

Future of HR in a Tech driven world

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Abstract

Human resource management (HRM) has evolved to a large extent due to the influence of artificial intelligence, automation, virtual reality (VR), augmented reality (AR) and Digital transformation. With these developments have come new improvements in the region of talent acquisition, planning and employee involvement that intercedes HR decisions being made. Nevertheless, the fact that more and more people start relying on this technology provokes valuable deliberations on the ethical consideration of automated decision making, threats of displacement of jobs, and the potential human loss of human relations in the HR processes. This paper discusses the nature in which the students, employees and HR professionals look at AI driven HR solutions with emphasis on technological processes and human centered work force. This study examines the degrees of acceptability regarding AI in HR and the concerns surrounding it.

Keywords: AI-Driven Human Resources, Digital Workforce Transformation, Employee Experience, Future of Work, Automation of Human Resources

Introduction

Human resource management has transformed significantly, rethinking and reformulating HR activities. With the growth of predictive analytics, automation, and artificial intelligence, these advancements have influenced labour planning, employee recruitment and employee engagement. The entry of the AI enabled recruitment instruments, HR chatbots, remote working and VR/AR training services have majorly transformed the scenario of workforce management. While these technologies make things easier, they do not necessarily solve the concerns on job displacement, ethics and the potential loss of human touch, which is a critical issue in efficiency and operations. Things of an ethical concern, and the potentially lost human touch of HR.

This paper aims to discuss the future of HR will look in more technology focused environment, investigating the benefits, constraints and opinions of students, HR experts and employees of the use of AI driven HR practices. The study will focus on essential technologies, its influence on employee satisfaction and the need to strike a balance between automation and human resources.

Research Objectives

- To investigate the purpose of AI in today's HRM.
- To determine what students and employees think about AI based recruiting.
- To explore the concerns of automation as a possible replacement of traditional HR functions.

Review of literature

M.K.Ganeshan (2023), The future of electronic human resources: Artificial intelligence and automation in human resource functions in the information technology sector. According to the CAPDR (2023), the usage of AI is transforming e-HRM and the whole process of talent acquisition and onboarding, as well as performance management by automating these processes. The study also states that AI-driven HR boosts efficiency by eliminating bias in recruitment and streamlining decision making processes. The paper also emphasizes the importance of ethics and transparency in AI-driven HR processes. With the increased employment of AI-assisted decision-making in HR departments, organisations must prioritize ethical hiring procedures, data protection, and employee rights.

Pubali Giti Borthakur, Bidyut Bikash Das (2023), Future of Human Resource (HR) in Industry 5.0: Embracing Technology and Beyond - A Study. A study by a ADTU (2023) explores the shift to industry 5.0, where collaborations between human and AI is crucial to HR. The research highlights advancements such as AI driven recruitment tools, digital assistants and workforce analytics. It argues that as AI takes over administration tasks, the HR department will need to redirect their focus towards strategic workforce planning, enhancing employee experience and fostering human AI collaboration. While AI enhances efficiency, the study underscores the necessity of balancing technology with human intuition for ethical workforce management.

Dr. Rajesh Timane and Dr. Priyanka Wandhe (2023), The Human Element: Adapting HR for the Technological Future. JETIR (2023) researches on the evolution of employee management, with a focus on the coexistence of humans and technology. The study points out both opportunities and challenges are presented by AI driven HR, arguing that organizations must create an equilibrium between automation and human centric workforce strategies. Key concerns include the potential loss of personal interaction in HR, ethical issues considering AI and hiring and the need for workforce reskilling. The study highlights the crucial task of HR professionals in ensuring that AI works to empower employees and not displace them.

Amer Abuhantash (2023), The future of HR management: Exploring the potential of e-HRM for improving employee experience and organizational outcomes. WJARR (2023) investigates the rise of electronic human resource management (e-HRM) and its influence on the success of an organisation. The research shows that HR analytics enabled by AI allows companies to make informed talent management decisions, thereby enhancing the efficiency of the overall workforce. However, it warns against excessive dependence on AI, as this could lead a depersonalization of HR processes and decline in employee engagement. The paper advocates for HR professionals to grasp both the strengths and limitations of AI to create a human centered, data-driven HR model.

Omer Aydın, Enis Karaarslan, Nida Gokce Narin (2024), Artificial Intelligence, VR, AR and Metaverse Technologies for Human Resources Management. ARXIV (2024) investigates how artificial intelligence, augmented and virtual reality (AR and VR) and the metaverse are reshaping HR functions. The study points out the application of VR/AR in training employees, developing skills and onboarding facilitates immersive training experiences. It also identifies AI powered virtual assistants and metaverse based workplaces as potential breakthroughs in HR, offering real time performance feedback, tailored career growth plans and AI driven mentorship programs.

Nonetheless, the research cautions that high implementation costs and employee resistance to AI driven virtual environments could hinder adoption rates.

Latifat Omolara Ayanponle, Oluwafunmi Adijat Elufioye, Onyeka Franca Asuzu, Ndubuisi Leonard Ndubuisi, Kehinde Feranmi Awonuga and Rosita Ebere Daraojimba (2024), *The future of work and human resources: A review of emerging trends and HR's evolving role*. IJSRA 2024 explores the evolution of HR functions in the 21st century influenced by AI, globalization and shifting workforce expectations. The paper underscores the necessity for HR professionals to become proficient in AI to stay relevant in an increasingly automated landscape. While AI has benefits such as data-driven workforce planning, streamlined recruitment processes and automated payroll systems, the study also discusses the concerns regarding biases in AI algorithms, ethical issues in AI based recruitment and selection, and privacy risks associated with workforce data. The research concludes that while the use of AI in HR cannot be avoided, it is crucial to adopt ethical frameworks and legislations to prevent misuse.

Muhammad Ashraf Faheem (2024), *AI-Driven Innovation In HRM And Its Impact On Business Management*". This research aims to analyze the impact of artificial intelligence (AI) on human resource management (HRM) by exploring how technology enhances business efficiency across various HR functions. AI continues to evolve rapidly, influencing multiple business sectors, including HRM, by transforming recruitment processes, employee training, and performance management. To assess these changes, a survey questionnaire, interviews, and document reviews were conducted to collect relevant data. This study identifies key trends in AI integration within HRM, evaluates its effects on business practices, and examines the challenges associated with AI adoption in workforce management.

Priyanka Sharma (2023), *Innovations in Human Resource Management: Adapting to the Future of Work*. This paper analyses those developments in HRM that are essential for the future of work. HRM is evolving to embrace a more data driven and strategic approach due to rise in automation, freelance work and an evolving human workforce due to hybrid work. Companies like Workday streamline their operations through AI innovations. Future HRM will optimize continuous upskilling and reskilling, support remote work and enhance workforce diversity while dealing with data privacy concerns, economic disparities and resistance to change. HRM will play a vital role in shaping agile, inclusive, and tech-driven workplaces.

Prabu Manoharan (2024), *A Review on AI Driven HR Systems: Revolutionizing HR Systems and Talent Management*. This study examines AI's role in recruitment, performance management, employee engagement, and training, demonstrating its impact on efficiency, cost reduction, and the accuracy of decision-making. AI-driven talent management assists organizations in identifying, developing, and retaining top high performing employees which helps in maintaining a competitive workforce. This research article combines industry reports, cases and data analysis to assess AI's benefits and challenges, including data privacy and algorithmic bias. The results of this analysis highlight significant growth in HR efficiency, effectiveness, employee morale and satisfaction, with practical recommendations for AI integration in HR operations. The study offers valuable insights for both HR managers and analysts, paving the way for future advancements in AI-driven HR systems.

Gavin Walford-Wright (2018), *Talent Rising; people analytics and technology driving talent acquisition strategy*. This study examines how technological advancements in talent acquisition align with strategic workforce planning. Using a mixed-methods approach, it highlights the impact of the "Talent Rising" model in improving recruitment efficiency and transforming recruiters into strategic partners. The findings emphasize the growing role of social media in talent branding, driven by the rise of digital-native candidates in the workforce.

Research Methodology

Types of Research Employed

- This study utilizes a descriptive method of research to explore the relationship between AI driven HR and how employees perceive it.
- A cross-sectional approach is also used, collecting data from respondents at a single point in time.
- A quantitative research method was implemented using standardized liquid scale questionnaires.

Types of sampling

The method used to select the participants is a non-probability sampling technique. The study employed Convenience Sampling. Accessibility and proximity are the factors influencing the selection of participants. In this study, convenient sampling focused on selecting college students and office employees who are familiar with AI driven HR practices.

By employing convenience sampling and snowball sampling, the study aimed to gather sufficient and varied sample of participants to provide meaningful insights into technology and role of HR.

Research Gap

Although the role of technology in HR is researched extensively, there is a lack of information in understanding its effects on early career professionals entering the job market. Most of these studies concentrate on how these tools improve efficiency, but very few examine how young professionals view AI powered hiring, training, and workforce management. In addition, to that, concerns are raised in terms of ethics regarding AI decision making, transparency and bias in HR processes. As AI continues to influence workforce management, it is imperative to examine the long-term consequences of how it can affect workforce management, career development and HR analytics.

Limitations

This research has a number of limitations that needs to be acknowledged for future researches. Firstly, the study's limited sample size consists of college students and early career professionals, which may not fully represent the perspectives of seasoned HR industry professionals and senior management. The research has utilised a cross - sectional design, which consists of data gathered from a set timeframe, preventing its ability to track long term trends in AI driven HR practices. A longitudinal approach would offer a more thorough understanding of technology changing roles in HR practices. Moreover, since the study relied on self-reported survey reports, findings may be influenced by personal biases, existing perception and judgements and limited familiarity with AI driven HR tools.

Analysis and Discussion

Demographic Analysis

Category	Key Observation
Age Distribution	The majority of the participants fall within the ages 21 and 23, comprising 48%, and those between the ages 24 to 26 represent 24%. Individuals in the 18 to 20-year age range represent 18%, while the least represented group, those over 26 years, makes up 10%.

Gender	40% are Male & 60 % Female
Industry Representation	The majority of the group is involved in Finance and Business (36%), followed by Technology and IT (34%). The remaining 30% are in HR & People Management.

Descriptive Analysis

HR Technology Adoption	Percentage of respondents
Digital HR improves employee satisfaction	78%
Believes VR/AR will be widely used for training	68%
Expects AI-powered job matching in recruitment	74%
Open to AI-driven interviews	55%
Thinks remote work & AI teamwork will be the standard	82%
Believes technology will have a positive impact on HR	88%

Interpretation

- A significant number of participants (78%-88%) agree on the benefits of AI on HR, digital HR tools, and remote work.
- However, acceptance is more moderate (55%) when it comes to AI-assisted interviews, reflecting varied perspectives.

Anova

Gender and interview preference

Null Hypothesis (H_0): There is no significant difference between gender and willingness to be interviewed by an AI-driven recruitment chatbot.

Alternate Hypothesis (H_1): There is a significant difference between gender and willingness to be interviewed by an AI-driven recruitment chatbot.

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.163	1	.163	.168	.684
Within Groups	46.717	48	.973		
Total	46.880	49			

Interpretation

- From the above table, the One-Way ANOVA results show that the F-statistic is 0.168 and the p-value is 0.684, which is greater than the 0.05 significance level.
- This indicates that there is no statistically significant difference between genders in their willingness to be interviewed by an AI-driven recruitment chatbot.

Scope of research

To expand on these findings, future researches can contain the following areas:

- Longitudinal studies: Implementing long-term studies would shed light on how AI driven HR develops over time and its effect on employee productivity, morale and job security.
- Sector - specific research: This focuses on a specific sector, analyzing the advancement of

technology across various industries, pinpointing unique challenges and opportunities in technological advancements in HR.

- Hybrid working models: As remote and hybrid become more common, future research should investigate how AI affects HR strategies for different teams and employees.
- AI ethics, and workforce transparency: Additional studies should concentrate on AI driven decision making in HR, its implications for employee privacy, strategies for bias reduction, and the ethical aspects of AI powered hiring and performance evaluations.

Addressing these gaps can help future researches on enhancing our understanding of how technology, specifically AI driven HR activities will progress and the ways in which organizations can effectively adopt AI while maintaining an ethical and human centered workforce management.

Conclusion

The adoption of AI, automation and digital tools is transforming the landscape of hiring processes, workforce management and employee engagement. This study explored the view of students, HR professionals and employees regarding AI driven HR solutions, emphasizing their efficiency and decision-making advantages while also discussing the concerns of loss of employment, ethical issues and loss of human touch.

As shown in the findings, there is a lot of acceptance of digital solutions, remote work technologies and AI driven workforce planning, although there is still scepticism about AI powered interviews and fully automated hiring processes. Despite the fact that AI may improve operational efficiency, it is essential to ensure human oversight to ensure transparency, fairness and adherence to standards of ethics.

For organisations to effectively implement AI in HR, organisations must find the optimum balance between automation and human centered approaches, making sure that efficiency does not come at the expense of employee wellbeing. In future studies, the researcher should focus on the long-term implication of AI, industry specific adoption and ethical governance of AI to facilitate responsible transformation in HR practices.

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