

**CHALLENGES OF ARTIFICIAL INTELLIGENCE IN HUMAN RESOURCE
MANAGEMENT IN INDIAN IT SECTOR**

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Abstract

Artificial Intelligence is a technology that qualifies machines to think, grasp, and accomplish tasks previously carried out by humans. AI has been grown exponentially in the past decade. Artificial intelligence is serving IT companies make better, faster decisions. This applies to the field of human resources as much as anything else. HR recruiters have implemented Artificial Intelligence software to benefit expedite recruiting and create more competence in the overall recruitment and selection process. AI technologies provide substantial prospects to advance functions in human resource. This paper further elaborates the genuineness and scope of artificial intelligence in human resources.

Keywords: Artificial Intelligence, Challenges, Human Resource Management, Implementation

Introduction

Artificial Intelligence refers the technology that parades individualities allied with a human mind such as knowledge and problem-unravelling. It can be said recreation of human intellect in technologies that are planned to reflect like humans and impersonator their actions. It is a capacity to rationalize and take activities that have the best chance of accomplishing a precise goal. Artificial Intelligence is an emerging spectrum of technologies which helps and powers computers to mimics the intellectual technologies, which is otherwise only possible with a human brain. Artificial Intelligence and Machine learning uses algorithms which provides solutions for complex problems and display intelligent behaviour comparable to any human intelligence.

The HR professionals today are focusing to optimize the combination of human and automated work to gain a simple, seamless, and intuitive work environment. It provides them time for creativity, intelligence, and empathy to deliver an enhanced candidate and employee experience. Although HR seems to be sheathing behind the implementation of AI related to other company business functions, such as service operations or marketing and sales, HR departments can substantially influence the control of AI. The influence of AI is expanding to a greater extent in human resource management. It starts from the recruitment process to exit process of an employee that includes training, engagement, perks, records, and so forth. A few of the influences are highlighted here. This paper explains about couple of challenges in Human resource management while using artificial intelligence in HR administrative tasks

Literature Review -

Martincevic and Kozina (May 2019)– Paper showed the vital tireness of challenges that AI-based recruitment involves are unconscious judgement through hiring procedures by organizations. It was also concluded that companies should be capable of train people and machines to evade these favouritisms.

Dinesh G. Harkut and Kashmira Kasat (March 2019) “Artificial Intelligence - Challenges and Applications” – In this study based on open access – peer reviewed its has concluded that building trust, AI human intervention, Investment, High expectation, Data security are few of the challenges which is faced by the organisations.

Vivek Yawalkar(February 2019)“A Study of Artificial Intelligence and its role in Human Resource Management” - Volume 6, Issue 1 (E-ISSN 2348-1269, P- ISSN 2349-5138) - The research paper is descriptive in nature. The researcher used secondary data and concluded that a role of AI is larger into various functions carried out in human resource department where by robotics companies can handle recruitment, hiring, analysing the data, colleting the data, reducing workload at workplace and enriching workplace efficiency.

Cliff Saran (2019) A survey of 350 US and UK-based CIOs, chief financial officers, vice-presidents and IT managers has reported that IT decision-makers are becoming increasingly aware of artificial intelligence (AI) bias. Nearly half of AI professionals across the US and UK say they are “very” to “extremely” concerned about AI bias. DataRobot’s research found that AI is used by organisations to execute functions across departments, including human resources (35%).The survey also reported that 85% of IT leaders who took part in the survey believe that AI regulation would be helpful for better defining what constitutes AI bias and how it should be prevented.

Buzko, et al., (2016) - “Artificial Intelligence technologies in human resource development”. Theresearchers, ponder on hurdles of AI technologies in human resource area where authors noted that AI notable to identify the effectiveness of training costs. In the research paper authors noted that artificialintelligence technologies facilitate the prompt analysis of data by human.

Research Methodology -

The study is based on secondary method of data composed from research papers, printed resources, online websites, HR blogs, and survey reports available by various IT companies and research organisation. Top IT companies like – Deloitte, EY, IBM, Accenture, Infosys, G2, KPMG and few research organisations have been taken as a sample size for the study

Objective of the Study -

- To study the Impact of Artificial Intelligence in human resource management
- To study the challenges of Human resource while using artificial intelligence.
- To measure the role of the of each function and its challenge
- To measure the ways to overcome the AI challenges

Need of the study–

The Review of literature on AI presented in the preceding section has shown that existing research work is considerably less in terms of the challenges with Artificial Intelligent and understand the need of Artificial Intelligent in retaining the employees in India. The need of this study is to research the inferences that technical progressions, in specific Artificial Intelligence, have for the Human Resource Management processes. It aims to investigate the roles and major challenges of AI, where AI can be implemented and possibly make the process more effective by working on these challenges.

Analysis & Interpretation–

Human resource AI has strong probability to increase employee throughput and overall growth of the company. HR is the area which serves the entire organisation and need extra efforts have used these companies. Based on the survey and analysis done by the various organisations we have come to the conclusion that there are various challenges which human resource management of an IT companies are struggling.

| Company | Challenges | Data Analysis | Findings/Suggestions |
|----------------|--|--|--|
| Deloitte | AI is not yet global part of the HRM and still some managers are not clear with the AI technology. Deloitte observe HR is one of the areas of business where AI implementation is lagging | 2017 survey from Human resource professional association, where 6000 executives performed by IBM. | Some HR managers are still not on board with the technology and 52% of respondents said they were unlikely to adopt AI in their department within 5 years. 22% of 'high-performing' HR organisations have implemented AI technologies: that number drops to 6% among low-performing organisation. |
| G2 | Lack of employee skills Budget Limitation | Online survey done by G2 Crowd Employee Engagement with 400 respondents | Employees have experienced with Improved employee productivity and employee attitude towards their job which results increase in quality of work |
| EY | Talent Gap Privacy Ongoing Maintenance Integration | Based on interview conducted Globally with HR employees and leaders to understand the challenges and gaps. | AI based HR applicant have strong potential to raise employee productivity and help HR professionals to boost employee performance. |

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| | <p>capabilities</p> <p>Limited proven applications</p> | | <p>Hence, HR employees empowered by AI have an ability to analyse, predict, diagnose and become more prevailing and proficient resource</p> |
| <p>Jonkoping University</p> | <p>Adaptation of new technology</p> <p>Lack of trust</p> | <p>Professionals were interviewed to discuss the importance of company's level of adaptability towards new technologies and how AI understand company's value.</p> | <p>It is concluded that the way the decision in recruitment made by AI have impacted company's success and turnover.</p> <p>It is suggested that if AI has been able to eliminate gender biases and discrimination among job applicants.</p> |
| <p>KPMG</p> | <p>Financial Barrier</p> <p>Improving retention & integral mobility</p> <p>Recruiting & Retention</p> <p>Measuring return on investment</p> <p>Biases in HR decision making</p> | <p>500 members surveyed by Human Resources Professionals Association</p> | <p>Study concluded that use of AI is expected to grow as the technology becomes more reliable and affordable.</p> <p>AI implementations does not replace human capacity to make judgements hence, human interventions are needed to evaluate</p> |

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| | | | unique characteristics. |
| University of Pennsylvania – Mr. Peter Cappelli | Complexity of HR phenomena Data challenges for HR operations Fairness & legal constraints Employee reaction to AI management. | Research done using primary and secondary both data. | HR leaders need to understand and facilitate the data generation of the AI life cycle. The line managers will have to refresh their skills set. Ai should imply augmented intelligence for decision-making |

Conclusion –

As per the above study it can be concluded that the implication for organizational effectiveness are important to study. The real need of implementing AI should be carefully considered. AI must not be viewed as a problem solver or function to make a hard decision for all the HR functions instead it should be used as a tool to add value to our knowledge. As with an emerging technology It will take some time for issues to be addressed and benefits to be maximised. It is also concluded that human intervention is needed to evaluate unique feature and decision taken by AI. It is imperative to emphasis on employee need and possible outcomes while implementing AI.

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