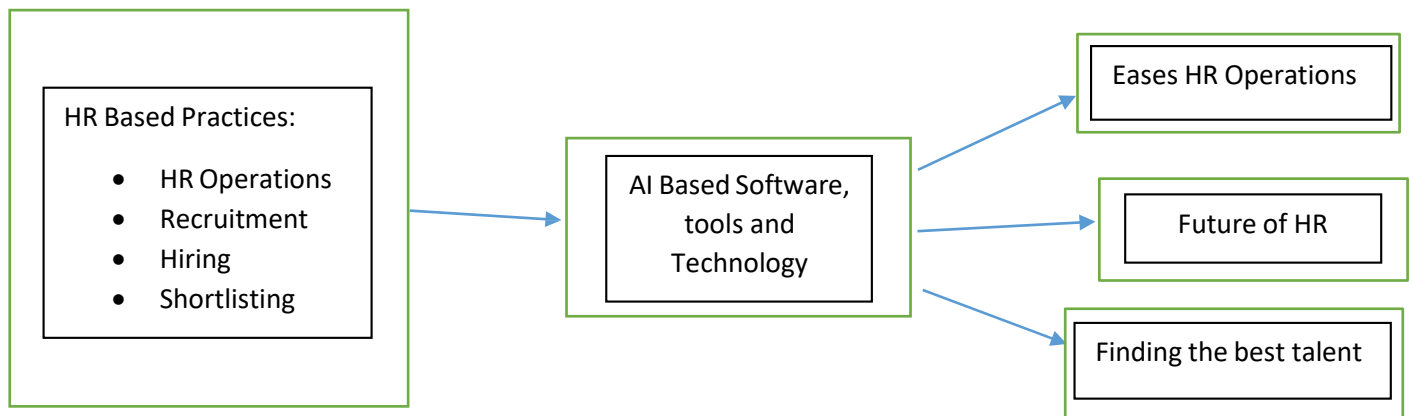


Figure 1: The Figure above shows the Research Model adopted for the study

3.5 Research Hypothesis

H0 (Null): AI does not have a significant impact on HRM

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

CHAPTER – 4

DATA ANALYSIS AND INTERPRETATION

4.1 Respondent's characteristics analysis:

This section includes the analysis and interpretation of the data collected from the questionnaires. The questionnaire was distributed to 150 respondents.

questionnaire was distributed to 150 respondents.

After ensuring the integrity and the reliability of the data, 19 responses were received and analyzed. The first part is the age, occupation and organization analysis of the respondents.

Out of 19 respondents, 15 respondents (78.9%) ie majority of the respondents belong to the age group of 20 – 30 years followed by the age groups of 31 – 40 years and 51 years & above. This is shown in figure 1 given below.

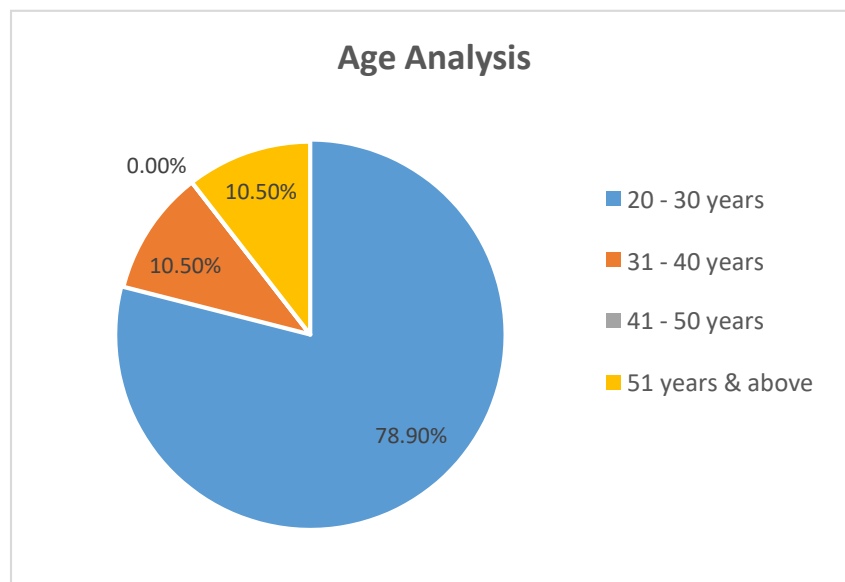


Figure 1: Age analysis of the respondents

From the figure 2 below, the occupation of the respondents can be analyzed. Majority of the respondents are corporate employees (31.6%) followed by other category (31.6%) and the business category (26.3%). The least number of the respondents belong to the working professional category.

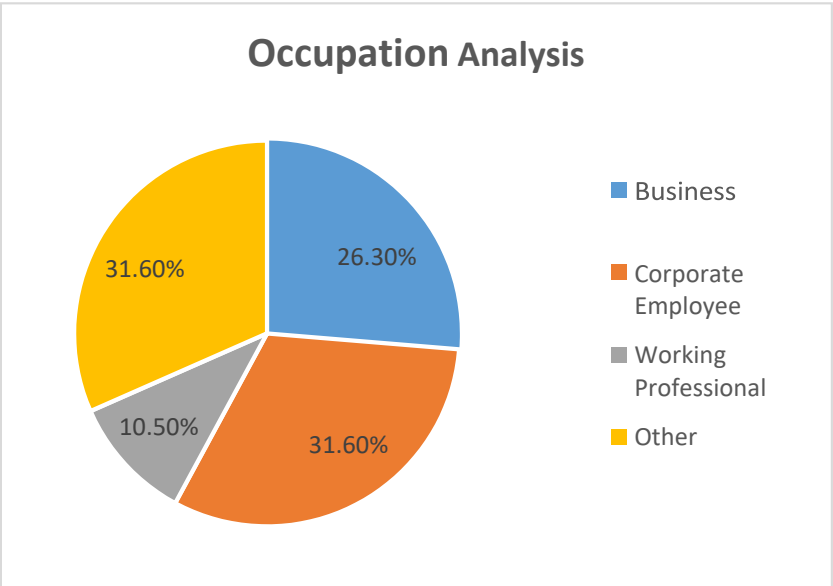


Figure 2: Occupation analysis of the respondents

From the figure 3 given below, the occupation of the respondents can be analysed. Majority of the respondents (57.8%) do not lie in the mentioned categories and lie in the other sector that includes Education sector, Pharmaceutical Sector, Journalism, Engineering sector, etc. This is followed by the Manufacturing sector (15.8), Retail Sector (10.5%), IT, Automobile and Consulting Sector occupying 5% each.

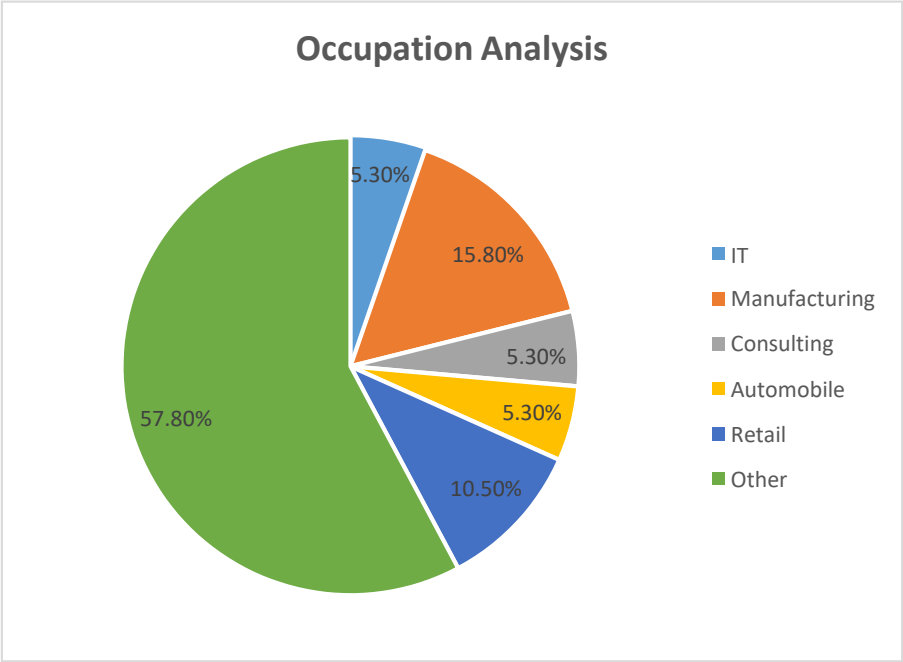


Figure 3: Occupation analysis of the respondents (sector wise)

4.2 Reliability analysis of the survey instrument:

The survey instrument used for this study was a structured questionnaire. The questionnaire was drafted by using Likert scale. These questions were drafted to gauge the usage of Artificial Intelligence technologies in HR Practices in organizations and their impact on the Human Resource Management.

Cronbach’s alpha was utilized to measure of the reliability and internal consistency of the survey instrument. This method also helps to understand if the items in the questionnaire have shared covariance. According to the output table 1, it can be seen that the Cronbach’s alpha is 0.754. This value is greater than the standard value of 0.7 which shows that the questionnaire is reliable and have an internal consistency among the questions. This test showed that all the questions have a shared covariance which proves that they all help to understand and measure the same concept of sustainable HR practices.

Table 1: Cronbach’s Reliability Test Output

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.754	.688	4

4.3 Analysis of the impact of AI on HRM

After checking the reliability and the consistency of the questionnaire, the impact and significance of Artificial Intelligence on HRM and HR Practices was analyzed. Multiple regression analysis was used to understand the effect of the. For this study, Artificial Intelligence technologies and AI based software were taken as the independent variables and HRM & HR Practices like HR Operations is taken as the dependent variable. Table 2 shows the R square value of the model and this value helps to understand if the research model undertaken is a good fit for the research data and it also explains how much variability of the dependent variable is explained by the independent variable. From table 2, it can be seen that the R square value is 0.622. This means that 62.2% of the variability of Human Resource Management can be explained by Artificial Intelligence.

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.789 ^a	.622	.506	.99387

Table 3 shows the ANOVA test output which helps in understanding if the independent variables used in this model is effective in predicting the dependent variable. From table 3 it can be seen that the sig value is 0.009 which is less than the standard p value 0.05. So it proves that the independent variables chosen for this model (Artificial Intelligence technologies and software) are helpful in determining the dependent variable which is HRM & HR Practices.

Table3: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.159	4	5.290	5.355	.009 ^b
	Residual	12.841	13	.988		
	Total	34.000	17			

Table 4 shows the regression test output. This helps to determine the significance and the effect of Artificial Intelligence on Human Resource Management and HR Practices. It also shows the relationship between AI and HRM. From table 4, it can be seen that the sig value for all the independent variables (familiarity with AI introduction – 0.005(, and (agreement of AI software helping in finding the best talent for the job – 0.011) is lesser than the standard significance value of 0.05 which proves that these factors are significant and have a significant effect on HRM. But the other two factors have the value greater than 0.05, which shows that currently their organizations do not use AI based software for HR Practices. From table 4, it can also be seen that the beta values for the factors except the usage of in-house software or third party software are positive. This implies that these factors are positively related to HRM and HR Practices.

So, on the basis of the analysis performed, the hypothesis H1 stating that AI has a positive and significant impact on HRM can be accepted.

Thus, the H1(Alternate) hypothesis is accepted and H0(Null) hypothesis is rejected which means that Artificial Intelligence has a significant impact on Human Resource Management.

Table 4: Multiple Regression Output

Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	3.571	1.380		.023
	Do you have in-house HRM software or you rely on third party software systems for hiring?	-.836	.489	-.302	.111
	Are you familiar with introduction of AI in hiring practices?	.915	.273	.587	.005
	Do the software used for hiring process in your organization is based on application of AI or latest technologies?	.288	.299	.178	.353
	To what extent do you agree that AI-based software are helping to find the best talent for the job?	.777	.263	.529	.011

CHAPTER 5

FINDINGS AND CONCLUSION

5.1 Findings

1. Majority of the organizations have adopted the AI in their Human Resource Management practices.
2. There is a positive response from the respondents that they are likely to accept the introduction of AI at various stages of HR based functions.
3. Organizations are using the third party software, in house software, Omnidocs, Ezieka, etc as AI software in HRM.
4. Majority of the organization is positive for the fact that AI is the future of HR.
5. Organizations which are not using AI based software would like to adopt the same in future.

5.2 Suggestions

Researchers would like to suggest that companies devise a simple and concise organizational strategy to integrate AI into their recruitment process, based on the results of this study. Researcher would like to recommend that recruiters should replace easy and time-consuming tasks with smart AI technology, allowing recruiters and HR managers to concentrate more on strategic functions. Furth more, developers of smart AI technologies needs to develop such platforms keeping in mind the budgetary issue of small to medium organization as well, so that they can adopt AI in their recruitment process.

5.3 Conclusion

The incorporation of HR activities for candidates based on AI undoubtedly has a greater effect in enhancing the efficiency of the organization. Although AI applications do not possess emotional and cognitive abilities like humans, these powerful AI-based HR applications may be able to interpret, forecast, diagnose, and it is a powerful tool for any kind of organization.

Yet the real concern that is overwhelming the Global workforce is how AI is demonstrating its impact in cutting jobs across various industries around the world. But, the truth is that it's not the advanced technologies that replace humans, but it's more about how humans can adapt and use these developments in wealth and prosperity development.

In the true sense, the AI-based functions would affect certain percentage of workers, and it is the responsibility of HR leaders and companies to reflect on their employee needs and future outcomes. And, eventually, based on our research, most companies effectively incorporate AI-related methods into recruitment, but AI is everywhere in HR in the near future: May be in recruitment, training, on boarding, performance analysis, retention etc.,

But most companies are still lagging behind in incorporating AI into their HR activities due to their integration-related costs. In conclude, the application of AI should be regarded as a positive opportunity, because AI improves life, AI produces a better future if it is clearly understood and properly used.

REFERENCES:

- **Prasanna Vatsa and Kusuma Gullamjji (August, 2019)**, To Study the Impact of Artificial Intelligence on Human Resource Management
- **Jennifer Johansson and Senja Herranen (May, 2019)**, The Application of Artificial Intelligence in Human Resource Management
- **Albert Christopher (September, 2019)**, Use of Artificial Intelligence in Human Resource Management
- **Anupam jauhari (2017)**, How AI and machine learning can affect hr practices today
- **Barbara van pay(sep 30, 2018)**: In this article how AI is reinventing HR
- <https://medium.com/@albertchristopherr/use-of-artificial-intelligence-in-human-resource-management-ddb4e4de9c6e>
- <https://www.businessmanagementideas.com/management/essay-on-human-resource-management-hrm/2348#:~:text=Essay%20on%20Human%20Resource%20Management!&text=It%20is%20that%20branch%20of,the%20achievement%20of%20organizational%20goals>.
- <file:///C:/Users/Admin/Desktop/BI%20research%20paper/AI%20&%20HRM%20Questionnaire.pdf>
- **Karan Hiren Bhalgat (August 2019)**, An exploration of how Artificial Intelligence is impacting Recruitment and Selection process
- <https://www.intechopen.com/books/cyberspace/research-design-and-methodology>

QUESTIONNAIRE:

Below is the questionnaire used for the research:

Name:

Age:

Occupation:

1. Do you work in a private recruitment agency or HR in an organization/company?
A. YES B. NO

2. In which sector does your organization operate?
 - a. IT
 - b. Manufacturing
 - c. Consulting
 - d. Automobile
 - e. Retail
 - f. Other

3. Do you use modern technologies for e.g. AI-based screening software, Database management software, etc. in your Hiring process?
 - a. Yes
 - b. No

4. Do you have in-house Human Resource Management (HRM) software or you rely on third-party software systems for Hiring?
 - a. In – house Software
 - b. Third Party software

5. Are you familiar with introduction of Artificial Intelligence in Hiring practices?
 - a. Yes

-
- b. No
 - c. Maybe
6. Do the software used for Hiring process in your organization is based on application of Artificial Intelligence or latest technologies?
- a. Yes
 - b. No
 - c. Maybe
7. At how many stages of hiring process do you use such software? (You can select more than one option)
- a. Resume Shortlisting
 - b. Online Assessments
 - c. Video Assessments
 - d. Entire hiring process
 - e. Other process
 - f. None of the above
8. To what extend do you agree that AI-based software are helping to find best talent for the job?
- a. Strongly Agree
 - b. Agree
 - c. Neutral
 - d. Disagree
 - e. Strongly Disagree
9. Do you think that AI-based software is future for hiring practices?
- a. Strongly Agree
 - b. Agree
 - c. Neutral
 - d. Disagree
 - e. Strongly Disagree

10. Do you think that Artificial Intelligence is easing Human Resource operations?

- a. Strongly Agree
- b. Agree
- c. Neutral
- d. Disagree
- e. Strongly Disagree

11. Do you now or in future will be interested in seeing AI-based software for hiring practices?

- a. Yes
- b. No

A STUDY ON THE IMPACT OF ARTIFICIAL INTELLIGENCE ON HUMAN RESOURCE MANAGEMENT

BARATH KUMAR. A¹ & DR. SASIREKHA. K ²

ABSTRACT

This competitive world demands for the human resources as a mandatory asset in order to improve the organizational performance. The organizations have to strive for adopting the innovative HR practices to improve their performance and be different among its competitors. In near future, HRM is moving from the traditional way of HR practices to more advanced progress like automation, augmented intelligence, robotics and AI.

AI has been proved as life – changing for us. From automation of mundane and time-consuming tasks, to the professionals today are more towards optimizing the combination of human and automated work to gain a simple and intuitive work environment. It provides them enough time to deliver the enhanced employee performance.

To compete with AI and advanced machines, the real challenge now lies within the respective HR department that how will they train and re-transform their workforce in understanding the AI and collaborating and working with AI and robotics.

augmentation and amplification of human capabilities, AI has the potential to drastically transform the way we live and work. For HR, this is not just an opportunity but also an urgency to adapt and adopt.

Introduction

What is Artificial Intelligence?

Tecuci (2012) mentions that Artificial Intelligence (AI) is a rapidly evolving technology, made possible by the Internet, that will soon have major impacts on our daily lives. The name of Artificial Intelligence was verified in 1956 (Stuart & Norvig, 2016). AI traditionally refers to an artificial creation of human-like intelligence that can learn, reason, plan, perceive, or process natural language. Such traits allow AI to bring immense socioeconomic opportunities, and socio-economic challenges.

What is Human Resources Management?

Human resource management is a separate and specialized function which all managers need to perform.

It is that branch of management which is concerned with the recruitment, selection, development and the best use of employees. Thus, human resource management ensures that every employee makes his maximum contribution to the achievement of organizational goals. The human resource management that we find today is the result of a number of significant inter-related developments since the era of industrial revolution.

Artificial Intelligence in Human Resource Management:

AI technologies offer significant opportunities to improve HR functions, such as self-service transactions, recruiting and talent acquisition, payroll, reporting, access policies and procedures. We are living in an era in which AI capabilities are reaching new heights and have a major impact on how we operate our business.

Human resources executives have faith that merging AI into HR administration functions will benefit and improve the overall employee experience. This will provide more capacity, more time and budget, and more accurate information for decisive people management. According to Nilsson (2005) machines should be able to do most of the jobs that human intelligence demands, which he calls for human-level AI.

Purpose of the Study

The purpose of this study is to know what impact the Artificial Intelligence has on Human Resource Management in the current era or how AI will affect HRM in the future. As a concept, artificial intelligence has been used around decades. But from last 20 years, the successful application of machine learning enabled the boom of AI. This study is important because AI, today, has begun to engage the workforce. It is helping the staff to manage their time effectively and add the strategic value to the organization. AI has the potential and capability to solve many business problems as well as to make shift in productivity of the industries by introducing automation for tedious, time consuming, mundane and repetitive tasks.

Objectives of the Study

The objectives of the study are as follow:

- 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
- To find out the AI based software in screening process of hiring

REVIEW OF LITERATURE

Scott W. O'Connor (2020): In the article titled Artificial Intelligence in Human Resource Management, the author clearly says that artificial intelligence will continue to positively shape the field of human resources management in the coming years. HR professionals should also be more aware of the challenges that they might face. Thus, to prepare for the future of human resource management, professionals should take the necessary steps to learn about the current trends in the field, as well as lay a strong foundation of HR knowledge that they can build upon as the profession evolves.

Prasanna Vatsa and Kusuma Gullamjji (2019): In the paper titled “To Study the Impact of Artificial Intelligence on Human Resource Management”, it is clearly stated that the 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.

Jennifer Johansson and Senja Herranen (2019): In the paper titled “The Application of Artificial Intelligence in Human Resource Management”, it is mentioned that the area of AI in recruitment is new and there are not many organizations that has implemented AI in all parts of the recruitment process. It also mentions that the main benefits of AI are seen as the speeded quality and elimination of routine tasks, while major challenge is seen as the companies’ overall readiness towards the new technologies.

Albert Christopher (2019): In his article names as “Use of Artificial Intelligence in Human Resource Management, the author says that 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. However, there are challenges like privacy, talent gap, maintenance, integration capabilities or limited proven applications. AI systems must be managed carefully by finding reliable learning data sets, using the right implementation approach, seeking clarity, eliminating bias and considering unintentional consequences.

Barbara van pay(2018): In this article how AI is reinventing HR it was clearly stated that all the organizations mostly looking for AI solutions for their business and they are scared of letting a non-human entity handle the procedures of business. By using the AI in organization it can reduce the time consumed for filling and hiring the candidates who applied for the job, through screening multiple candidates, gathers data they rank the candidates by considering other information like experience ,skill set etc., to find right person. After finding the perfect fit for the role next main part is interviewing, now days AI interviewing software such as hike vue, mya are used mostly. AI technology takes care from sourcing to interview which drastically reduces the recruitment timeline and help to hire right candidates with ability to perform in specific roles and make placements much easier and at faster rate.

Anupam jauhari (2017): In the paper title how 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.

Rajeev bhardwaj :(January 5th 2019) In this article titled Artificial Intelligence Is Revolutionizing Hiring to Engagement it was clearly stated that any organization will receive plenty of resumes out of which only 10% are relevant. From hiring to employee engagement, artificial intelligence is transforming the way thanks to the advent of AI supported systems. This process is now taken over by software search algorithms that are able to successfully prove out the few people matching your requirements from a pile of irrelevant applications. Artificial intelligence is re-shaping and revolutionizing every sphere in life including HR management. It can be incorporated in processes like onboarding, performance, review, feedback, training, retention apart from talent acquisition. Hence, it allows HR managers greater time and energy to focus on mentoring and motivating employees. The HR department is highly benefited with the AI supporting system.

Robert Charlier and Sander Kloppenburg, PwC, Artificial Intelligence in HR:

A Nobrainer (2017) - To find right talent against low costs and in less time, this is a huge argument in today's organization. As per this paper which was based on research after the various aspects of artificial intelligence by the global network of PwC, the input of business partners, interviews with experts in the field, and the valuable remarks of the participants of our Round Table session in October 2017, and which was organized in cooperation with Seed link. This study helps us to understand how we embrace AI successfully with a case study on L'Oréal Business.

Research Hypothesis

H0 (Null): AI does not have a significant impact on HRM

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

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.159	4	5.290	5.355	.009 ^b
	Residual	12.841	13	.988		
	Total	34.000	17			

ANOVA test output which helps in understanding if the independent variables used in this model is effective in predicting the dependent variable

Multiple Regression Output

Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	3.571	1.380		.023
	Do you have in-house HRM software or you rely on third party software systems for hiring?	-.836	.489	-.302	.111
	Are you familiar with introduction of AI in hiring practices?	.915	.273	.587	.005
	Do the software used for hiring process in your organization is based on application of AI or latest technologies?	.288	.299	.178	.353
	To what extent do you agree that AI-based software are helping to find the best talent for the job?	.777	.263	.529	.011

The regression test output. This helps to determine the significance and the effect of Artificial Intelligence on Human Resource Management and HR Practices.

Findings

1. Majority of the organizations have adopted the AI in their Human Resource Management practices.
2. There is a positive response from the respondents that they are likely to accept the introduction of AI at various stages of HR based functions.
3. Organizations are using the third party software, in house software, Omnidocs, Ezieka, etc as AI software in HRM.
4. Majority of the organization is positive for the fact that AI is the future of HR.
5. Organizations which are not using AI based software would like to adopt the same in future.

Suggestions:

Researchers would like to suggest that companies devise a simple and concise organizational strategy to integrate AI into their recruitment process, based on the results of this study. Researcher would like to recommend that recruiters should replace easy and time-consuming tasks with smart AI technology, allowing recruiters and HR managers to concentrate more on strategic functions. Furth more, developers of smart AI technologies needs to develop such platforms keeping in mind the budgetary issue of small to medium organization as well, so that they can adopt AI in their recruitment process.

5.4 Conclusion

The incorporation of HR activities for candidates based on AI undoubtedly has a greater effect in enhancing the efficiency of the organization. Although AI applications do not possess emotional and cognitive abilities like humans, these powerful AI-based HR applications may be able to interpret, forecast, diagnose, and it is a powerful tool for any kind of organization.

Yet the real concern that is overwhelming the Global workforce is how AI is demonstrating its impact in cutting jobs across various industries around the world. But, the truth is that it's not the advanced technologies that replace humans, but it's more about how humans can adapt and use these developments in wealth and prosperity development.

In the true sense, the AI-based functions would affect certain percentage of workers, and it is the responsibility of HR leaders and companies to reflect on their employee needs and future outcomes. And, eventually, based on our research, most companies effectively incorporate AI-related methods into recruitment, but AI is everywhere in HR in the near future: May be in recruitment, training, on boarding, performance analysis.

But most companies are still lagging behind in incorporating AI into their HR activities due to their integration-related costs. In conclude, the application of AI should be regarded as a positive opportunity, because AI improves life, AI produces a better future if it is clearly understood and properly used.

REFERENCES:

- **Prasanna Vatsa and Kusuma Gullamjji (August, 2019)**, To Study the Impact of Artificial Intelligence on Human Resource Management
- **Jennifer Johansson and Senja Herranen (May, 2019)**, The Application of Artificial Intelligence in Human Resource Management
- **Albert Christopher (September, 2019)**, Use of Artificial Intelligence in Human Resource Management
- **Anupam jauhari (2017)**, How AI and machine learning can affect hr practices today
- **Barbara van pay(sep 30, 2018)**: In this article how AI is reinventing HR
- <https://medium.com/@albertchristopherr/use-of-artificial-intelligence-in-human-resource-management-ddb4e4de9c6e>
- <https://www.businessmanagementideas.com/management/essay-on-human-resource-management-hrm/2348#:~:text=Essay%20on%20Human%20Resource%20Management!&text=It%20is%20that%20branch%20of,the%20achievement%20of%20organizational%20goals.>
- <file:///C:/Users/Admin/Desktop/BI%20research%20paper/AI%20&%20HRM%20Questionnaire.pdf>
- **Karan Hiren Bhalgat (August 2019)**, An exploration of how Artificial Intelligence is impacting Recruitment and Selection process
- <https://www.intechopen.com/books/cyberspace/research-design-and-methodology>

