

The Rise of Machines : How AI is Transforming HR Functions

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Abstract: *This article is about how artificial intelligence is bringing transformation in processes of HR and how inculcating AI has made easy the appointment of employees. Traditionally recruitment of employees was a very time consuming and difficult process. In old times recruitment was a subjective process and it usually takes a very long time to hire any employee in an organization but now AI has turned the tables by automating resume screening, identifying potential candidates with relevant skills and experience and conduct first round interviews with the help of chatbots. The involvement of AI in HR has reduced a lot of burden of HR professionals and helped them to focus on deeper engagement with promising candidates and making an informed hiring decision. This article is centered around how HR processes has undergone a profound transformation after involvement of AI in their processes. HR is embracing the power of artificial intelligence to become data-driven powerhouse, enhancing the entire employee experience and making hiring of employees a easy task from dull, monotonous and burdenized work. This article has also mention about how we can continuously evaluate the performance of employees and can make strategies for their development and betterment. This article has focused how AI has revolutionized human resources from inside out and also includes some practical examples.*

Keywords: artificial intelligence

I. INTRODUCTION

The Human resources department is no longer just paperwork and time-consuming work. Artificial intelligence (AI) is rapidly transforming HR functions, making processes more efficient, data driven and even human centered. From Recruiting and hiring to performance management and employee management, AI is reshaping the way we manage our workforce.

AI powered platforms analyze employee data from social media profiles to identify the top talents, predict candidate suitability and personalize the recruitment experience. Now we have said goodbye to endless resumes screening. Gone are the days of screening through mountains of resumes. The world of work is changing at breakneck speed, and the human resources function is no exception. AI has drastically commutated the way we recruit, manage and retain talent, injecting efficiency and data-driven insights into every stage of the employee lifecycle. This article delves into the diverse applications of AI in HR and explores its potential to revolutionize the way we manage our workforce. AI powered tools can scan countless applications, identify top candidates based on pre-defined criteria, and even schedule interviews, freeing HR professionals to focus on building meaningful relationships with potential hires. AI chatbots can answer basic questions and provide personalized career guidance to candidates, enhancing the overall experience. This article is about how AI has brought a tremendous change on core functions of HR.

II. LITERATURE REVIEW

This article is based upon various sources as following-

"The impact of Artificial intelligence on the HR functions (HR network Paper n.142 - institute for Employment Studies) by Reilly P (2018)

"The interaction of artificial intelligence and design thinking in the development of HR and decision making trends by Radonjic ,A.(2019)

“A Brief History of artificial intelligence :on the past, present and future of artificial intelligence (California Management Review,61(4) by Haenlein, M.,& Kaplan, A.(2019)

“Economics of artificial intelligence : Implications for the future of a work” Journal of Labor Policy by Ernst,E., Merola ,r.,& Samaan,D.(2019)

“Evolving uses of Artificial Intelligence in human resource management in emerging economies in Global South :some preliminary evidence ” by Nir Kshetri (2021)

“ Human Resource Management in the era of Artificial Intelligence : Future HR work practices , anticipated skill set, Financial and Legal implications” by Fadi Sakka , Hamdan Bin Mohammad Smart university

Mohammad El Hadi El Maknouzi, Abu Dhabi University

Hicham Sadok, Mohammad V university in Rabat

“AI in HR: How AI is transforming The future of HR” by Gartner

A recent study by Gartner Predicts that by 2024, 80% of HR departments will be using at least one AI-powered solution. Research by McKinsey Global Institute suggests that AI could automate up to 20% of HR activities, freeing up HR professionals to focus on more strategic tasks. Studies by IBM and Deloitte highlight the potential of AI to reduce bias in recruiting, improve employee engagement, and predict turnover with greater accuracy.

The previous study have not mentioned about HR and chatbots and no practical examples were included in the study that how artificial intelligence has been applied to various MNCs HR functions. Also, the above study has not mention about how we can use artificial intelligence for more fair decision in selection of the most suitable candidate and how we can remove the biasness in recruitment and selection process so this article has focused on removing the biasness and how the burden of HR managers can be reduced so that they can focus on core activities where they will implement strategies which will help in the development of candidate. Also, in previous studies there is no discussion about how we can continuously evaluate the performance of employees without wasting much time and efforts this article has mention of that.

By combining academic research with practical instances, this article aims to provide a comprehensive overview of AI's impact on HR functions and its potential to shape the future work.

III. IMPACT OF AI ON HR FUNCTIONS

The Artificial intelligence is having a great impact on such specific HR functions:

Performance management: AI tools helps in analyzing the data of hired hands and identifying the areas of meliorism, recommend personalized advancement plans and provide actionable feedback in Real time. This data- driven approach fosters a culture of continuous learning and empowers employee to reach their full potential. Now, organizations have forgot subjective annual reviews. AI analyzes employee's data, identifying strengths and weaknesses, providing real-time feedback and personalized development plans. AI isn't just about finding the right talent; it's about helping the organizations to build a data driven workforce. Performance management is undergoing a paradigm shift, with AI analyzing empl oyees data to locate strengths and shortcomings and bring potential training opportunities. This approach allows for targeted development plans and empowers employees to take ownership of their careers.

(a)Automating tedious tasks and offering data- driven insights: For instance – A retail company uses AI to automate dat a collection from sales figures, customer feedback and engagement metrics. This provides managers with real- time insights into individual and team performance, highlighting strengths and areas for improvement.

(b) Reducing bias and fostering objectivity: For instance, a financial services firm implements an AI-powered evaluation system that analyzes performance data alongside pre- defined criteria. This removes subjectivity from reviews, ensuring fairness and consistency across employee evaluations.

(c) Enabling continuous feedback and development- For instance, a software development company leverages AI- po wered chatbots to deliver regular, personalized feedback to employees based on their goals and progress. This fosters a culture of continuous assessment, learning and growth.

(d) personalizing learning and development opportunities: For instance, a manufacturing company uses AI algorithms to analyze past performance data and identify high potential employees. This enables targeted development programs and talent retention strategies.

(e) Personalizing learning and development opportunities: A healthcare organization employs AI to recommend personalized training modules based on an employee's skills, performance gaps, and career aspirations. This leads to more effective skill development and increased employees engagement.

(f) AI assist in identification of skill gaps and recommendation of training programs –

Retail giant Walmart uses Ai to analyze employee performance data and sales figures. This helps identifying skill gaps within specific departments and recommend relevant train programs for individual employees. For, financial services companies like Prudential leverages AI to analyze employee performance reviews and identify skills in high demand. This allows them to proactively offer skill development opportunities to employees and close the talent gaps.

(g) Providing Micro-coaching and Personalized Feedback: We can take an example of Software company Adobe which uses AI-powered chatbots to provide employees with real-time feedback on their work. These chatbots offer suggestions and resources based on the employee's specific role and tasks. We can take example of Manufacturing company GE Aviation implemented an AI-powered coaching platform that analyzes employee performance data and suggests personalized coaching interventions. This has led to a significant improvement in employee performance and engagement.

(h) AI helps in Improvement of Goal Setting and Performance Tracking: Online learning platform Coursera uses AI to help employees set realistic and achievable goals based on their past performance and industry benchmarks. This ensures that employees are always challenged and motivated. And, we can take example of telecommunications company like Vodafone utilizes AI to track employee performance against pre-defined objectives. This provides managers with real-time visibility into individual and team performance, allowing them to make timely interventions if needed.

(i) Predicting Employee Burnout and Turnover: Healthcare provider Kaiser Permanente leverages AI to analyze employee data, including workload, work-life balance, and sentiment analysis from internal surveys. This helps identify employees at risk of burnout and allows for proactive interventions such as workload adjustments or mental health support. Technology company Netflix uses AI to predict employee turnover based on various factors, including performance data, engagement surveys, and external job market trends. This enables them to focus retention efforts on key talent.

(j) Fostering a Culture of Learning and Development- we can take the example of professional services firm EY utilizes AI to recommend relevant learning resources and online courses to employees based on their individual skill gaps and career aspirations. This facilitates personalized learning and career development. We can take the example of financial services company JP Morgan Chase uses AI to create personalized learning playlists for employees based on their roles, skills, and performance data. This ensures that employees are continuously learning and developing new skills.

These examples showcase the diverse ways AI is transforming performance management across various industries. It's important to note that AI should be used as a tool to empower and support employees, not replace human interaction and judgment. Remember, ethical considerations like transparency and algorithmic bias should be addressed while implementing AI solutions.

Recruitment- AI powered tools help to analyze data from social media platforms and recognize the most suitable candidate who fits as per the job description. AI tools have personalized the recruitment experience, and we are into the world where job description are dynamically tailored to attract the ideal candidates, and interviews are conducted using AI- fueled sentiment analysis to assess cultural fit. Employee Engagement- AI generated Chatbots can answer employee questions and address concerns 24/7, enhancing employee satisfaction and boosting overall engagement. Additionally, AI can analyze employee sentiment through Internal communications to identify potential issues and proactively address before they escalate.

Workforce Planning- AI can predict future skill gaps and talent shortages, allowing organizations to proactively invest in training and development programs. This data driven approach ensures a future-proof workforce equipped with the skills to thrive in the ever- evolving the landscape of work.

Predicting the future: Retention Strategies powered by AI.

Employee turnover can be costly and disruptive. AI can analyze employee sentiment and engagement data to predict potential flight risks and identify factors contributing to dissatisfaction. This proactive approach allows HR to intervene early, address concerns, and implement strategies to improve employee retention.

IV. RESULTS

AI has enormously changed the HR functions and has made it an easy task from just boring and tedious task. AI electrified tools have reshaped the way we manage our workforce and has increased accuracy and speed of crucial HR functions.

We can draw the following results from the above article.

Revolutionized Talent acquisition

AI-powered recruitment platforms can scan CV and identify qualified candidates with remarkable speed and precision. By analyzing skills, experience and even language patterns, AI can shortlist candidates who best fit the job description and company culture. Chatbots can answer applicants' questions and schedule interviews, providing a 24/7 candidate experience.

Unleashing Employee potential

AI can personalize training and development programs based on individual strengths and weaknesses. It can analyze performance data to identify -performing employees and predict potential problems like burnout. AI- powered coaching tools can provide real -time feedback and guidance, helping employees reach their full potential.

Building a better workplace

AI can analyze employee sentiment through surveys, emails and even social media posts, gauging overall engagement and identifying areas for improvement. By identifying potential sources of stress or dissatisfaction. AI can help HR proactively address issues and create a more positive work environment.

The human touch remains essential.

While AI automates tasks and provides valuable insights, it is not meant to replace human HR professionals. The human touch remains essential in building relationships with employees, making ethical decisions and fostering a positive company culture. AI should be seen as valuable tool to empower HR professionals, not replace them.