



LCMB7020

Topic: Exploring the impact of AI in HRM

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Module Code: LCMB7020

Title: Dissertation Proposal (Exploring the impact of AI in HRM)

Dated: 26-03- 2024

Level: 7

Credits: 60

JACS Code: X210

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1. Introduction or background of the research

The study of how to program computers to mimic human intellect is known as AI. Some might even call it "intelligent." Human resource management is an approach to running a company that views its workers as an investment. With the aid of AI, HR management is about to enter the future, wherein digitization, statistical analysis, and learning algorithms may collaborate to make individual lives easier while also producing better results. Human resources (HR) has been transformed by AI technology. AI-powered algorithmic tools and machine learning have allowed staff members to improve assessment and choice-making, expedite operations, and decrease discrimination.

Making use of AI in human resource management can help save time and money, general productivity is improved, as well as satisfaction among workers is increased when HRM processes are accurate. Automation enabled by AI may simplify repetitive processes which typically require human involvement. One way the company may save money by using AI is by automating boring and monotonous duties. Employee efficiency and inefficiency may both be enhanced with this technology. Chatbots enabled by AI may also assist freshly hired workers with queries, knowledge, and the entire onboarding procedure as a whole, saving time and improving the hiring procedure broadly.

Overall, this research aims to give a comprehensive understanding of AI implementation's negative and positive implications in HRM contributing to both practical applications and theoretical knowledge in organisation settings.

2. Aims/objectives

Aims

The research proposal aims to explore the negative and positive influence of AI in Human resource management.

Objectives

- To analyze the positive impact of AI integration into HRM practices particularly concentrating on recruitment process streamlining, automatic routine tasks, and others.
- To explore negative impacts associated with AI implementation in HRM involving concerns like potential biases in AI algorithms, employee data privacy challenges, displacement of jobs due to automation, and others.

- To investigate the challenges in managing AI-driven HRM transition and potential resistance from stakeholders or employees' objectives to give recommendations for addressing such issues and increasing AI integration advantages in HRM.

Questions

1. How does artificial intelligence integration in Human resource management practices positively enhance streamlined processes of recruitment, provide data-driven insights, automate routine tasks, and enhance efficiency for better decision-making?
2. What are the potential negative influences of implementing artificial intelligence in HRM involving AI algorithm biases, employee data privacy concerns, impact on interpersonal HRM aspects, and job displacement because of automation?
3. What are the challenges in managing AI-driven HRM transition and resistance from stakeholders encountered and how can companies address such challenges to increase AI integration advantages in Human resource management?

3. Literature Review

3.1 Introduction

The purpose of this literature review section will be to examine the existing online material on a certain topic, in this case, the use of AI in HRM. This part included a critical analysis of relevant secondary sources, such as papers, journals, and literature from the preceding year.

3.2 Positive influences of implementing artificial intelligence in HRM

Votto et al (2021), stated that artificial intelligence integration in HRM practices brings six positive enhancements such as providing streamlining the process of recruitment, data-driving insights, technical skills & abilities, routine task automation for evaluation of performance, discipline management, and others for better decision-making. Human capital theory can be applied to this concept because human capital investment in development and training sessions leads have seen company growth in AI incorporation (Votto; 2021). When artificial intelligence is integrated into human resource management practices it enhances processes of talent management in terms of training and recruitment thereby increasing the human capital of the organisation.

Kambur and Akar (2022) developed that AI streamlines the processes of recruitment using candidate data in wider amounts along with finding top talent and providing training and development sessions instead of traditional methods. AI-based solutions such as ATS (applicant tracking systems) and intelligent search engines enable professionals of HR to match the profiles of candidates with the requirements of the job post, screen resumes swiftly, and interview conduction through chatbots. This not only accelerates the process of recruitment but also improves hiring quality by ensuring candidates better fit the particular post of the job (Kambur and Akar; 2022). Hiring managers rely on AI technology like the Applicant Tracking System (ATS) to sift through hundreds of resumes, making artificial intelligence (AI) a key player in the recruiting process. Hiring qualified candidates for available jobs is now easier and quicker than ever before. Put simply, artificial intelligence has completely mechanized the whole hiring procedure, from the very first interview to the training. It should be mentioned that other AI technologies are equally useful for scheduling interviews as well as answering candidates' inquiries during recruitment.

Pan et al (2022), analysed that artificial intelligence automation streamlines the task of HR daily freeing up valuable time for the professional to concentrate on strategic activities. The AI-based solution automates administrative functions of HR in terms of employee training, appraisal performance, and payroll processing thereby minimizing errors and overcoming

manual efforts. By delegating AI system repetitive tasks, the Department of Human Resources can operate the allocation of resources efficiently towards organization tasks that provide higher value to operations (Pan; 2022).

Artificial intelligence has made the screening process easier, faster, as well as more effective than traditional methods. Background checks enabled by AI provide businesses peace of mind that their processes are confidential, objective, and safe for individuals and the company alike. The whole procedure may be automated with the aid of AI-powered citation verification, allowing employers to gather as much knowledge as they can instantly. Referrals offer the opportunity to reply to surveys and communications at their leisure while receiving subtly worded invitations.

Furthermore, Vrontis et al (2022) had the opinion that AI provides data-driven insights by analyzing data from frontline employees to interactions with customers to find correlations, patterns, and trends that inform strategic choices of decision-making (Vrontis; 2022). However, Hmoud (2021) argues and states, that AI technology integration is also useful to emphasize smart objects and deep algorithms of learning to facilitate HR data analysis and collection and lead to informed decisions about the effectiveness of the organization, the environment of employees, and the management of the talent. However, connectivity machine learning, big data advancement, and AI techniques have facilitated AI-based applications of HRM diffusion and development which are receiving increased prominence over traditional HRM practices (Hmoud; 2021).

3.3 Negative influences of implementing artificial intelligence in HRM

Ambati et al (2020) stated that AI integration into HRM practices brings the following negative impacts that need to be considered carefully. AI algorithms used in recruitment may discriminate inadvertently against particular demographic groups if the training data used to create algorithms are biased. Gregory et al (2021) argue and state, that another concern that should also be focused on example, the privacy of employee data because the AI system can analyze and gather a wide range of employee data so there are huge risks of personal information misuse, breaches of data, and unauthorized access. This creates legal and ethical issues related to data protection regulations and privacy rights compliance such as GDPR (General Data Protection Regulation).

Glikson and Woolley (2020), determined that AI's influence on HRM interpersonal elements is another concern area because AI can automate and improve efficiency and daily-based

organizational tasks may lead to HR processes depersonalization. The chatbot's use and automated responses in interaction with workers may reduce experiences of employee quality and human touch, especially in sensitivity matters like conflict resolution and evaluation of performance (Glikson and Woolley; 2020).

Tschang and Almirall (2021), agreed on this and stated one more point that there is increasing apprehension about the displacement of the job outcome from AI driver automation. As this technology automates routine tasks done by humans traditionally there is a job displacement and loss risk, especially for roles that include repetitive tasks. This can also lead to retraining issues, socioeconomic implications, and restructuring of the workforce for impacted communities and workers (Tschang and Almirall; 2021). Digital specialists are always finding new methods for making recruiting simpler, and the increasing usage of AI in the field implies that the output quality is improved. When it comes to staffing, onboarding, conducting interviews, and recruiting, the use of AI is making things simpler, quicker, and more equitable.

Further, Schmidt, Biessmann and Teubner (2020) evaluated that social exchange theory can be implemented because it explores social exchanges and relationship dynamics in the company offering valuable opinions on how AI integration could impact the interaction between the managers, workers, and other stakeholders. It can also provide information on potential conflicts and trade-offs that may increase when using the AI system in HRM practices, especially in fairness, reciprocity, and trust issues (Schmidt, Biessmann and Teubner, 2020). Ethical decision-making can also be applicable because it concentrates on moral dilemmas and ethical considerations inherent in the processes of decision-making. The theory can also help to analyze AI implementation ethical adoption in Human resource management involving data privacy violations, employee equal treatment, and algorithmic biases concerns.

3.4 Challenges in managing AI-driven HRM

Kambur and Akar (2022), developed that issues in managing AI-driven HRM transition involve resistance from stakeholders and employees who may fear autonomy loss and displacement of jobs. Because of AI technology, employees feel that they are not an organizational part and experience difficulties in trust loss, job dissatisfaction, and performance loss areas. In this context, change management theory offers information into how the companies can deal with such issues by addressing the concerns of the workers giving training and support for new technology's implementation and engaging stakeholders in the process of decision-making for increased buy-in and ownership.

Further, Vrontis (2022) addressed such challenges and increased AI integration advantages in human resource management companies can implement a proactive approach that emphasizes ethical leadership, collaboration, and transparency. Contemporary development, however, is increasingly giving HR opinions in functions traditionally needing interactions and communication from humans. Hence, by promoting open communication about the AI adoption implications companies can alleviate concern among stakeholders and employees and even build trust (Vrontis et al, 2022). In addition, employee development and training programs can also empower employees to adopt technologies of artificial intelligence and enhance performance and satisfaction of the job. Finally, companies need to develop clear protocols and guidelines for the usage of artificial intelligence involving reviews and audits regularly to ensure compliance with regulatory needs and ethical standards. Through such efforts, companies can harness AI power to improve practices of Human resource management while addressing them and even ethical principles implications.

3.5 Literature Gap

The previous year's research studies were focused on introducing artificial intelligence within the human resource management of the company. However, none of them analysed and studied its negative and positive impact on different HRM processes and techniques. Hence, the current study conducted to critically analyse the positive and negative impact of artificial intelligence in human resource management

4. Research Methods

Saunders onion model as a framework of research methodology will be selected for this research. The chapter involves different techniques, processes and methods that will be used for analysing and evaluating research objectives effectively.

4.1 Research Philosophy

To validate that the data collected in the investigation is relevant and important to accomplish the goals of the study, and to increase understanding of the analytical problem, the interpretative philosophy places that will focus on the critical beliefs related to the research topic. Interpretivism philosophy will allow researchers to develop individual interactions, individual perceptions towards the selected topic, and experiences included in processes of HRM (Hendren et al, 2023).

4.2 Research approach

One of the most important and frequently overlooked methods of rational thought along with information interpretation in qualitative study is abductive reasoning. Abduction will be chosen for this research because it allows for theories or hypothesis generation as per the observed phenomenon and patterns facilitating to exploration of AI integration's negative and positive impact on Human resource management (Saunders et al, 2006).

4.3 Research methods

To better comprehend people's social realities, comprising their opinions, convictions, and motivations, the qualitative study seeks to collect and analyze non-numerical information. For this research qualitative research method will be used that allows for a deep exploration of perspectives and experiences surrounding AI integration in HRM practices (Cresswell, 2002).

4.4 Data Analysis

Through this method including content and thematic analysis, the researchers can collect valuable information from existing literature and develop new hypotheses and frameworks to explain findings. Content and thematic analysis will also be used to find patterns and trends relating to AI integration consequences in HRM (Cameron and Price, 2009).

4.5 Data collection and analysis

Primary data collection is a method whereby data is collected directly from the first source that is participants involved in the study for the collection of reliable information. Secondary data collection means gathering data from secondary sources such as empirical studies, case studies, and literature reviews so qualitative methods are well suited for analyzing existing data.

Primary as well as secondary methods will be used in this research where the data will be collected from existing sources through a literature review and questionnaire survey from friends and colleagues (Skarbek, 2020). Design to collect the literature from academic journals and books, company reports and industry reports, press releases, and others (Davies, 2007).

4.6 Ethical consideration

- Reliability of data
- Safety and security of participants
- Validity of findings
- Not to harm

5. Timeframe

Activities	Period	Duration (in weeks)
Background information on the research	27 th Feb 2024 to 5 th March 2024	1 week
Research aim, objectives, and questions	5 th March 2024 to 12 th March 2024	1 week
Literature Review	5 th March 2024 to 26 th March 2024	3 weeks
Methodology	12 th March 2024 to 26 th March 2024	2 weeks
Data analysis/interpretation	19 th March 2024 to 26 th March 2024	1 week
Findings and Discussions	19 th March 2024 to 26 th March 2024	1 week
Recommendations and conclusion	26 th March 2024 to 2 nd June 2024	1 week
Reflection	26 th March 2024 to 2 nd June 2024	1 week

Gantt Chart

Activities	Time Period (in weeks)				
	1	2	3	4	5
Background information on the research					
Research aim, objectives, and questions					
Literature Review					
Methodology					
Data analysis/interpretation					
Findings and Discussions					
Recommendations and conclusion					
Reflection					

6. Outcomes

This research's expected outcomes encompass many advantages for both practice and academia. The literature review will give a thorough understanding of the negative and positive consequences of AI integration into the practices of HRM. This existing knowledge will contribute to theoretical framework advancement and give valuable information into AI implementation in HRM (Hmoud, 2021). Further, organizational document analysis will also offer valuable information into the current strategies, challenges, and trends regarding the integration of AI in HRM within different contexts of the organization. Such findings can inform processes of decision-making for leaders of the organization, policymakers, and HR practitioners (managers) facilitating effective strategies for AI adoption development (Hmoud, 2021). Overall, the results of the research are expected to foster informed discussions and guide future research and dissemination of knowledge in the AI field in Human resource management. By giving light on both challenges and opportunities associated with the integration of artificial intelligence this research aims to empower companies to increase AI advantages while addressing its concerns as well (Pan et al, 2022).

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