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# PERCEPTION TOWARDS ARTIFICIAL INTELLIGENCE IN HUMAN RESOURCES MANAGEMENT PRACTICES –WITH REFERENCE TO IT COMPANIES IN CHENNAI

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## ABSTRACT

Artificial intelligence, a distinct field of science and technology, has been applied constructively across various domains for the past six decades. While AI is leaving its mark in almost every sector, human resources practices are no exception. Human resource management holds a pivotal role within organizations, underscoring the necessity for HR professionals to acquaint themselves with the concept of artificial intelligence. Some HR experts perceive that advanced AI poses a potential threat to the global workforce in the coming decades, leading to a significant reduction in the demand for human resources. Conversely, certain researchers contend that AI serves as a sophisticated tool designed to augment human capabilities and can never entirely replace human labor. In light of these considerations, this research primarily aims to investigate employees' perceptions of Artificial Intelligence technologies in the context of human resources practices. Data collection was facilitated through an online survey employing questionnaires. In addition to examining participants' perceptions of AI, the study also seeks to gain insights into the current AI technologies applied within human resources practices.

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## 1. INTRODUCTION

The adoption of technology has brought us to a pivotal moment, signaling the readiness for a profound shift—an upheaval we term Industry 4.0. Industry 4.0, also known as the intelligent industry, represents the fourth industrial revolution, a concept coined by Professor Schwab. It aspires to transform organizations into intelligent entities, optimizing business outcomes. This transformation has ushered in disruptive technologies like Artificial Intelligence, touching virtually every facet of management, including Human Resource Management.

How will these disruptive technologies reshape our lives? Will our workplaces undergo profound changes with the emergence and integration of AI systems? What AI technologies are currently enhancing the capabilities of the human workforce? These are the questions this study seeks to address. Specifically, it aims to investigate the perceptions of HR professionals and employees regarding Artificial Intelligence technologies in the context of human resources practices. The study places a particular emphasis on participants' views on AI and also endeavors to gain insights into the present AI technologies applied within Human Resource departments.

## 2. REVIEW OF LITERATURE

We have undertaken an effort to provide a comprehensive overview of various aspects of this study by reviewing existing literature, both past and present. Our sources encompass a diverse range of materials, including books, doctoral theses, online journals, working papers, reports, magazines related to AI and human resources, internet sources, and newspapers.

In his 2018 article titled "Artificial Intelligence: Perception, Expectations, Hopes, and Benefits," Vasile Gherhes posits that AI holds the potential to yield tangible benefits in the future. He emphasizes that the future will witness the development of highly advanced AI-powered robots and confidently asserts that this will give rise to new occupations. The ongoing debate surrounding job displacement by robots is a hot topic, and Gherhes's study contends that this displacement will, in fact, lead to the creation of fresh job roles requiring new skill sets, thereby ushering in new trades. Ultimately, he concludes that while the proliferation of AI may be perceived as a threat to jobs and human existence, its true purpose is to enhance efficiency, improve quality of life, and address the complex challenges facing society.

In his 2018 thesis titled "Various Perspectives on the Consequences of Artificial Intelligence for Our Professional Life," Daria Fagerli recommends the implementation of new laws and regulations aimed at ensuring that AI processes do not have detrimental effects on society from a political standpoint. Additionally, he advocates for widespread digital literacy from a personal perspective. Fagerli underscores that AI, along with other emerging technologies, has gained substantial traction in recent years. This heightened interest is expected to stimulate extensive research within this field. Given the

inherent uncertainty in this area, marked by diverse predictions and projections, there remain numerous unexplored avenues for inquiry. He suggests that future research could delve into the ethical, moral, and philosophical questions intertwined with AI's impact on our professional lives.

Exploring the realm of superintelligence, investigating regulatory perspectives, and examining the repercussions of digital transformation on gender equality are the core objectives of this study. In their 2018 research, Jiachao Fang, Hanning Su, and Yuchong Xiao initiated their inquiry by conducting an extensive review of existing literature, focusing on the definitions of human intelligence and artificial intelligence. They meticulously categorized various types of AI and conducted individual performance analyses. Ultimately, their study sought to determine whether AI could potentially surpass human intelligence in the future. Their findings indicated that machines have not yet outpaced humans, particularly in areas such as emotion recognition and creativity. Nevertheless, they posited that the day when AI might surpass humanity in every aspect could become a reality with the emergence of superintelligence. They recommended continued efforts to assess AI performance and make comparisons between AI and human intelligence.

In a 2016 discussion paper, Lucas Kromann Bogehoj Nielson delved into the intricate landscape of artificial intelligence, human intelligence, and the rapid digitalization and datafication transforming contemporary society. His paper elucidated key concepts, including Big Data (BD), datafication, and algorithms. He dissected the nature of machine intelligence, contrasting it with human intelligence through the lens of the Turing test. Furthermore, he touched upon personal anxieties related to these advancements. Nielson expressed his belief that machines turning malevolent and causing harm is unlikely; instead, he expressed concerns about people becoming increasingly detached from reality as life becomes more convenient.

### 3. OBJECTIVES OF STUDY

#### PRIMARY OBJECTIVE:

To study about the perception towards Artificial Intelligence in Human Resource Management Practices – With Reference to IT Companies in Chennai City.

#### SECONDARY OBJECTIVE:

- To ascertain the prevailing AI technologies implemented in human resources operations.
- To gain insight into participants' perceptions regarding AI.

#### SCOPE OF STUDY:

This study aims to provide a comprehensive understanding of the diverse AI technologies currently utilized in human resource management practices. Additionally, it seeks to gauge respondents' perceptions regarding the integration of AI technologies within HRM processes. Furthermore, the study endeavors to assess the influence of AI-powered HR factors on achieving a harmonious work-life balance.

#### LIMITATIONS OF STUDY:

- This study's applicability may be restricted to IT companies within the Chennai region.
- The survey exclusively involved 100 HR employees from IT companies.
- The study's timeframe is constrained, potentially limiting its ability to encompass the full scope of the subject.
- The research is based on data collected from current employees, which means that future data may exhibit variations.

### 4. RESEARCH METHODOLOGY

Both primary and secondary data sources were employed in this study. The research adopted a quantitative approach, utilizing sociological survey methods. Data collection was facilitated through the distribution of a questionnaire via the Google Forms platform, a widely used online survey service. The study's respondents comprised HR employees and HR professionals within the IT sector, specifically in Chennai.

The sample size, representing the number of participants selected for the study, was set at a fixed count of 100 respondents. These participants were chosen using a combination of both simple random sampling and convenience sampling methods, selected from the relevant company.

In addition to primary data, supplementary information and data were gathered from secondary sources, including books, websites, journals, and publications. The structured questionnaire consisted of 34 questions, encompassing seven personal inquiries, four multiple-choice queries, and 23 questions utilizing a five-point scale. The questionnaire was subject to review and discussion with a statistician, and necessary adjustments were made to enhance its effectiveness.

**RESEARCH DESIGN:** The Research Design used for the study in Descriptive Research.

**SAMPLING METHOD:** A Convenience Sampling Method is adopted for the study.

**SAMPLE SIZE:** The Sample Size Taken for the study is 100.

**POPULATION SIZE:** The Population size taken for the study is Infinity.

## 5. DATA COLLECTION METHOD

### PRIMARY DATA:

Here direct data is obtained by dispersing printed questionnaire to the marketing executives of the organization. Information was additionally acquired from the observation and interviews methods took on by the researchers. Also, data was dispersed by the departmental heads.

### SECONDARY DATA:

In this context, the data is sourced from various outlets, including pamphlets from one or more groups, books, websites, bulletins, magazines, and papers.

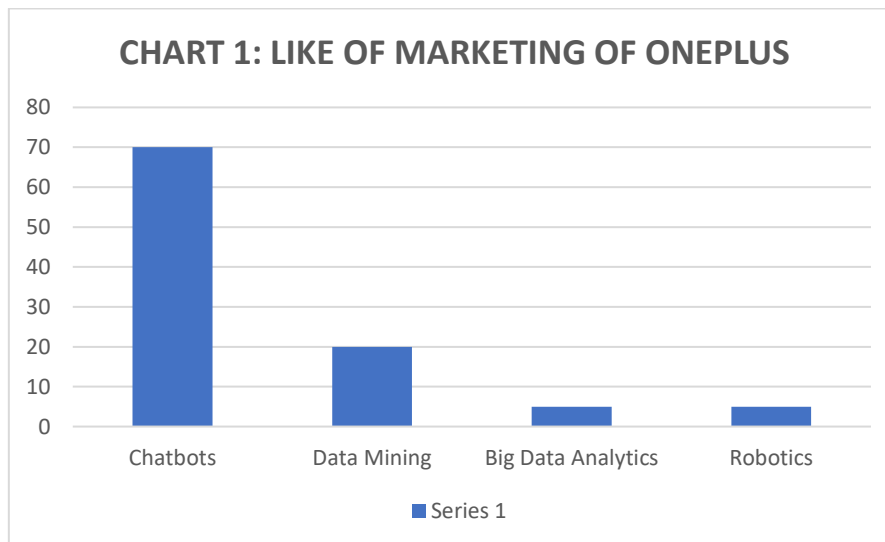
## 6. DATA ANALYSIS AND INTERPRETATION

**TABLE1:** TABLE SHOWING THAT AI TECHNOLOGIES IN WHICH IT EMPLOYEES WERE AWARE ABOUT:

S.NO	PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
1	Chatbots	70	70%
2	Data Mining	20	20%
3	Big Data Analytics	05	05%
4	Robotics	05	05%
	TOTAL	100	100%

### INTERPRETATION:

Most number of respondents said that the Chatbots are the AI Technologies in which IT Employees were aware about. 20% of respondents said that Data Mining are the AI Technologies in which IT Employees were aware about. 05% of respondents said that they were aware about Big Data Analytics and Robotics.



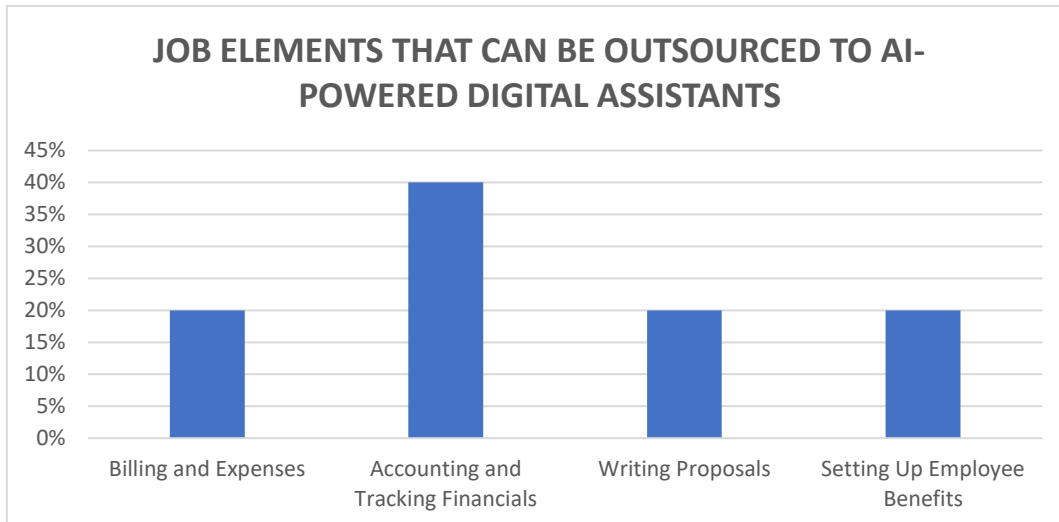
**CHART 1:** LIKE OF MARKETING OF ONEPLUS:

**TABLE2:** JOB ELEMENTS THAT CAN BE OUTSOURCED TO AI-POWERED DIGITAL ASSISTANTS:

S.NO	PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
1	Billing and Expenses	20	20%
2	Accounting and Tracking Financials	40	40%
3	Writing Proposals	20	20%
4	Setting Up Employee Benefits	20	20%
	TOTAL	100	100%

**INTERPRETATION:**

Most number of respondents said that the Accounting and Tracking Financials are the Job Elements that can be outsourced to AI – Powered Digital Assistants. 20% of respondents said that the Billing Expenses are the Job Elements that can be outsourced to AI – Powered Digital Assistants. 20% of respondents said that the Writing Proposals are the Job Elements that can be outsourced to AI – Powered Digital Assistants. 20% of respondents said that the Setting Up Employee Benefits can be outsourced to AI – Powered Digital Assistants.



**CHART 2: JOB ELEMENTS THAT CAN BE OUTSOURCED TO AI-POWERED DIGITAL ASSISTANTS:**

**STATISTICAL TEST:**

➤ **CHI – SQUARE TEST FOR JOB ELEMENTS THAT CAN BE OUTSOURCED TO AI-POWERED DIGITAL ASSISTANTS:**

20	40
20	20

**NULL HYPOTHESIS:**

**ALTERNATIVE HYPOTHESIS:**

O	E	(O – E)	(O – E) <sup>2</sup>	(O – E) <sup>2</sup> / E
20	24	-4	16	0.6666
40	36	4	16	0.6666
20	16	4	16	0.6666
20	24	-4	16	0.6666
			<b>TOTAL</b>	<b>2.6666</b>

**TABLE VALUE (T.V) = 3.84**

**CALCULATED VALUE (C.V) = 2.6666**

**Test Statistic: (r-1) (c-1) = (2-1) (2-1) = 1**

Therefore Calculated Value (C.V) < Table Value (T.V)

Therefore Null Hypothesis is Accepted and Alternative Hypothesis is Rejected.

**7. RESULT**

Therefore, There is no significant difference between Job Elements that can be outsourced to AI Powered Digital Assistants.

**8. FINDINGS**

- Most number of respondents said that the Chatbots are the AI Technologies in which IT Employees were aware about.
- Most number of respondents said that the Accounting and Tracking Financials are the Job Elements that can be outsourced to AI – Powered Digital Assistants.
- There is no significant difference between Job Elements that can be outsourced to AI Powered Digital Assistants.

## 9. CONCLUSION

The study conducted an in-depth analysis of the current AI technologies employed in human resource management practices, focusing on IT companies in Chennai. It sought to understand the perception of HR employees regarding AI technologies in HRM. The findings of the study revealed a highly positive perception among employees towards AI technologies. Importantly, employees did not perceive AI systems as a threat to their roles. The research emphasized the critical role of AI technologies in enhancing the efficiency of HR departments and gaining a competitive advantage in the market.

Additionally, the study identified various factors that hinder the implementation of AI systems in HR practices. In conclusion, the research underscored that employees are unequivocally supportive of AI technologies and believe in their potential to enhance the HR workforce significantly. Furthermore, the study emphasized the importance of organizations consistently focusing on implementing AI technologies in various aspects of human resource management, including planning and decision-making, recruitment, training and development, performance analysis, and work-life balance.

These insights highlight the growing acceptance and potential of AI in HR practices.

## 10. REFERENCE

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