Human Resource Management and Artificial Intelligence

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ABSTRACT

Human resource management is the management of human resources. HR is primarily concerned with the management of people within organizations, focusing on policies and on systems, designed to maximize employee performance. Every organization has to operate in an environment and it also gets affected if there is any change in this environment. In the boom of digital age, Artificial Intelligence (AI) is redesigning the functions of an organization and HR also needs to remodel its plans accordingly. Artificial intelligence is intelligence demonstrated by machines, in contrast to the natural intelligence displayed by humans and other animals.

Keywords

Human resources, artificial intelligence, machine language, globalization

INTRODUCTION

Automation in HR is more prevalent than ever before with companies all over the world embracing the rise of new technology trends to better the workplace environment.

Keith Fenner, Vice President
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Human resource management is the management of human resources. HR is primarily concerned with the management of people within organizations, focusing on policies and on systems, designed to maximize employee performance. HR professionals manage the human capital of an organization and focus on implementing policies and processes. Human resources focus on maximizing employee productivity. HR departments are responsible for overseeing employee-benefits design, employee recruitment, training and development, performance appraisal, and rewarding. HR also concerns itself with industrial relations and organizational change.

Every organization has to operate in an environment and it also gets affected if there is any change in this environment. This environment can include government, globalization and technology innovations. Among these, technology innovations are fastest changing factor and thus affects an organization and its functions too.

In the boom of digital age, Artificial Intelligence (AI) is redesigning the functions of an organization and HR also needs to remodel its plans accordingly.

Artificial intelligence (AI, also machine intelligence) is intelligence demonstrated by machines, in contrast to the natural intelligence (NI) displayed by humans and other animals. The term "artificial intelligence" is applied when a machine simulators "cognitive" functions that humans associate with other human minds, such as "learning" and "problem solving". Artificial intelligence was founded as an academic discipline in 1956, and in the years since has experienced several waves of optimism followed by new approaches, success.

HR should manage change and reskill the employees, to build new digital skills for better tomorrow, make analytics-powered decisions.

Today, in addition to historic reporting, HR professionals are using data for predictive analytics. It's not just about tracking historic performance indicators, but looking to the needs and trends of the future.

An Indian HR consultancy People Strong explains it in numbers. Almost 80% of help desk, 55-60% of traditional recruiter’s job and almost 20% of HR compliance work has been impacted due to automation.

In the last few years, many companies moved from annual performance appraisals to quarterly assessment, only because of the requirement of fast real-time work performance of business organizations. Performance appraisal technology and data analytics enable assessment of performance in real time. It could be possible only in a digital world.
Transparency is becoming a standard in the world of HR and talent. In compensation, Glassdoor’s Know Your Worth and LinkedIn’s Salary were launched this year, joining vendors such as Salary.com and Payscale, which crowd source compensation data for anyone to see. By collecting anonymous data on tens of thousands to millions of salaries, these tools let workers compare their salary against those for similar jobs by city, tenure, industry, and even company.

REDRAFTING THE GUIDELINES FOR DIGITAL HR

HR professionals are being strapped to take a big role in the organizations to “be digital”, not just working digitally. The process starts with digital transformation in HR, as HR leaders explore new technologies, platforms, and ways of working.

- Redefine your policies: HR today must define its role as the team that helps management and employees rapidly transform and adapt to the digital way of thinking. Familiarize yourself with networked organization structures, organizational network analysis, and digital leadership models.
- Coordinating a blended workforce: Dedicate teams to explore new vendor solutions and build others, and consider AI solutions to improve service delivery, recruiting, and learning. Synthesising such a workforce where the old hierarchies and job descriptions no longer exist. The focus will be on harnessing the combined power and skills of a diverse workforce, rather than on executing processes.
- Upgrade core technology: Switch legacy systems with an integrated platform for a sound digital infrastructure. Upgrade old tools for learning, recruiting, and performance management, and bring in systems that are easy for employees to use.
- Build a digital HR squad: Organize HR into networks of expertise with robust business partners: Remodel your HR organization model to focus efforts on the employee experience, analytics, culture, and the new world of learning.
- Make innovation a core strategy within HR: Reinvent and innovate in new performance management practices. Explore new innovations in recruiting, including using data to find people who resemble high performers in the company.
- Higher levels of process automation: Implement technology platforms and processes that give employees a great experience and also empower managers to maximise employee satisfaction, employee engagement and performance.
- Rotate fresher people into the HR profession: Regularly rotate people from the business into and out of HR, use innovation teams to reverse-mentor senior leaders, and recruit new MBAs to bring new skills into the business.
- Benchmark: Visit other companies to see what they are doing. HR teams can bring in experts, conduct workshops and seminars, join research membership programs, and continually look for new ideas to foster innovation. Today’s leading practices come from innovative ideas developed around an organization’s culture and business needs.

While none of HR’s prior responsibilities has gone away, HR departments today are under pressure to rewrite the rules by redesigning talent practices, from recruiting to leadership to performance management; by experimenting with digital apps; and by building a compelling employee experience. All this must be done with a focus on redesigning the organization around teams, implementing analytics and organizational network analysis, and driving a global focus on diversity, culture, learning, and careers.

Digital HR requires digital technology expertise. While cloud-based HR systems brought tremendous value to organizations, they are no longer enough. Today, HR teams are rethinking their solutions in the context of workflow-embedded apps; Royal Bank of Canada, Deutsche Telekom, Ford, and others now have digital design teams within the HR department. This means using the cloud as a “platform” and building on it for company-specific needs.
SOME EXAMPLES OF AI IN BUSINESS ORGANIZATIONS

- Wade and Wendy, a chatbot service, brings AI and chatbots to recruitment and career planning. Wade helps employees with their career strategies and shows them career opportunities in the company. Wendy talks with candidates and helps them understand the company’s culture, job opportunities, and hiring process.

- Firstjob’s chatbot Mya can eliminate up to 75% of the questions people have during the recruiting process.

- Switch, a new app for recruiting, helps candidates find jobs by giving them a Tinder-like experience for job search and recruitment.

- Software vendor Unitive uses AI to write job descriptions based on actual discussions about the job, and can algorithmically identify gender, race, or generational bias to reduce unconscious bias in recruiting.

- Another example is SuccessFactors, which now provides similar tools in its enterprise talent management application.

CHALLENGES IN ADOPTING ARTIFICIAL INTELLIGENCE IN THE ORGANIZATIONS

More productivity, optimizing logistics, detecting fraud, and composing multimedia, conducting fast research, providing translations: intelligent machine systems are transforming our lives for the better. As these systems become more capable, our world becomes more efficient and consequently richer.

HR experts must be ready for a new frontier for ethics and risk assessment as it is for emerging technology. There are some issues and challenges in front of HR managers to cope up the menace of AI.

1. Unemployment: The hierarchy of employees is concerned primarily with automation. As we’ve invented ways to automate jobs, we could create room for people to assume more complex roles, moving from the physical work that dominated the pre-industrial globe to the cognitive labour that characterizes strategic and administrative work in our globalized society.

2. Inequality: Our economic system is based on compensation for contribution to the economy, often assessed using an hourly wage. The majority of companies are still dependent on hourly work when it comes to products and services. But by using artificial intelligence, a company can drastically cut down on relying on the human workforce, and this means that revenues will go to fewer people. Consequently, individuals who have ownership in AI-driven companies will make all the money.

3. Artificial stupidity: Intelligence comes from learning, whether you’re human or machine. Systems usually have a training phase in which they "learn" to detect the right patterns and act according to their input.

4. Racist robots. How do we eliminate AI bias? We shouldn’t forget that AI systems are created by humans, who can be biased and judgemental. Once again, if used right, or if used by those who strive for social progress, artificial intelligence can become a catalyst for positive change.

5. Security: The more powerful a technology becomes, the more can it be used for wicked reasons as well as good. This applies not only to robots produced to replace human soldiers, or autonomous weapons, but to AI systems that can cause damage if used maliciously. Because these fights won’t be fought on the battleground only, cyber security will become even more important. After all, we’re dealing with a system that is faster and more capable than us by orders of magnitude.

6. Robot rights: While neuroscientists are still working on unlocking the secrets of conscious experience, we understand more about the basic mechanisms of reward and aversion. We share these mechanisms with even simple animals. In a way, we are building similar mechanisms of reward and aversion in systems of artificial intelligence. For example, reinforcement learning is similar to training a dog: improved performance is reinforced with a virtual reward.

Drawbacks of Artificial Intelligence AI: Compared with humans, existing AI lacks several features of human "common-sense reasoning"; most notably, humans have
powerful mechanisms for reasoning about "simple physics" such as space, time, and physical interactions. This enables even young children to easily make inferences like "If I roll this pen off a table, it will fall on the floor". This lack of "common knowledge" means that AI often makes different mistakes than humans make, in ways that can seem perplexing. For example, existing self-driving cars cannot reason about the location nor the intentions of pedestrians in the exact way that humans do, and instead must use non-human modes of reasoning to avoid accidents.

CONCLUSION

HR has a critical opportunity to help lead the transformation to a digital enterprise. In the next several years, HR teams that embrace digital platforms to take up the dual challenge of transforming HR operations on the one hand, and transforming the workforce and the way work is done on the other will be game changers. HR leaders who learn into new technologies, platforms, and ways of working, and who explore and invest in enabling agility through constant reinvention, will be strongly positioned to have an impact on business results and employee experience. Today, HR’s focus has shifted toward building the organization of the future. Companies are hiring young, digitally savvy workers who are comfortable doing things themselves and sharing information in a transparent way. They want an integrated, digital experience at work—one designed around teams, productivity, and empowerment—and HR is expected to deliver it. In future, HR needs to embrace new technologies, and not fear them. They need to take advantage of tech disruption to save time and energy for newer and better purposes. The HR function could be then re-imagined to rise above what mere machines can do. (The Economic Times, Mar. 2018)

REFERENCES


