Research Article

"Impact of HR automation in employee experience within the Manufacturing sector at Pune"

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Abstract

In today's competitive world, it is imperative for a Healthy & Progressive Organization to collate, analyze and study accurate real-time data. This is vital for the growth of any organization. Artificial Intelligence (AI) helps an organization towards the same. AI has entered almost in all the departments of a progressive organization, viz. Production, Finance, Human Resources etc. Automation through AI has been slowly and steadily accepted within most of the crucial functions which were heavily dependent on manpower and are also employee facing functions.

The core objective of this research is to examine the impact of HR automation in the employee experience within the manufacturing industry in Pune.

Keywords: Artificial Intelligence, Human Resource Management, Automation, etc.

Introduction

In today's era, due to the increasing impact of technology; we come across varied changes not only in different types of industries and job roles, but also within the HR industry. Human Resource Management in manufacturing industry has undergone a lot of changes due to the impact of Artificial Intelligence or HR Automation.

In simple words, HR automation is technology that works by automating recurring human resource processes and streamlining document-heavy tasks. Without sacrificing quality, it significantly reduces the time it takes to complete HR processes. When processed manually, these types of tasks can take hours to complete and also there are high risks of manual errors.

In manufacturing industry, these days various verticals within HR have been completely or partly automated, viz. Payroll, Leave Management, Employee Engagement, Recruitment, Talent Management, etc.

Role of Automation in HR

These days, HR function is moving towards a "Digital Revolution".

Payroll and benefits management has the greatest potential for being automated. This will save HR employees' time and allows them to focus on where their career matters most – working with employees. In recruitment, applicant tracking systems already do much of the heavy lifting when it comes to sorting through resumes, although they still require humans to continue the hiring process from there. Other functions that can be automated include timesheets, time off requests and expense claims, etc. This automation also helps employees' queries to be resolved easily and also well in time.

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Verticals within HR which require complex social interaction are not as likely to be replaced by automation soon. Each individual employee and candidate at an organization will be different and hence cannot have their needs met by a completely automated HR department.

Many progressive organizations are already using AI such as chat box, process automations into HR which supports resolving employees' generic queries, also supports in recruitment process, screening the resumes, scheduling interviews, onboarding of the candidates etc.

Literature Review

- Artificial Intelligence and the Future of work: Human- AI Symbiosis in Organizational Decision Making (Mohammad Hossein Jarrahi, 2018)
- Impact of AI on HR (Infosys's Harmony, 2018)
- Impact of Artificial Intelligence on the Future of work and HRM (Shikha Sharma, 2018)
- Artificial Intelligence in Human Resource Management: A Qualitative Study in the Indian Context (Eric Premnath and Arun Antony Chully, 2019)
- Integration of Artificial Intelligence in Human Resource (Ginu George, Mary Rani Thomas, 2019)
- Artificial Intelligence & Human Resource Management in Indian IT Sector (Richa Verma, Srinivas Bandi, 2019)
- A Study of Artificial Intelligence and its role in Human Resource Management (Vivek V Yawalkar, 2019)
- The application of Artificial Intelligence (AI) in Human Resource Management: Current state of AI and its impact on the traditional recruitment process (Jennifer Johansson Senja Herranen, 2019)
- To Study Impact of Artificial Intelligence on Human Resource Management (Prasanna Matsa, Kusuma Gullamajji, 2019)
- A review paper on artificial intelligence at the service of human resources management (Siham Berhil, Habib Benlahmar, Nasser Labani, 2020)

Artificial Intelligence and the Future of work: Human- AI Symbiosis in Organizational Decision Making (Mohammad Hossein Jarrahi, 2018)

The researcher has in detail explained the importance of technology on various verticals of Human Resources. It is important that as Artificial Intelligence evolves and improves over time within HR; managers and employees must adapt and readapt to stay updated.

It is also well explained that the though intuitive capabilities for decision making is one of the main acumens and plus point of humans; but still they need to develop on analytical skills.

Impact of AI on HR (Infosys's Harmony, 2018)

This article emphasizes on the impact of technology in Human Resources.

Very rightly, it has been mentioned that the influence of automation within the Human Resources function will not replace humans but will free them up for higher value jobs.

Organizations now expect AI to help them to maximize the productivity through various automated processes that do not need human interference.

The larger objective of automation in HR function is to enable the employees to focus more on critical and strategic areas.

Impact of Artificial Intelligence on the Future of work and HRM (Shikha Sharma, 2018)

Automation will bring in varied opportunities for both organizations and the employees. Employees will be taking up more value added and critical jobs.

To facilitate and implement the automation within the HR function, employees will have to improve their technical skills.

Organizations and employees should recognize that AI implementation will not replace human acumen towards making judgements.
Human intervention will be needed to create the difference.

Artificial Intelligence in Human Resource Management: A Qualitative Study in the Indian Context (Eric Premnath and Arun Antony Chully, 2019)

It has been implicitly explained that the automation in HR is relatively lesser in India as compared to other developed / developing countries.

In India, the two major areas within Human Resources where AI has the highest influence are the – Recruitment and Training & development.

Also, it is observed that the influence of Artificial Intelligence within HR department is constructive and positive.
Due to automation, the HR team members can influence their impact in the organization by being strong strategic partners.

Integration of Artificial Intelligence in Human Resource (Ginu George, Mary Rani Thomas, 2019)

Automation can replace the routine and mundane HR tasks and ensure that the HR team members dedicate more time in strategic thinking, creativity, relationship building, emotional intelligence etc.

AI has a promising future within HR, however integrating it in HR has many challenges (Bersin, 2017). Accurate data collation and maintaining confidentiality may be a hindrance in the whole process of automation.

Artificial Intelligence & Human Resource Management in Indian IT Sector (Richa Verma, Srinivas Bandi, 2019)

It is noted that, AI is extensively used in recruitment and also in the predictive analysis.

In recruitment, due to automation; routine tasks are replaced with very less human interference; activities such as CV screening, sending automated messages, scheduling interviews, helping reference checks etc. are conducted by AI.

Also, it has been observed that due to automation, the attrition rate has considerably reduced in the HR team and eventually has enhanced the talent retention.

It has been observed that automation is successful in carrying out simple activities of HR but it is yet to be ascertained that how can AI tackle complex issues within HR!

A Study of Artificial Intelligence and its role in Human Resource Management (Vivek V Yawalkar, 2019)

In today's competitive world, most of the progressive organizations are adopting automation for enhancing the speed for performing routine work.

Organizations are using Artificial Intelligence in recruitment, selection, hiring, analyzing performance, collecting data regarding employees, providing real time accurate information.

The application of Artificial Intelligence (AI) in Human Resource Management: Current state of AI and its impact on the traditional recruitment process (Jennifer Johansson Senja Herranen, 2019)

This study was carried out to interpret the influence of AI in recruitment and also to study its implications.

The final findings are shared below separately for each research question –
Current state of AI in the recruitment process –
Automation has made the recruitment activity simple; especially in interviewing & evaluating the job applicant which would help out both the company and job applicants as the process gets faster, smoother and transparent.

Impact of AI in the recruitment process –
AI helps to enhance the speed, quality of the recruitment activity. Additionally, it also helps in the elimination of routine mundane tasks.

The major challenges which have been identified are technological readiness for implementing automation and the requisite training of the relevant employees.

To Study Impact of Artificial Intelligence on Human Resource Management (Prasanna Matsa, Kusuma Gullamajji, 2019)

Integrating HR processes with Artificial Intelligence will definitely enhance the efficiency & performance of an Organization.

It is well known that AI applications may not possess empathetic abilities like human beings ie. may lack emotional and cognitive abilities, but AI applications can analyze, conduct predictive analysis which is very important for any organization.

It is seen that most of the organizations are implementing AI based tools majorly in recruitment but soon influence of automation may be seen in all verticals of HR; viz. training, on boarding, PMS, etc.

Many organizations are still reluctant for implementing AI due to the cost implications.

A review paper on artificial intelligence at the service of human resources management (Siham Berhil, Habib Benlahmar, Nasser Labani, 2020)

Majorly, various verticals within HR like Recruitment, Skills Management, Human Resources Development (employee talents, effectiveness, productivity, performance), attritions and turnover are analyzed.

Human Resources is vast and constantly developing.
Every organization is thinking about the management of its Human Resources to increase productivity, attract talent and customers; in order to cope well with the competition.

On the other hand, automation is constantly evolving, and new approaches and methods are always proposed.

Conclusion

In today's era, there is a tremendous and constant competition across organizations. The main challenge for the industries is to manage the continuous improvement.

To enhance the speed and for routine and mundane work, most of the organizations are adopting modern technologies ie. Automation.

Most of the researcher scholars and experts are also recommending industries to make a use of artificial intelligence tools and digital technologies.
Artificial Intelligence is being used by the Human Resources function of many companies where automation plays an integral role in recruitment, selection, hiring, analyzing performance, collecting data regarding employees, providing real time information, and providing accurate information.

One of the main objectives of automation in HR function is to enable the employees to focus more on critical and strategic areas.

However, the major challenges which have been identified are technological readiness for implementing automation and the requisite training of the relevant employees.

It is also important to note that the automation in HR is relatively lesser in India as compared to other developed / developing countries.

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