

**AN EMPIRICAL STUDY ON ARTIFICIAL INTELLIGENCE AND ITS IMPACTS
ON HUMAN RESOURCE MANAGEMENT OF IT SECTOR WITH REFERENCE TO
KTCC ZONE**

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ABSTRACT

This study helps the companies to analyse how the AI helps in human resource management to solve their employee's problem and give proper solution to them. This study found that most of the company's human resource management use AI to improve their employee's performance also find solution to overcome their problems. This study is useful for the employees as well as the organizations in Chennai city. The size of the organization determines the employee's problems. The aim of this research is to find how AI helps human resource management to solve their employees' problems and provides necessary solutions to reduce the impact in order to improve the effectiveness of organization. Organizational problems can vary region to region, countries and across the world also it depends on the size of the economy. Multiple Linear regression analysis is used to test hypothesis and Structural equation model has been applied to identify the research model.

Keywords: organizations, organizational effectiveness, HRM, Employee, problems and solution

1.1 INTRODUCTION

There are number of challenges and obstacles coming with the working place also have different ways to overcome the challenges and obstacles. Most of the companies does not arrange proper training for their employees. Lack of training leads to many problems in the workplace, so that the employees couldn't do their works properly. Poor training is one of the most important challenge in the workplace, it will increase the frustration of employees. This will create and increase the employee stress, which will affect the employee image, health as well as the entire activities of the organization.

Training is one of the most important investment of every organization. When the company makes proper training, it will improve the productivity and efficiency of the organization. HRM comes with great responsibility, and the effective management of the employee's issues. The effective management of employee's issues is a responsibility of the organization that lies at the heart of every successful organization. The importance of AI in HRM in the organizational effectiveness in Chennai city cannot be overlooked and supports organization in managing the employees and having maximum productivity of the organizations. The organizations need to take steps to retain their existing human capital in order to reduce the operating cost. They need to engage in different training programs, investing in these areas will enhance the expenses otherwise

increased emphasis on training like integrated technology system will improve the fascination of employees.

1.2 HRM IN IT SECTOR

The HRM is the management of company's employees. HRM is referred as "soft" management skill. The effective practice within the organization requires aintentional focus to ensure thehuman resources that can facilitate the achievement of an organizational goals. The effective HRM contains an element of risk management for the organizational development. The HRM is the organizational function that focuses on management, recruitment and provide direction to the employeeswith inthe organization, also it performed as line managers. The HRM is the process of acquiring, arrange proper training, compensating the employees andapprising of attaining the employee relations, health and fairness concern.

1.2.1 THE SCOPE OF HUMAN RESOURCE MANAGEMENT

HRM is concerned with the manpower planning, recruitment of employees, selection process, appointment, training, transfer, employee promotion, remuneration, incentives, layoff and retrenchment of employees and productivity. The HRM deals with the working conditions and the organizational facilities such as creches,rest rooms,housing, canteens,lunch rooms, medical assistance, transport, recreation, health and safety, education and other facilities. HRM covers collective bargaining, joint consultation, grievance, union-management relations, disciplinary procedures anddisputesof settlement.

1.2.2 ARTIFICIAL INTELLIGENCE IN HRM

AI has potential to developHRM by automating many of the routine and repetitive tasks that HR professionals handle. AI-powered HR tools can streamline the recruitment process, improve employee engagement and retention and enhance HR decision-making.

❖ Recruitment:

The recruitment tools can help identify the most qualified candidates for a job by analysing resumes, social media profiles, and other online data. These tools can also screen candidates, schedule interviews, and provide feedback to recruiters.

❖ Employee engagement:

AI can help organizations to better understand their employees' needs and preferences by analysing employee data and sentiment analysis. This can help HR teams develop more personalized and effective employee engagement strategies.

❖ Performance management:

The performance management tools can provide real-time feedback to employees, help identify areas for improvement, and track progress toward goals.

❖ Training and development:

AI can personalize employee training by analysing their learning style and preferences, and providing customized training modules.

❖ HR analytics:

The HR analytics can help HR teams make data-driven decisions about everything from compensation and benefits to workforce planning.

1.3 LITERATURE REVIEW

Ramachandran S Deepa Sharma (2019) revealed that HRM is designed for company's operations to maximize the employee performance in order to meet organization's strategic objectives and goals. The HRM focuses on employee management, emphasizing on systems and policies of the organizations. Nowadays the HRM is a vital and strategic role. This will address the employee's issues and helping them to solve the issues and organization's particular problems within the short period. In future the HR Departments will face new challenges. The HRM Department should consider their employee as a valuable assets of every organization. So that the employees will focus on their work as a result full utilization of resources.

Dessler (2017) analysed that HRM is the process of acquiring, compensating the employees, training, health and safety, labor relations, and fairness concerns. The HRM provides techniques and concepts to the manager and employees so as to they perform well based on the aspects of management. The Human Resources Management need to support their employees in decision making, dealing with uncertainty, involve in various managerial activities and decision-making in an organization.

Hyun, Cho, & Yoon (2015) stated that the recent growth of human resource management has developed the area of attract the researchers, business practitioners and academicians. The organizational problems create negative impact on overall functions of the organization like performance management, strategic planning, production, customer relationship management, sales and training.

Shutterstock (2012) revealed that in upcoming years the human resource will face so many problems as compared with current scenario. The latest technologies provides solutions for the employee's problems also it helps to increase the organizational efficiency.

Boselie, Paauwe, and Jansen (2001) ascertained that the workplace and employees have been an important interest to the development of human resource management. The employees are considered as strategic resources which resulting in organizational competitive advantage. AI applications, such as virtual assistants and chatbots, could contribute to improved employee engagement by providing instant support and information.

Barney & Wright (1998) found that the employees and organizations have been an important research interest which led to the HRM development. The employees are considered as the important resources of the organization resulting in a competitive advantage of the organization as well as it reduces the employee's problems in order to get solution for their problem.

According to Jacobs & Jaques (1990) the main aim of giving proper direction to collective effort, and improve the willing effort of the employee is to achieve the organizational goals. Organizations need to improve the strategies to reduce the organizational problems and improve their employee's skills. The organizations need to adopt more technical system in HRM leading to growing the professionalism in their role.

Leavitt (1965) examined that the organizational growth depends on how they well it integrates with their employees. The Human Resources has advanced in their area by technology and

continuously provided data to the employees to enhance their strategic role. Due to this technology improvement the employees can easily find solution for their problem.

1.4 OBJECTIVES

- ❖ To analyse the problems of employees.
- ❖ To investigate the solutions available with the organization for employee's problem.
- ❖ To help the organization to meet its goal through providing proper solution to their employees.

1.5 HYPOTHESIS

1. There is no relationship between effective training and development programmes available with the organization for solve the problem and Increase overall efficiency of the employees.
2. There is an association between employees able to finish the target on time and increase overall efficiency.

1.6 LIMITATIONS OF THE STUDY

- ❖ This study was concentrated only KTCC Zone.
- ❖ IT companies only taken for this study .
- ❖ Sample size is only 89.

1.7 METHODOLOGY

The sample size is 89. The reliability value is 0.915, which exceeded 0.7 threshold, so the reliability of questionnaire is proved. The KMO value stands at 0.840, which exceeds the 0.5 threshold. Thus, it is considered as an excellent level of adequacy. The SEM model has adopted to examine the factors of whether the human resource management gives solution to the employee's problems.

i. ANALYSIS AND RESULTS:-

COMMUNALITY TABLE

Table: 1

Communalities		
	Initial	Extraction
Receiving necessary solutions for employee's problem	1.000	.783
Effective training and development programmes available with the organization for solve the problem	1.000	.820
Employees able to finish the target on time	1.000	.857
Lack of communication	1.000	.735
Extraction Method: PCA.		

Source: Primary Data

The extraction values are ranging from 0.735 to 0.857 which shows, minimum variance is 73.5% and maximum is 85.7%.

TOTAL VARIANCE EXPLAINED

Table: 2

Total Variance Explained						
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.194	79.860	79.860	3.194	79.860	79.860
2	.372	9.293	89.154			
3	.245	6.128	95.281			
4	.189	4.719	100.000			
Extraction Method: PCA.						

Source: Primary Data

The component of the factor = 79.860. The Eigen value for factor is 3.194.

MULTIPLE LINEAR REGRESSION ANALYSIS

The factors of whether human resource management gives solution to the employee's problems and dependent variable of Increase overall efficiency.

Table: 3

Model Summary^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.764 ^a	.584	.570	.679	1.919
a. Predictors: (Constant), Employees able to finish the target ontime, Effective training and development programmes available with the organization for solve the problem, Receiving necessary solutions for employee's problem					
b. Dependent Variable: Increase overall efficiency					

The above table shows, $R^2 = .584$ which indicates, it create 58.4% variance on Increase overall efficiency.

ANOVA

Table: 4

ANOVA^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	55.153	3	18.384	39.834	.000 ^b
	Residual	39.229	85	.462		
	Total	94.382	88			
a. Dependent Variable: Increase overall efficiency						
b. Predictors: (Constant), Employees able to finish the target ontime, Effective training and development programmes available with the organization for solve the problem, Receiving necessary solutions for employee's problem						

The above table shows, $F= 39.834$, $P=.000$ @5% level of significance. It is concluded that there is a significant relationship between employees able to finish the target on time, effective training and development programmes available with the organization for solve the problem, receiving necessary solutions for employee's problem and increase overall efficiency.

Table: 5

Coefficients^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.606	.162		3.742	.000
	Receiving necessary solutions for employee's problem	.043	.108	.047	.396	.693
	Effective training and development programmes available with the organization for solve the problem	.352	.117	.355	3.012	.003
	Employees able to finish the target ontime	.399	.126	.413	3.168	.002
a. Dependent Variable: Increase overall efficiency						

The above table indicates, the effective training and development programmes available with the organization for solve problem ($\beta=.355$, $t=3.012$, $P=.003$) and Employees able to finish the target on time ($\beta=.413$, $t=3.168$, $P=.002$) are statistically significant @5% level of significance.

1. There is no relationship between effective training and development programmes available with the organization for solve the problem and Increase overall efficiency of the employees.

The P value of effective training and development programmes available with the organization for solve the problem is 0.003 it is less than 0.05. Hence, it was identified that there is an association between effective training and development programmes available with the organization for solve the problem and increase overall efficiency of the employees.

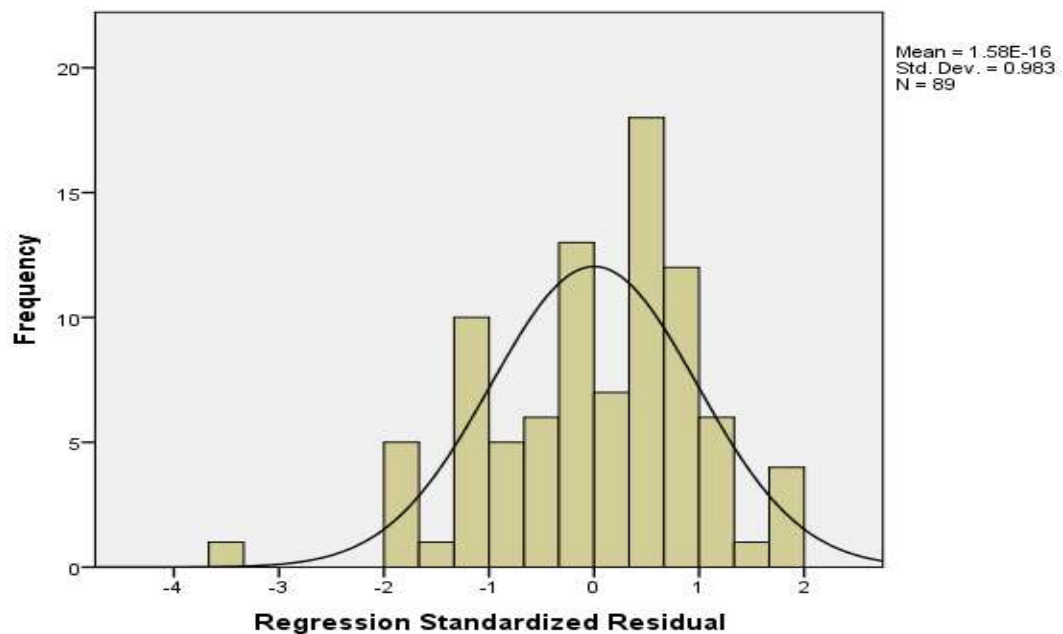
2. There is an association between employees able to finish the target on time and increase overall efficiency.

The P value of employees able to finish the target on time is 0.00 it is less than 0.05. Therefore, this study revealed that there is an association between employees able to finish the target on time and increase overall efficiency of employees.

HISTOGRAM

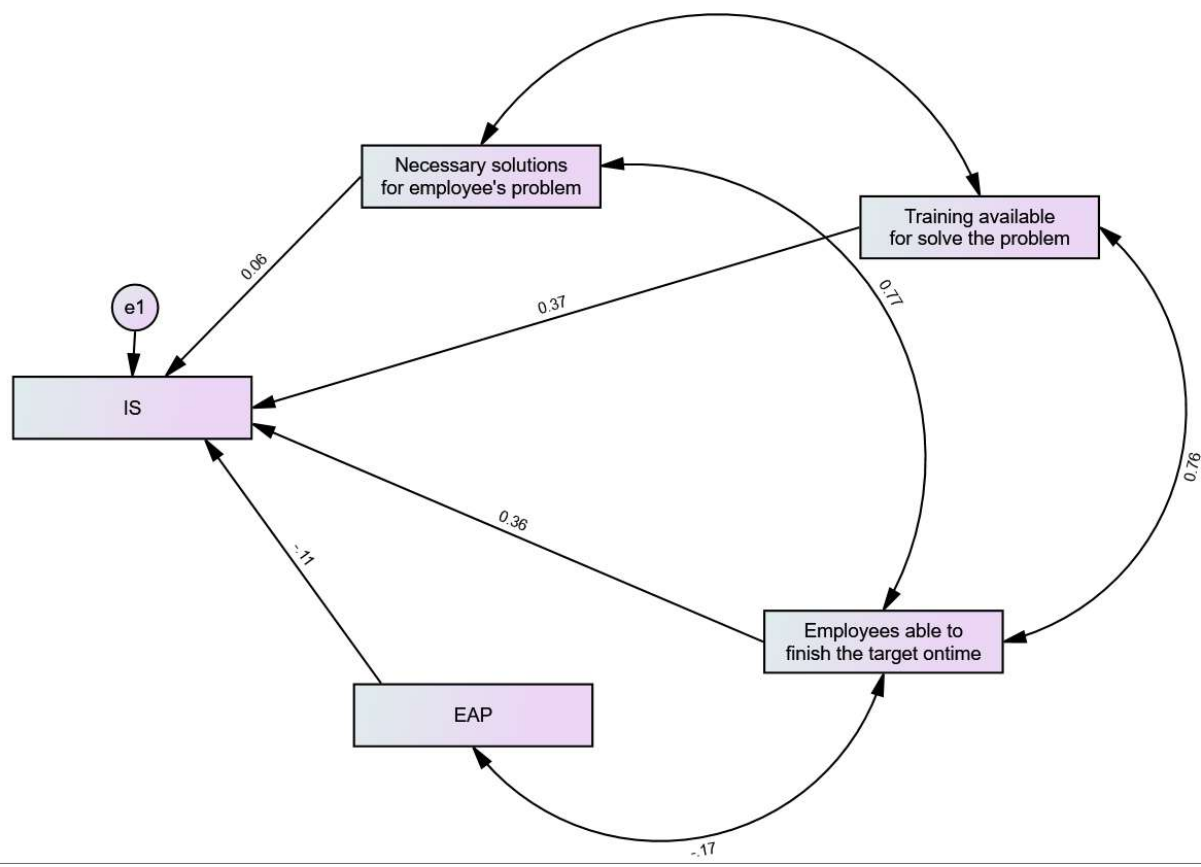
Chart: 1

Dependent Variable: Increase overall efficiency



SEM

Chart: 2



Fit indices for modified model

- Goodness of fit = .949 exceeds the recommended value of above 0.90.

- Comparative Fit Index = 0.960, it shows high degree of fit.
- Normed Fit Index = .955, indicates excellent model fit.
- Incremental Fit Index = 0.962. It shows that the model fit is good.

1.8 RESULTS AND DISCUSSION

- ❖ This study encourages the employees to learn the various forums available with the organization for solve their personnel issues.
- ❖ It tries to maintain the cordial relationship between the employees working at different levels in the organization.
- ❖ It helps organization meet its goals and arrange proper solution for their employees.
- ❖ The human resource management should help their employees to maximize the productivity.
- ❖ Every organization can achieve their goals through the employee's effectiveness. The one who is valued, satisfied and respected by the management only can give more involvement to their job.
- ❖ The technical and proper training boost the employees also they give best to the organization.
- ❖ The top management need to monitor the employees and notice their problems. The effective communication will give competitive advantage over the competitors.

1.9 CONCLUSION

It was concluded from this study to achieve organizational effectiveness is possible only when the management knows the employee's behaviour. The company can reach its maximum level only through the satisfied employees. The behaviour of employee can create adversarial effect on the productivity of the organization. But, healthy competition is an essential part of every organization. It is essential for the companies to boost the morale of their employees. The HRM need to concentrates on matching the needs of the management with the needs of employees. Every employees have a role to play in the success of an organization. The motivated employees will work hard also they will respect the management if their values are respected. The management also make sure that employees are satisfied. The satisfied employees will give better production and overall efficiency of the organization also will increase.

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