

REINVENTING HR WITH AI

D. Ubale¹, S. Lakhangaonkar², S. Ubale³

¹PES's Modern College of Engineering, MBA Department, Pune, Maharashtra.

²Faculty of Commerce & Management, Vishwakarma University, Pune, Maharashtra.

³Matrix School of Management Studies, Pune, Maharashtra.

¹deepali.choudaki@moderncoe.edu.in, ²supriya.lakhangaonkar@vupune.ac.in,

³satish12091974@gmail.com

ABSTRACT

Artificial intelligence is going to take over a large part of the organizations and with these quickly changing technologies we must develop certain skillsets to adapt artificial intelligence. No doubt artificial intelligence is going to make everything easier, but we must make sure that we must use AI efficiently. As strategic HRM is gaining recognition in upcoming HR world, artificial intelligence will help reduce the repetitive tasks of HR and help them be more strategic. The study is aimed at analysing the perception of HR professionals towards adapting artificial intelligence and which branch of human resource do professionals think artificial intelligence will be adapted the most. To do so, a pilot study was conducted, and the data was collected from the human resource professionals to understand their perception on artificial intelligence. The findings of this study will help to know that employees are ready to adapt AI and believe that they have the skills to work with AI efficiently, but the employees are not yet ready to fully depend on machines for some tasks and employees are not sure if they will be comfortable of having robots as their co-workers. Human resource professionals think that recruitment will be the branch where artificial intelligence will be adopted the most.

Keywords: Artificial intelligence, Human resource, Recruitment, Perception, Strategic HRM,

Introduction

Artificial intelligence is the ability of machines to act and think like human and work intelligently. Artificial intelligence is said to cause disruption in all sectors of industry and human resource is no exception. It is said that by 2022-2025 AI is going to take over a large part of the organizations and with this quickly changing technologies we must develop certain skillsets to adapt AI. No doubt AI is going to make everything easier, but we have to make sure that we have to utilize AI efficiently. As strategic HRM is gaining recognition in upcoming HR world, artificial intelligence will help reduce the repetitive tasks of HR and help them be more strategic. Everyone has accepted the fact that artificial intelligence is going to change human resource drastically but there is an unclear picture of how we are going to adapt these changes efficiently. This study will try to know the perception of professionals towards adapting AI in HR. It will help us to find whether the employees are ready to accept robots as their co-workers, if HR ready to depend on machines, moreover it will help to us to know that will HR be more innovative and

effective with the emergence of AI and if this pandemic will help us in adapting AI more quickly as we are now becoming more and more familiar to the virtual world and becoming more efficient in using machines. Hence this study is an effort to know the perception of HR professionals towards adapting artificial intelligence.

Literature Review

Artificial intelligence is a machine which can perform tasks intelligently like any other human while adapting to changes in the world. AI can be applied in sectors of industry, for financial sector to detect fraud, and enhance customer service by understanding customer requirement. It is also be used in manufacturing sector to detect faults prior to production process and reduce maintenance. In an article what Artificial Intelligence will look after covid-19 by Kenrick Kai says that many founders are trying to imagine workplace post covid which will accelerate the spread of AI. AI is safe and AI would be synonymous with the word safety. A study conducted on employees and managers and HR leaders from many countries reflected that artificial intelligence

has increased the penetration of technology among people in the workplace and is transforming the role of HR. The challenge of recruitment process where more time an HR have to invest for approvals and also the screening can be overcome with the help of artificial intelligence as it will assist to find the right candidate at the right time by shortlisting the best candidate by matching the job requirement and skills of the candidate. In an article how artificial intelligence is transforming HR, *Laurie Carantit* states that AI can take over some tasks such as employee questions about policies and procedures giving the HR professional time to focus upon engaging and motivating employees, formulating different strategic tasks than can help in the success of organization. *Annette White-Klososky* wrote in her article about innovation in technology is happening at a fast speed and the emergence of AI is beneficial for Human resources. But he also warns that adapting AI could be a quite staggering task and HR people are not sure where to start from. Nowadays employees change jobs frequently and it becomes a challenge for a HR to retain great talents hence the HR must modify the experience of employee. AI will allow and help a HR professional to deliver a more customized experience to their employee. *Maja Nowak* in an article wrote about how AI is transforming human resources. She mentions some AI based applications that enable you to use AI in HR. Textrecruit is a chatbot that can be used in recruitment. Gohire is another AI based recruiting application that enables you to text recruit, Ascendify aspire is an intelligent career assistant that can help in employee growth, Everwise is also a talent development app that helps employee to improve and build employee skills.

Objectives Of The Research

- 1) To understand the perception of HR professionals towards adapting AI
- 2) To explore the impact of AI on human resource

- 3) To identify in which branch of HR, AI will be used the most.

Limitations Of The Study

- 1) The study is based on responses received by those who have access to smart phones/internet. A total of 275 responses were received from various cities.
- 2) This study is conducted in current scenario. The perceptions, opinions and behaviour of the respondents might change with time.

Research Methodology

This is a descriptive type of research. This research includes primary as well as secondary data. The sampling method used is stratified random sampling.

Methods of data collection

Primary data: The primary data collection tool used is a questionnaire. Responses on questionnaire were collected by an online method which was through Google forms. The questionnaire prepared consists of questions which were close ended. The respondents were HR professionals of service sector of Pune city. The sample size used for this study is 300; these samples were chosen through stratified random sampling method.

Secondary data: Secondary data was collected through websites, journals, and articles published online through various sources.

Data Analysis

1. Employee's comfort working with robots and machines

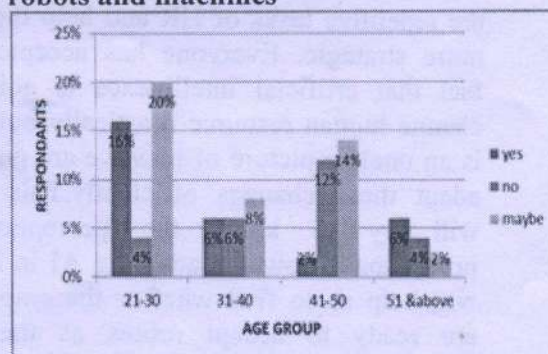


Figure 1: Employee's comfort working with robots and machines

42% of respondents from the 21-50 are uncertain about working with machine and robots to such a greater extent and people from age 51 and above say they will be comfortable working with robots and machines to a greater extent. Majority of the respondents from age 21-40 say that artificial intelligence would be largely adapted for recruitment while people from age 41-50 think it would be largely used for administrative work and people of age 50 and above say that it would be mostly used in administrative type of work as well as in on boarding and employee training.

2. Whether AI will be equally beneficial to large organizations where there are hundreds of CV's coming in and as well as small organizations including startups

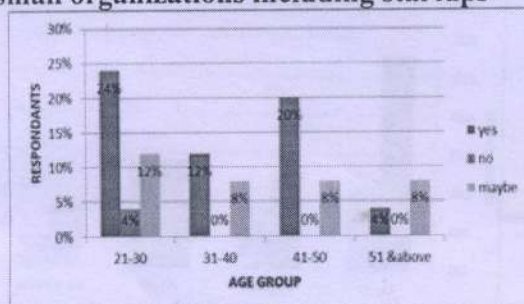


Figure 2: AI beneficial to large organizations

56% of the respondents from age 21-50 say that adapting AI will be equally beneficial to small as well as large organizations and people in the age 51 and above are not sure whether it will be equally beneficial for small as well as large organizations.

3. Whether respondent has the skill-sets required to work with AI in HR

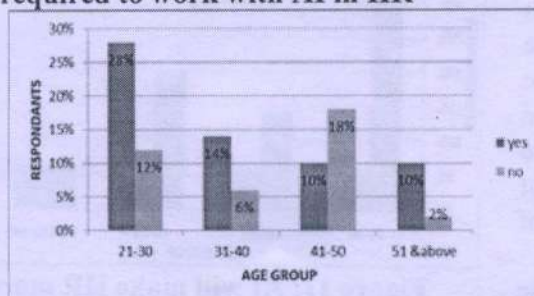


Figure 3: Skill-sets required to work with AI in HR

Majority of the respondents from age 21-40 and 51 and above are confident that they

have the skillsets required to work with artificial intelligence and people from age 41-50 say that they do not have the skillsets required to work with AI.

4. Whether the organization is ready to adopt AI

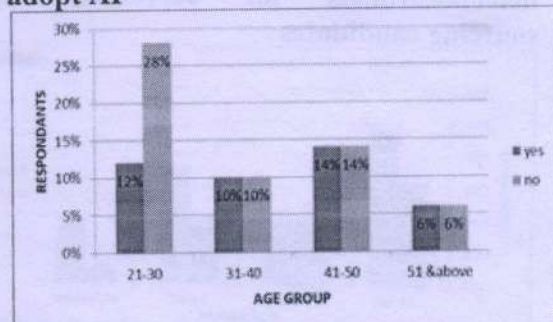


Figure 4: Organization is ready to adopt AI

Most of the people of age 21-30 say that their organization is ready to adapt AI whereas equal people from the age 31 and above say that their organization is not ready and ready to adapt to AI.

5. Whether AI will help eliminate biasness completely

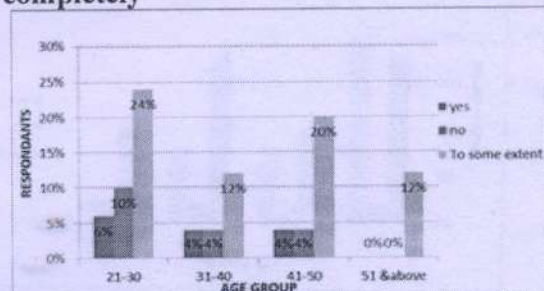


Figure 5: AI will help eliminate biasness
68% of the respondents say that adapting AI will help in eliminating biasness to some extent.

6. AI can also help managers to know about any external achievements of the employees

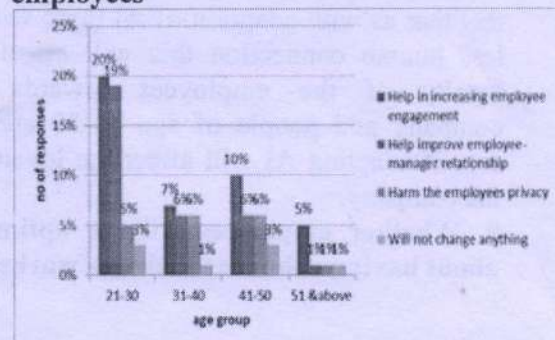


Figure 6: Effects of AI

Majority of the respondents believe that AI will help in increasing employee engagement as it can also help managers know the external achievements of the employee.

7. As a HR, whether to rely on machines/robots for screening and sourcing candidates

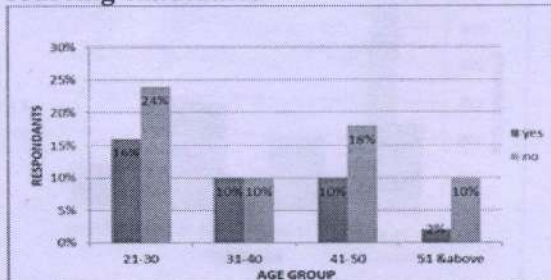


Figure 7: HR rely on machines/robots for screening and sourcing candidates

Many HR's are not comfortable with the idea of relying on machines and robots for screening and sourcing of candidates.

8. With the automation of AI as there will be less human connection, whether it will be reduced

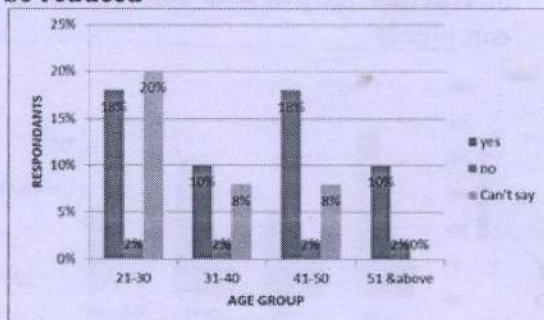


Figure 8: AI will reduce human aspect

Many respondents from the age 21-50 say that they cannot say if adapting AI in HR will take human aspect out of human resource and most of the people of age 51 and above equally agree and disagree with the statement. People from age 31 and above feel that as with adaption of AI there will be less human connection this will affect the loyalty of the employees towards the company and people of age 21-30 are not sure if adapting AI will affect the loyalty of the company.

9. Whether employees will be optimistic about having robots as their co-workers

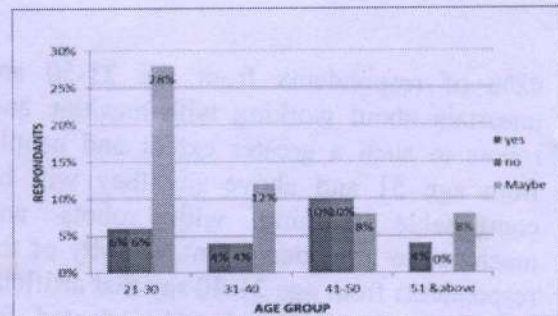


Figure 9: Employees will be optimistic about having robots as their co-workers

Most people from age 21-40 and 51 and above are not sure if employees will be optimistic about having robots as their co-workers and people from age 41-50 think that employees will be optimistic about having robots as their co-workers.

10. Whether employees are ready to adapt AI

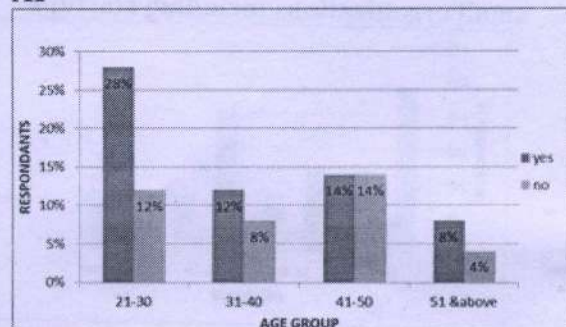


Figure 10: Employees ready to adapt AI

Most of the people think they have the skillsets and are ready to adapt artificial intelligence.

11. Whether adapting AI in HR will make HR more innovative and effective

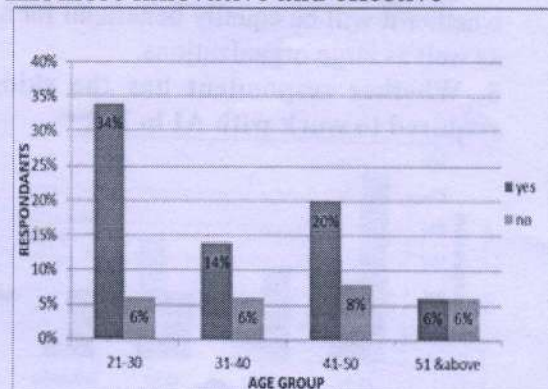


Figure 11: AI will make HR more innovative and effective

Many people think that adapting AI in HR will make human resources more innovative and effective.

12. Whether this pandemic will help speed up the process of adapting AI as we are now becoming more and more familiar and dependent to virtual world

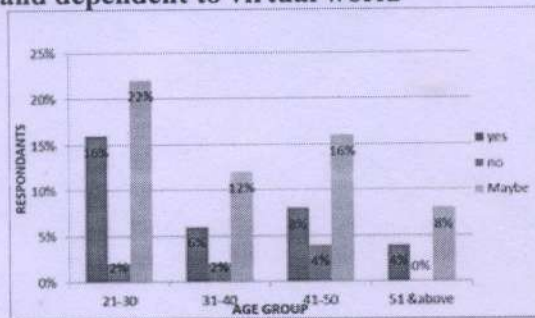


Figure 12: Pandemic will help speed up the process of adapting AI

Most of the people are not sure if the pandemic will speed up the process of adapting AI as we are becoming more familiar to the virtual world.

SUGGESTIONS

1. Organizations must develop culture so that even after adapting AI, the human connection must not be lost and in turn will not affect the loyalty of the employee towards the company.
2. HR professionals still vary on opinion about depending on chatbots, robots etc. for screening and sourcing candidates this could be because of the lack of knowledge or because of lack of trust on the efficiency on the machines, or because of insecurity of their job hence organizations should take

adequate measures to develop trust and knowledge regarding the new revolution in the employees.

3. Organizations should also update employees of how new technologies can be adapted in different sectors and that artificial intelligence is not just limited to recruitment but also can reduce the monotonous work of a HR and can also help in training employees.

4. Organizations should also investigate how their employees will not feel insecure about their job and work efficiently and effectively with artificial intelligence.

Conclusion

Artificial intelligence has taken over a large part of the organizations and with quickly changing technologies; organizations must develop certain skillsets to adapt artificial intelligence. Artificial intelligence will help reduce the repetitive tasks of HR and help them be more strategic in today's era. This research will certainly help to know that employees are ready to adapt AI and also believe that they have the skills to work with AI efficiently. Employees are not fully prepared to work on machines for some tasks. AI is going to make everything easier, but we must make sure that we have to utilize AI efficiently.

References

1. Gupta, N.A. Literature Survey on Artificial Intelligence. 2017. Available online: <https://www.ijert.org/research/a-literature-survey-on-artificial-intelligence-IJERTCONV5IS19015.pdf> (accessed on 7 August 2021).
2. Masnikosa, V.P. The fundamental problem of an artificial intelligence realization. *Kybernetes* 1998, 27, 71–80. [CrossRef]
3. Prakash Rao, (Mar 2019) The future is now: The changing role of HR, ET Report. Retrieved by, http://economictimes.indiatimes.com/article/show/68229542.cms?from=mdr&utm_source=contentofinterest&utm_medium=ext&utm_campaign=cppst
4. Richa Vermaa, Srinivas Bandib Artificial Intelligence & Human Resource Management in Indian It Sector, SSRN-Elsevier, Pp 962-967.
5. Sweta Jain, Is Artificial Intelligence –The Next Big Thing In Hr (Jan, 2017), International Conference on innovative research in science, technology and management, Pp 220-223.