

CHARTING PROGRESS: HRS STAND POINT ON IMPACT OF AI ON EMPLOYEE ENGAGEMENT

Ms. ManishaHebbar,

Mr. CharanKumarDoreV

Ms. AnithaKR,

4th Semester B.Com (Hons) (Financial Management) MYCAS College of Professional Studies, Mysuru.

6th Semester B.Com (Hons) Mysore Institute of Commerce and Arts, Mysuru

Assistant Professor Department of Commerce and Administration Mysore Institute of Commerce and Arts, Mysuru

ABSTRACT

Artificial intelligence (AI) is still gaining ground across a number of industries, and its effects on HR procedures—especially with regard to employee engagement—have drawn a lot of attention. This study explores the complex relationship between AI and employee engagement from the viewpoint of HR specialists across various companies in Mysore City. To obtain a systematic grasp of HR's perspective, the study uses both qualitative and quantitative approach that combines interviews and survey. The integration of AI in employee engagement programs presents a range of difficulties and opportunities that require careful consideration. These insights are taken from the HR practitioners. Simultaneously, a survey is carried out to evaluate the perceived prevalence and effectiveness of AI-driven technologies in improving employee engagement among HR professionals. The use of AI to personalize employee experiences, its effects on corporate culture and communication channels, and the moral implications of integrating AI into HR procedures are some of the major topics that have been examined. Additionally, the study explores the perceptions of HR professionals regarding AI's impact on job happiness, productivity, and overall well-being of employees. The results of this research provide HR professionals with theoretical and practical implications as well as practical advice on how to best utilize AI technologies to enhance employee engagement tactics. Furthermore, in the age of artificial intelligence, this research clarifies the changing function of human resources in managing the complex interactions between technology breakthroughs and human-centered work place dynamics.

Keywords: Artificial Intelligence (AI), Employee Engagement, HR Procedures, HR Technology Integration, Employee Commitment.

Introduction:

The CEO of global technology giant Google, Sundar Pichai, has compared artificial intelligence's significance to that of fire and electricity. He believes that AI is one of the most important endeavours humanity is working on.

Elon Musk, the founder and CEO of Tesla and SpaceX, has another perspective on AI. He has voiced his concerns and called AI a threat to humanity. Additionally, he stated that we must direct AI away that advances humankind.

King Charles, in a video message at the Bletchley Park AI Summit, said that AI is one of the greatest technological leaps in the history of human endeavour.

In an article by Zippa, it was found that 27% of the global workforce expresses anxiety over the possibility of innovations, robots, or AI contributing to the disuse of their jobs in the next five years. 49% think that AI has already cost people jobs as businesses use technology to reduce costs and staff.

Artificial intelligence, or AI, is the process of building computer systems to carry out operations that normally call for human intelligence, like decision-making and language comprehension. It can be broad, striving for human-like adaptability, or narrow, concentrating on particular duties. Employee engagement, simply put, is a gauge of how enthusiastic, driven, and dedicated staff members are to their jobs and the objectives of the company.

AI is a boon to some and a curse to many. If learned well and used correctly, AI can present opportunities for growth and innovation for both individuals and organisations. It is becoming more and more important for HR professionals to comprehend the opportunities and implications of integrating AI. The present study explores the complex terrain of artificial intelligence implementation concerning employee engagement.

In this study, we will discuss HR practitioners' viewpoints on AI and its integration in various Mysore-based companies, including measurable and anecdotal approaches to our interviews and surveys, about the challenges and opportunities presented with the integration of AI into HR practices and strategies to make AI a tool for opportunity growth for an individual's personal and organisational goals and also for the organisation to meet its objectives. This paper aims to bring to light that AI is a powerful tool that can be used to empower individuals and organizations alike; more specifically, it can be used to create a more engaged, easy-flowing, efficient, and enhanced workforce.

Literature Review:

Catherine Prentice (2020) In this study, customer engagement and loyalty in service organisations are examined concerning artificial intelligence (AI) and human service personnel. Australian hotel guests participated in the study, which implies that customers' emotional intelligence acts as a mediator in the relationship between customer engagement and service quality. According to the findings, customer loyalty is partially mediated by these service encounters, and human service representatives are preferred over AI. In moderating customer engagement, emotional intelligence is also heavily involved.

Ashley Braganza, Weifeng Chen, et al. (2020) This study looks at the conflict between the use of artificial intelligence (AI) and the Sustainable Development Goals (SDG 8) of the UN. In light of the rapidly growing adoption of AI, SDG8 aims to promote decent work and productive employment. To determine the effect of AI adoption on employees' psychological contracts, engagement, and trust, the study examined 232 survey responses. The findings suggest that trust and job engagement are significantly enhanced by psychological contracts. However, as AI becomes more widely used, psychological contracts lose many beneficial effects. Following a more thorough analysis of the literature, the authors propose that the adoption of AI promotes the development of a third kind of psychological contract that they refer to as "alienation." The concept of SDG 8, which highlights the value of developing solid relational contracts between organizations and their employees, conflicts with this finding.

Pooja Nagpal (February 2019) This study looks at how artificial intelligence (AI) is affecting HR procedures and practices and how it might boost worker engagement. AI can change HR procedures for hiring, onboarding, career management, personalized learning, and talent acquisition while also raising employee engagement and retention. This could lead to more productive and efficient businesses. As a result, learning organisations are created when human knowledge is transformed into organisational knowledge. In the past, HR professionals relied on annual surveys to gauge employee engagement and pinpoint problems, although employee engagement is critical to organizational productivity and competitiveness. Personalised and prompt action is possible with today's real-time data, though. This study is descriptive and based on secondary data sources such as the web, research papers, company reports, and blogs.

Pawan Budhwar, Ashish Malik, et al. (2020) AI-based HRM applications are being used more and more in local and global organisations to manage personnel. This has given rise to a new field of study on issues like how AI affects society, how it affects personal and professional outcomes, and how to assess HRM practices that use AI. Even though these technologies have enhanced how businesses use their resources, make decisions, and solve problems, there is little and inconsistent research on AI-based HRM technologies. To fill in these gaps, the study included a thorough subject analysis and provided a conceptual framework and a list of testable hypotheses as a solid foundation for further research projects.

Maja Rožman, Polona Tominc, and Borut Milfelner (2023): This study, which examined 437 Slovenian businesses, looked at the connections between employee engagement, team performance, organizational culture, and AI-enhanced training and leadership. The study discovered that AI-supported leadership can enhance team performance and employee training. These results offer useful direction for improving HRM procedures and achieving successful AI implementation in businesses.

Rozman M., Oreski D., and Tominc P. (2022): "The Rise of Artificial Intelligence and Its Influence on Employee Performance and Work" investigates the impact of artificial intelligence (AI) on employee performance and work commitment within the work place with a sample of 275 HR managers, both male and female. It shows the significance of AI in enhancing employee performance and work commitment, emphasizing the need for effective leadership in implementing AI within an organisation. Analysing the survey data, the study found that artificial intelligence has a significant impact on employee performance, with a moderate association between AI and employee performance.

JelenaLukicNokolic (2023): The impact of digital technologies on employee engagement.

It discusses how engaged employees demonstrated greater adaptability and commitment during the COVID-19 pandemic, leading to increased work intensity and potential risks of burn out syndrome or work-life conflict. The disappearance of boundaries between private and working time due to digital technologies is also highlighted, leading to work-life conflicts and the need for frequent and open communication to address the challenges of remote work.

On the other hand, the company's efforts to promote employee engagement, such as organizing team-building events and conducting yearly satisfaction surveys, have consistently shown high levels of employee satisfaction and engagement.

KrishanKumarLuhana, AtiaBanoMemon, and ImranKhan (2022): "Integrating artificial intelligence into a talent management model to increase the work engagement and performance of enterprises.". The study emphasises the role of AI in analysing candidate profiles, facilitating communication with candidates, and enabling HR professionals to select suitable candidates efficiently. It highlights the challenges in transferring tacit knowledge between employees and AI, as well as the need to develop custom learning programs using AI for employee development.

Objectives:

1. Conduct a comprehensive survey of HR professionals in Mysore, aimed at eliciting their perspectives and sentiments regarding the application of artificial intelligence in employee engagement practices.

To conclude the research paper by synthesizing insights gathered from HR professionals in Mysore, examining the discernible impact of AI on employee engagement.

Strategies:

1. Towards Employee Learning and Development:

Utilise AI-powered learning platforms to offer personalised training and development opportunities for employees. Implementing adaptive learning systems that cater to individual learning styles and preferences.

2. AI-Backed Employee Surveys:

Implement AI algorithms for analysing employee survey responses to derive meaningful insights. Use sentiment analysis to understand employee sentiments and proactively address concerns.

3. Ethical AI Training for HR Professionals:

Provide training for HR professionals on ethical considerations in AI implementation. Ensure HR staff in Mysore are equipped to address concerns related to bias, fairness, and transparency in AI applications.

4. AI-Driven Performance Management of Employees:

Integrate AI tools to provide real-time feedback and performance insights. Use data analytics to identify performance patterns and recommend personalised improvement plans.

5. Optimising Work flows:

A Strategic Approach to Enhancing Efficiency and Reducing Time Consumption through AI Integration. Propose and implement a strategic framework for integrating AI into existing work flows, considering the unique requirements and constraints of different industries and organisational structures.

Research Gap:

The existing literature on "HR's perspective on the implementation of AI on employee engagement" reveals a noticeable gap regarding the lack of precision and specificity in delineating strategies employed by organizations in integrating AI for enhancing employee engagement.

Explanation:

While numerous studies explore the broader theme of AI in HR and employee engagement, there is a limited depth in understanding the granular details of the strategies implemented. Many existing works provide an overview of general trends, benefits, and challenges without delving into the specific methodologies, frameworks, and tactical approaches adopted by HR professionals.

This research gap is significant because HR practitioners and organisational leaders require concrete insights into the specific strategies that yield successful AI implementation in the context of employee engagement. The lack of precision hinders the development of actionable guidelines and recommendations for HR professionals seeking to adopt AI technologies strategically.

Addressing this gap would involve conducting an in-depth analysis of case studies, practical implementations, and real-world examples where AI has been successfully applied to improve employee engagement.

Data Analysis:

We created a questionnaire, and 51 different HR practitioners answered it. We used a set of fifteen closed-ended questions to better understand their perspectives on the relationship between AI and HR and how it impacts employee engagement.

Demographics	Options	Respondents	Percentage
Agegroup	a.18-25	0	0
	b.26-35	28	54.5%
	c.36-45	23	45.5%
	d.46-55	0	0
	e.Above55	0	0

Majority of our respondents belonged to the age group 26 to 35.

Demographics	Options	Respondents	Percentage
Experience	a.0-5years	9	18.2%
	b.6-10years	14	27.3%
	c.11-15years	14	27.3%
	d.16-20 years	14	27.3%
	e.Above20 years	0	0

Majority of our respondents have 6-20 years of work experience in HR

Demographics	Options	Respondents	Percentage
Industry	a.ITandITES	14	27.3%
	b.BFSI	4	8.8%
	c. Health care and pharmaceuticals	5	9.2%
	d.Manufacturing	23	45.5%
	e.Service	5	9.2%

Most of our respondents were of the IT and ITES industry.

Demographics	Options	Respondents	Percentage
Number of employees	a.1-100	5	9.1%
	b.101-250	9	18.2%
	c.351-500	0	0
	d.500-1000	9	18.2%
	e.Above1000	28	54.5%

Most of our respondents worked in companies with more than 1000 employees.

Particulars	Options	Respondents	Percentage
importance of AI in employee engagement	a. Highly not important		0
	b. Not important		0
	c. Neutral	14	27.3%
	d. Important	42	63.6%
	e. Highly important	5	9.1%

Most respondents believe that it is important to implement AI in employee engagement.

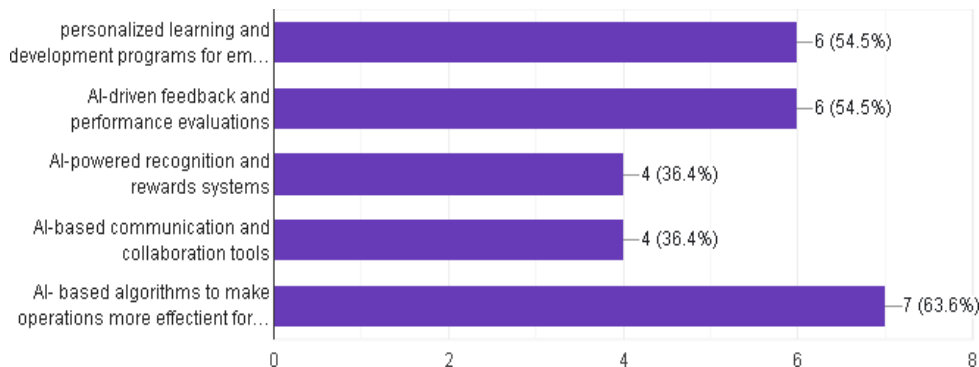
Particulars	Options	Respondents	Percentage
Implementation of AI-based tools to improve employee engagement	a. Not implemented	9	18.2%
	b. Planning to implement	14	27.3%
	c. Initiated implementation	14	27.3%
	d. Partly implemented	5	9.1%
	e. Completely implemented	9	18.2%

Most respondents are either planning to implement or initiated implementation of AI based tools to improve employee engagement.

Particulars	Options	Respondents	Percentage
Effectiveness of AI-based solutions to improve employee engagement	a. Highly Ineffective	0	0
	b. Ineffective	4	9.1%
	c. Neutral	8	18.2%
	d. Effective	35	63.6%
	e. Highly Effective	4	9.1%

Majority of respondents believe that AI based solutions are effective to improve employee engagement.

AI driven initiatives that most impact employee engagement:



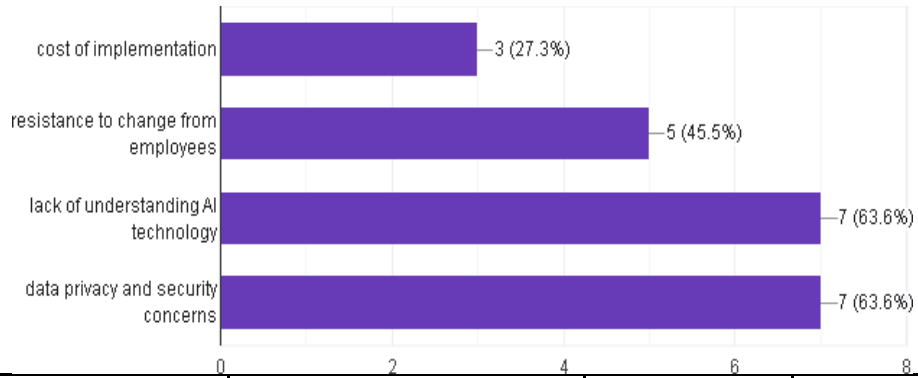
Particulars	Options	Respondents	Percentage
AI adoption affecting employee trust and privacy concerns	a. Increases trust and privacy	39	72.7%
	b. Decreases trust and privacy	0	0
	c. Has no impact at all	8	18.2%
	d. Not sure	4	9.1%

Majority of respondents believe that adoption of AI would increase trust and privacy among employees.

Particulars	Options	Respondents	Percentage
Anticipation of AI in employee engagement in the next 5 years	a. Significantly expanding	31	54.5%
	b. Gradually increasing	16	36.4%
	c. Remains stable	4	9.1%
	d. Declining	0	0

Majority respondents think that AI in employee engagement would significantly expand in the next 5 years.

Barriers fore seen in the wide spread adoption of AI for employee engagement:



Particulars	Options	Respondents	Percentage
Ethical considerations while implementing AI	a. Bias and fairness	0	0
	b. Transparency	6	18.2%
	c. Employment consent and data privacy	3	9.1%
	d. All of the above	41	72.7%

Transparency and explainability should be prioritized while implementing AI.

Particulars	Options	Respondents	Percentage
Ways AI adoption would help HR managers in employee engagement	a. Augments HR roles with advanced data analytics and insights	9	18.2%
	b. re defines HR roles with more strategic focus	18	36.4%
	c. marginalized HR roles with augmentation	15	27.3%
	d. no impact on HR roles	9	18.2%

Most respondents feel that AI adoption would redefine HR roles with more strategic focus.

Particulars	Options	Respondents	Percentage
The potential of AI to positively impact employee engagement	a. Very pessimistic	4	9.1%
	b. Pessimistic	4	9.1%
	c. Neutral	15	27.3%
	d. Optimistic	19	36.4%
	e. Very optimistic	9	18.2%

Most respondents are optimistic about the positive impact of AI in employee engagement.

Conclusion:

In conclusion, our research shed slight on the evolving perceptions of HR professionals regarding the integration of AI in the realm of employee engagement. While optimism and recognition of the benefits prevail, addressing the identified barriers, enhancing understanding, and addressing privacy concerns are critical for successful and wide spread adoption of AI technologies in HR practices. The findings suggest a promising trajectory for HR roles becoming more strategic with the continued integration of AI for employee engagement in the future.

References:

1. Nikolić, J. L. (2023). THE IMPACT OF DIGITAL TECHNOLOGIES ON EMPLOYEE ENGAGEMENT: CASE STUDY OF COMPANY “A” IN SERBIA. *The European Journal of Applied Economics*, 20(2), 29-40.
2. Prentice, C., & Nguyen, M. (2020). Engaging and retaining customers with AI and employee service. *Journal of Retailing and Consumer Services*, 56, 102186.
3. Prentice, C., & Nguyen, M. (2020). Engaging and retaining customers with AI and employee service. *Journal of Retailing and Consumer Services*, 56, 102186.
4. Braganza, A., Chen, W., Canhoto, A., & Sap, S. (2021). Productive employment and decent work: The impact of AI adoption on psychological contracts, job engagement and employee trust. *Journal of business research*, 131, 485-494
5. Rožman, M., Tominc, P., & Milfelner, B. (2023). Maximising employee engagement through artificial intelligent organizational culture in the context of leadership and training of employees: Testing linear and non-linear relationships. *Cogent Business & Management*, 10(2), 2248732
6. Luhana, K. K., Memon, A. B., & Khan, I. (2023). The Rise of Artificial Intelligence and Its Influence on Employee Performance and Work. *Global Social Sciences Review*, VIII, 463-479.
7. Rožman, M., Oreški, D., & Tominc, P. (2022). Integrating artificial intelligence into a talent management model to increase the work engagement and performance of enterprises. *Frontiers in Psychology*, 13, 1014434.