

# Opportunity of Implementation Artificial Intelligence in Human Resources Management

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To Link this Article: <http://dx.doi.org/10.6007/IJAREMS/v14-i1/24795> DOI:10.6007/IJAREMS/v14-i1/24795

Published Online: 04 March 2025

## Abstract

Organizations are using advanced technologies at a breakneck pace to improve HR operations efficiency. Through the automation of repetitive duties and the facilitation of decision-making, AI presents exciting prospects to enhance HR procedures. This study explores the significant benefits of implementing AI technologies in HR practices, such as Training and Development, Recruitment and Selection, Engagement, Performance, Workforce Planning, Compensation, and Employee Retention. By reviewing previous studies on the use of AI in HRM, the study takes a qualitative approach. It focuses on highlighting important areas where AI can be used and summarizing current understanding. The current study concludes that AI increases the effectiveness of hiring procedures by automating the screening of resumes and the identification of the best prospects. Using predictive analytics to build individualized work environments, also increases employee engagement. AI enhances performance management with intelligent assessment tools and customizes training and development programs to each employee's unique needs. The study advances knowledge of how AI has influenced HRM ideas, especially in relation to decision-making processes, talent management, and employee engagement. Managers who provide specialized tech solutions to match their demands can use AI to increase HR efficiency, lower operating costs, and improve employee experiences. The report emphasizes how AI has the ability to significantly change HRM and improve organizational performance as well as HR operations that are more strategically focused.

**Keywords:** Artificial Intelligence, Training, Recruitment, Engagement, Performance, Workforce Planning, Compensation, Employee Retention

## Introduction

Information technology and other advanced technological innovations have provided several advantages (cost savings, harmonization and integration of HR activities, efficiency, and support of international strategy) (Alkoud *et al.*, 2024), but they have also added barriers (more HR administration, work stress, technological property disappointments) (Vrontis *et al.*, 2021). In order to capitalize on potential opportunities, negative potentials, and threats, it is necessary to activate the era of coexistence and cooperation between humans and artificial intelligence (Vrontis *et al.*, 2021). The prior studies demonstrate that the main

advantages of AI were the elimination of repetitive jobs and accelerated quality. Similar to that, the biggest problems were a lack of training and technological readiness. Due to restrictions, AI is less able to be implemented in the overall hiring process and can produce results that are problematic in terms of their authenticity, AI is expected to take the role of administrative responsibilities in the hiring process as well as HRM's involvement in recruitment efforts, which will affect factors like job applicability and hiring results (Okeyika *et al.*, 2023). Likewise, AI-based employment offers a number of advantages to corporate processes like recruitment while keeping costs low and quality high (Faculty *et al.*, 2021). Artificial intelligence has a number of advantages, neutrality customization cost cutting, enhancing the employee experience with responsive software, maintaining great talent (Muralidhar *et al.*, 2023). Moreover, organizational advantages of AI, more notably its capacity to enhance process and organizational (financial, marketing, and administrative) performance (Wijayati & Rahman, 2021).

In addition, AI improves job performance through increasing flexibility and autonomy at work, as well as by encouraging creativity and innovation (Wijayati & Rahman, 2021). According Ihsan *et al.* (2023) time savings and learning are the two key advantages of employing AI to determine which development strategy is best for each employee, when AI is used in development, staff members can select the learning materials and goals they require and gain information in accordance with their learning preferences and priorities. Organizations must place a strong premium on building human competencies, leadership, a creative workplace, teamwork, and strategies to integrate AI into the workforce if they want to fully reap the rewards of implementing AI in HRM (Kaur & Gandolfi, 2023). The objective of this research is to investigate how artificial intelligence (AI) can improve human resources (HR) activities through training and development, recruitment and selection, engagement, performance, workforce planning, compensation, and employee retention.

This study is significant due to the critical role artificial intelligence (AI) plays in enhancing the efficiency and effectiveness of human resource management (HRM) practices. AI is one of the key innovations that enable organizations to streamline administrative processes, reduce human errors, and make more accurate decisions (Chakraborty *et al.*, 2020). Research indicates that AI contributes to improving employee experiences, increasing engagement, and enhancing retention through personalized strategies (Wijayati & Rahman, 2021). Moreover, it aids in reducing operational costs while boosting overall efficiency (Vrontis *et al.*, 2022). By exploring the applications of AI in HRM, this study emphasizes its growing importance in improving organizational performance and competitiveness, making it highly relevant for organizations, leaders, and decision-makers.

### **Background of Implementation AI in HRM**

There are a number of areas of use for AI in human resources. Chakraborty *et al.* (2020) claim that AI reduces human mistakes, helps manage risks, and facilitates quick decision-making. In addition, these aspects are in addition to how intelligent HR practices are capable of improving every HR-related activity, including giving candidates more help given that AI boosts availability, takes on monotonous chores, and gives digital assistance for dealing with users (Jatob *et al.*, 2022). In addition, in terms of, for instance, Managers' views of technical control, AI can benefit both leaders and HR. As a result, it is possible to guarantee that employees are guided through motivational tactics. The HR team may become more

disciplined as a result (Kambur, 2022a). AI offers HR the chance to automate low-value, repetitive processes and enhance attention to more important work. In general, HR services involve spending a lot of time on routine employee onboarding procedures, sorting through frequent inquiries and employee requests, and handling fundamental benefits administration. The HR teams may work more creatively and strategically for the development of the organization by saving time in such areas (Dilip & Rohini, 2020). Additionally, the adoption of AI enables HR professionals to concentrate on harder tasks requiring a lot of human interaction, the growth of employee careers, increased workplace engagement, and a strategy-focused approach are all examples of this (Sanyaolu & Atsaboghena, 2022). Moreover, in HR, AI is utilized to streamline processes, enhance judgment, and offer insights (Aydın, 2023). Likewise, AI presents an opportunity for HR teams to solidify their position as creative business owners working to improve service quality (Hayat & Stéphane, 2021).

The effectiveness of communication has been found to increase with the integration of AI into HRM operations, particularly in areas like e-based performance management and training and development (Varghese, 2023). Additionally, it provides an opportunity for automatic examination (Budhwar *et al.*, 2023). Moreover, these technologies provide the chance to create highly beneficial problem-solving techniques (Vrontis *et al.*, 2021). Likewise, it has been established that AI exists and is significant in many HR-related processes. Simple organizational activities are replaced by AI with little any human intervention, turnover rates are decreasing thanks to AI, and it retains talent better than humans (Singh *et al.*, 2020). Artificial intelligence will significantly improve the quantitative profile of the business function when it is implemented in human resource management, it will therefore become more flexible to cost-benefit analyses, this strategy is highlighted by artificial intelligence as a tool for making decisions (Sakka *et al.*, 2022). Moreover, The aim to limit losses in terms of labor costs to a minimum, in addition to using labor as efficiently as possible, is one of the potential accessible today for artificial intelligence in human resources (Kambur, 2022a). In addition, With the aid of contemporary technology, employee can not only communicate with various systems but also benefit from artificial intelligence's superior ability to spot minute details in data using algorithms (Kambur, 2022a).

AI technology can speed up the application process by creating forms that are easier to use and more likely to be completed by job applicants, hence lowering the number of applications that are left unfinished, internal mobility and employee retention - human resources departments can now measure employee engagement and job satisfaction more precisely than ever before thanks to customized feedback surveys and employee appreciation programs (Okeyika *et al.*, 2023). In addition, AI-based tools have the potential to significantly alter HRM procedures (Kshetri, 2021). Likewise, the tailoring of staff training and mentorship is an intriguing advantage of AI (Anand, 2022). Also, we can now design customized environments for each employee using AI technology so that they have a unique experience that motivates them to utilize corporate platforms and gives them access to data like they do in their consumer lives (Aldulaimi, 2020).

That AI provides the opportunity to make things function has proven to be reasonably effective and efficient, in other words, AI has the capacity to take the information you already possess and produce new information (Fadhilah, 2022). Artificial intelligence is connected to

advancements that can assist us in finding a solution, it is important to consider how information and technological advancements impact the high costs that must be borne and foresee how artificial intelligence may impact managers and employees (Fadhilah, 2022). By taking part in organizational transformation and embracing AI in HR management as an opportunity, HR leaders express their role as change agents; as a result, a favorable intention towards its implementation may be seen (Hmoud, 2021). Moreover, From an economic standpoint, AI can assist an organization by continuously enhancing efficiency in all facets of HRM and as it becomes the new trend for HRM in the future (Samarasinghe, 2020).

### **Research Question**

Previous studies examining the role of AI in HR practices are still in their infancy, and they have not discussed the roles of AI in detail. Hence, the main research question revolves around revealing the opportunities of Implementation Artificial Intelligence (AI) in Human Resources Management (HRM) in detail, therefore, the main research question can be divided into a number of sub-questions as follows:

- 1) What are the opportunities for applying artificial intelligence in training and development?
- 2) What are the opportunities for applying artificial intelligence in recruitment and selection?
- 3) What are the opportunities for applying artificial intelligence in engagement?
- 4) What are the opportunities for applying artificial intelligence in performance?
- 5) What are the opportunities for applying artificial intelligence in workforce planning?
- 6) What are the opportunities for applying artificial intelligence in compensation?
- 7) What are the opportunities for applying artificial intelligence in employee retention?

### **Research Contribution**

This research makes a significant contribution to the topic of human resource management by offering a thorough examination of the potential applications of artificial intelligence (AI) in HR procedures, notably in relation to hiring, training, and employee engagement. By examining how AI can improve decision-making, talent management, and employee interaction, it broadens our theoretical understanding. The research also provides managers with useful advice on how to use AI to boost productivity, automate repetitive operations, and personalize employee training initiatives—all of which will improve employee experiences and organizational success. Researchers like this one are a great resource for academics and HR professionals alike.

### **Research Methodology**

The study's methodology, which is qualitative in nature, focuses on content analysis of previous research on the application of artificial intelligence (AI) in human resource management (HRM). The report identifies important areas where AI may improve HR operations like hiring, training, and performance management by methodically reviewing prior research and theoretical contributions. The research endeavors to offer a thorough comprehension of AI's influence on HRM by amalgamating insights from diverse sources, without resorting to empirical data gathering or case studies. By taking this method, the study might indicate future research directions and expand on existing information.

## Literature Review

Advanced technology changes the way organizations operate and enriches and develops managerial skills, which contributes to raising business value. Through its contributions to productivity development and innovation, embracing AI has the potential to offer considerable benefits to organizations and economies (Baki *et al.*, 2023). Artificial intelligence has many advantages, just like any other technical development, and human resource management is no exception (Vrontis *et al.*, 2022). Like people in the organization are compelled by new technology to expand their cognitive literacy skills, lowering the operating costs, cutting down on time squandered at work, access to a huge consumer base, a supply chain, a distribution network, current technologies, and marketplaces (Elegunde, A. F., & Osagie, 2020). The automation of time-consuming and repetitive processes enables HR managers to concentrate on jobs that are valuable and call for special knowledge and skills (Pillai and Sivathanu, 2020). By supplying more and better-processed information, the reduction or minimization of errors brought on by machine learning also aids in improving decision-making (Badicu, 2022). Below we review the opportunities and areas of application of artificial intelligence in HRM in each of the following areas: training and development, recruitment and selection, engagement, performance, workforce planning, compensation, employee retention.

### *AI Opportunity in Training and Development*

The training in human resources management benefits the advantages of technological advancement and artificial intelligence. It should give employees the chance to offer feedback following implementation so that the transition process can be improved using first-hand experience (Niehueser & Boak, 2020). In addition to providing employees with extensive training and new educational opportunities, artificial intelligence also enables them to complete their changing job duties and develop the necessary abilities (Vrontis *et al.*, 2021). Moreover, The AI-based training and development system has the potential to address a number of issues and enhance organizational training (Shen & Zhu, 2020).

AI is capable of organizing, planning, and coordinating training sessions for every employee. Digital classrooms and online courses are the most popular options in that regard (Abdeldayem & Aldulaimi, 2020). Likewise, through online learning platforms, HR professionals may use new technologies in the training and development space to make their training programs more intelligent and effective (Tewari & Pant, 2020 ; Islam & Tamzid, 2023; Haidari & Chhibber, 2022). Moreover, Organizations that want to survive in this highly competitive world of digitization must constantly make sure that their employees are at the top of their game by providing them with the newest abilities necessary to finish their work quickly (Islam & Tamzid, 2023).

According to surveys, the average employee has less than 25 minutes per week to train and learn, for this reason, it is important to make the most of this time by using it to enhance employee skills through simple AI skills acquisition techniques (Abdeldayem & Aldulaimi, 2020). Hence it is crucial that employees are knowledgeable about the most recent advancements, trends, and modifications pertaining to their jobs (Tewari & Pant, 2020). Additionally, an algorithm that determines a person's career route based on their education and training may be employed with an AI system (Islam & Tamzid, 2023).

### *AI Opportunity in Recruitment and Selection*

Artificial intelligence has been utilized in the hiring process to investigate the implications on productivity and has found that there are sizable advantages, as a result, a wider scope of artificial intelligence application is being envisaged in the future (Niehueser & Boak, 2020). When it comes to reducing rote and administrative work like answering common inquiries, AI assists recruiters (Chilunjika *et al.*, 2022). Similarly, the primary advantages of AI are the speed and quality improvements it makes to the conventional hiring process by getting rid of tedious chores (Chilunjika *et al.*, 2022; Aldulaimi, 2020).

The adoption of jobs that will be replaced by technology by recruiters will have a significant impact on the deployment of AI in this field (Niehueser & Boak, 2020). Moreover, Human resource managers may be helped by AI technologies to find and match candidates to open positions (Kambur, 2022). In addition, recent and prospective breakthroughs in AI-driven recruitment should not be ignored or put off by managers because they have enhanced recruitment effectiveness beyond what is appropriate (Gupta, 2022). Furthermore, AI solutions provide several advantages that help firms become more successful and efficient, such as when hiring new employees (Kshetri, 2021). Likewise, organizations can utilize HRM and artificial intelligence (AI) to speed up staff replacement, boost individual retention rates, and help find and choose qualified candidates (Ruel, 2021; Tewari & Pant, 2020; Islam & Tamzid, 2023).

The HR team uses artificial intelligence (AI) in the recruitment process to assist them evaluate resumes, compare them to job descriptions, and find the best candidate by comparing them to current employees in the same role, this entirely removes bias and human meddling. As a result, AI facilitates a quicker hiring procedure (Soni, 2022). Therefore, AI definitely saves HR time and improves the quality of recruitment, it significantly reduces the time taken for recruitment and allows HR professionals to focus on other tasks (Islam & Tamzid, 2023). Moreover, AI helps organizations and recruitment agencies to operate efficiently by processing a large volume of applications in a very short time, with the help of AI, organizations can now improve candidate engagement, adopt high-volume, high-touch strategies, and build consistent and lasting relationships with candidates, AI-powered bots are used to communicate with candidates, answer their queries, and keep them well connected and engaged throughout the recruitment process (Tewari & Pant, 2020). Additionally, by using AI-powered software for the recruiting process, organizations can reduce recruiting costs per applicant by 71% and increase the efficiency of recruiting efforts by three times (Oluwatobi Opeyemi Adeyelu *et al.*, 2024).

### *AI Opportunity in Engagement*

Employee engagement is the enthusiasm and commitment of employees to their work and to using their physical, emotional, and mental capacities to do their job (Azeem *et al.*, 2024). In other words, engagement is a positive attitude that motivates employees to work hard and commit to achieving the company's goals (Azeem *et al.*, 2024). In addition, employee engagement is very important and has a huge impact on the success of an organization, which helps you achieve more business goals and develop your organization (Tewari & Pant, 2020). Moreover, employee engagement is influenced by various important internal variables. Hence, An intelligent system can learn from previous patterns to establish a baseline of

engagement factors for each function and create attrition patterns based on employee expectations and dissatisfaction (Islam & Tamzid, 2023).

Through the use of artificial intelligence-supported prediction methodologies, it is now simpler for enterprises to forecast the level of employee engagement. These methods and technologies can analyze huge quantities of data, produce significant results from them, and forecast employee engagement levels for the future and the present (George, Ginu, Thomas, Mary Rani, 2019). Furthermore, employers can analyze their employees' facial expressions on any given day to determine how they are feeling thanks to face recognition technology (Islam & Tamzid, 2023., Tewari & Pant, 2020). In addition, this contributes to the organization's improved understanding of employee behavior, which in turn helps workers feel valued and significant. Eventually, this raises employee engagement levels within the company (Tewari & Pant, 2020).

AI have a positive impact on employee engagement through the use of various innovative technologies. For example, AI-enabled employees can provide instant support, facilitate better communication with all team members, and improve the engagement experience (Saaida, 2023). Hence, employee engagement consists of clear roles, learning opportunities, rewards and recognition, grievance management, employee health and wellness programs - all of which can be achieved fairly and equally with the use of AI for employee engagement (Azeem *et al.*, 2024). Additionally, AI-powered systems can improve engagement and motivation by analyzing data about employee interests, preferences and skills, and creating a working system that meets individual needs (Saaida, 2023). Furthermore, AI helps analyze millions of data points and can predict not only current engagement but future engagement (George & Thomas, 2019).

#### *AI Opportunity in Performance*

The term performance is complex and can be interpreted in many different ways, making it difficult to give a generally valid definition. Performance in management can be measured using the criteria of efficiency and effectiveness, performance applies at different levels - personal, interpersonal, managerial, and organizational (Ostapenko *et al.*, 2024). In addition, performance represents a key measure of an organization's employees and reflects both the results achieved and the degree to which set goals are met, in management, performance is closely linked to the concepts of efficiency and effectiveness (Matos *et al.*, 2020). Moreover, Performance is considered a prerequisite for the development of any enterprise in a competitive environment, success in this regard can only be achieved through the effective use and integration of modern technologies to improve results with minimal effort (Yin *et al.*, 2024).

Performing well is just another crucial HRM procedure, artificial intelligence-powered systems have made this process extremely rapid and effective. For instance, these days scientific assessment techniques such as the 360-degree appraisal are carried out automatically, in order to produce performance-based outcomes, the system receives employee assessment criteria in addition to other pertinent data (Tewari & Pant, 2020). According to Širůček and Galečka (2017), Performance is the extent to which a prospective adopter believes that an IT innovation can be useful in carrying out a certain task. Similarly, human resource managers set the criteria that AI is programmed to follow, subsequently, it

can conduct a thorough assessment of the employees' performance ratings that were previously measured (Kambur, 2022).

The part of IT in employee performance is a critical subject within the field of data frameworks inquire about, particularly as regards their potential to make value. AI can also forecast an employee's likelihood of being performed because it is highly capable of picking up on the traits of productive workers in a given role. Additionally, AI obtains data from its database to determine whether the worker's abilities have improved (Kambur, 2022). Therefore, the effectiveness of an AI system depends heavily on the quality and accuracy of the data used. Poor quality or incomplete data can lead to inaccurate predictions and suboptimal performance. Ensuring high-quality data collection and management is critical to the successful adoption of AI ( Gu, Susie, 2024). Moreover, Personalized learning may be suggested by AI based on a employee skills by examining past performance patterns (Islam & Tamzid, 2023). Furthermore, AI-powered learning stages can utilize AI to analyze employee performance and upskilling specialists for future openings (Nimmagadda *et al.*, 2024).

#### *AI Opportunity in Workforce Planning*

Change and transformation in the workplace is not a new concept, looking back at history, the Industrial Revolution changed workplace trends. while today, computers and relate technologies have become more prevalent, cloud computing and automation software have fundamentally changed work trends across sectors (Syahnita, 2021). Similar, the location of the workplace will change, this will also be a new trend, physical desk work is being transferred mainly to the digital space, Artificial intelligence will also remove language barriers (Sobowale & Togun, 2024). It will give companies the opportunity to become more diverse and exploratory, It has been observed that innovations in artificial intelligence will replace human activities with robotic technology (Sobowale & Togun, 2024) .

In today's world, artificial intelligence is transforming the way businesses manage their workforce and create workforce plans to increase employee productivity and improve the level of work they do. Meanwhile, it has become essential to take into account employees' interests, not only in terms of their skills but also in terms of vacancies and the intake of junior employees, the use of new science-based technologies is crucial in today's millennial business world, which is experiencing a revolution in work-life balance, work content and ethics (Abdeldayem & Aldulaimi, 2020) . The new generation of employees is independent and growing, and the most effective way to communicate with them is through technology (Shelton, 2024). These fundamental changes in an organization's workforce require the adoption of digital transformation in AI to attract the right talent, serve customers, and remain competitive (Obinna Eziefulo Augustine *et al.*, 2022).

Traditional work trends have evolved a lot, before the age of automation, there were set times when employees had to report to work. Employees had to travel for hours to attend various meetings at a particular location, but now, thanks to the use of artificial intelligence, many employees can work from home and attend meetings remotely without having to travel from one place to another, the extensive use of artificial intelligence has been witnessed during the pandemic in the past two years, skill shift is another trend observed in the era of artificial intelligence (Syahnita, 2021; Sobowale & Togun, 2024). In addition, strategic workforce planning acts as a guide for businesses to effectively manage their workforce, this

strategic approach considers the current and future needs of the organization's workforce and primarily aims to identify potential gaps in skills or talent that may be required in the future (Takatalo, 2024).

#### *AI Opportunity in Compensation*

Compensation is an essential part of human resource management and is directly related to the performance of employees at work. It is a process of determining the compensation of employees based on certain policies and standards. An effective compensation management system in an organization will help improve individual performance as well as team performance (Tewari & Pant, 2020). In addition, the compensation and benefits offered by the organization play a vital role in retaining employees, it is becoming increasingly difficult for organizations to keep up with the benefits and compensation in the face of fierce competition in today's business world, HR should come up with compensation and other benefit structures to meet the needs of the organization, paying employees must be fair and competitive, as this will enable companies to attract and retain top talent, an effective compensation management system will help improve individual performance as well as team performance (Sanyaolu & Atsaboghena, 2022).

Automating the compensation system makes it easier for HR professionals to handle comprehensive HR compensation activities, which are closely related to managing employee performance results. Based on the existing skill gaps in the database, the organization's compensation and benefits plan will be quickly identified, managers can also use AI systems to collect the most relevant information about employee benefits and compensation, more specifically, individuals and teams can benefit from an efficient compensation management system that calculates different salary parameters based on their performance to ensure greater fairness (Ahmić, 2023; Abdeldayem & Aldulaimi, 2020). In addition, it is now possible to prepare payroll, payroll through computers, software applications are now available to help speed up the evaluation process, there are programs in this field that calculate salaries and evaluate the performance of individuals, especially for large or very large organizations, these systems also contribute to characterizing and maintaining fairness in the distribution of rewards as a system that includes a set of programs that help pension funds calculate all types of remuneration (Abdeldayem & Aldulaimi, 2020).

Artificial intelligence techniques based on neural networks can be a useful tool for establishing fairness in compensation assessments, neural networks can recognize relationships in large data sets by mimicking the way the human brain works (Tewari & Pant, 2020). Similarly, this technology can be used to create an intelligent support system to create a fair compensation evaluation system, AI can save time and help organizations keep up with changing market conditions and employee preferences, through big data analytics, historical and relevant data can be collected and used to predict future employee compensation trends (Ahmić, 2023). AI can be used to track changes in the job market, ensure employees are paid competitively, and create a system that adjusts employee compensation based on their performance, thereby encouraging employees to work smarter and harder, AI can help HR professionals create the ideal compensation package for their employees and offer fair compensation packages based on education, experience, skills, ensuring that businesses move closer to closing the pay gap (Sanyaolu & Atsaboghena, 2022).

### *AI Opportunity in Employee Retention*

Employee retention alludes to the capacity of an organization to hold its representatives over the long term. It is vital since tall levels of representative turnover can be exorbitant and troublesome to an organization, when representatives take off, their information, abilities, and encounter go with them, which can have a negative affect (Paigude *et al.*, 2023). In addition, employee retention is the capacity of the organizations to preserve particular bunches of experts working for them to reach their strategic targets (Steil *et al.*, 2020). As cited by Khalfan Obaid Alhosan Alshamsi *et al.* (2023) employee retention alludes to an organization's capacity to hold its skilled and experienced representatives. Additionally, employee retention can be recognized as the capacity to preserve the representative relationship with the organization in order to keep working within the organization. This will be related to the organization's endeavor to back, propel and energize the employees to remain within the organization for a longer period of time by following the number of specialists who are joining and clearing out the organization (Islam & Tamzid, 2023). Furthermore, employee retention is seen as the critical issue in organizations, especially in terms of monetary and non-financial, it is accepted that these workers are profitable to keep within the organization since they will offer assistance the organizations succeed. Moreover, it is encouraged for the organization to set up and execute the retention strategies in arrange to bolster them managing with the employee's purposeful to take off the organization (Khalfan Obaid Alhosan Alshamsi *et al.*, 2023). Essentially, retention strategies can be influenced by several factors in the HR function such as recruitment of suitable candidates, employee-management relations, compensation and benefits, work culture and environment, career development opportunities, etc. These factors can affect employees' satisfaction with the company and cause them to stay with the company for longer (Azeem *et al.*, 2024).

Employee retention has become increasingly important in recent years. High employee turnover can result in a loss of organizational knowledge and expertise, and a decline in the quality of the services provided (Azeem *et al.*, 2024). Moreover, employee retention has implications beyond the organization itself, It can affect business performance, labor market stability, and even regional economic development, employee turnover can result in loss of specialized knowledge and skills, increased recruitment and training costs, and reduced productivity (Khalfan Obaid Alhosan Alshamsi *et al.*, 2023). Therefore, employee retention has become a key issue for organizations, and retaining talented and experienced employees has become a top priority for many managers (Azeem *et al.*, 2024).

HR managers can use artificial intelligence to increase employee retention. According to a recent 2017 study by the Human Resources Professional Association, certain AI programs can analyze key indicators of employee effectiveness and improve employee retention, knowing this information can help HR managers implement retention initiatives before it's too late and reduce employee turnover as planned (Islam & Tamzid, 2023). Additionally, Human Resources (HR) can greatly benefit from applying machine learning and deep learning strategies, as these approaches have the potential to significantly improve employee retention, these techniques are classified as a type of artificial intelligence (AI) and allow for the analysis of large amounts of data and the detection of patterns within it (Paigude *et al.*, 2023). Therefore, the use of artificial intelligence (AI) and machine learning in the field of human resource management

has been the focus of several studies, which mainly investigated the use of AI and machine learning in the field of talent acquisition and employee retention (Paigude *et al.*, 2023).

Artificial intelligence also helps organizations retain their employees. Through the use of AI-based software, it becomes easier to find employees who may be considering leaving the organization. This is done by monitoring the browsing habits of employees on their computer systems. The data is studied over a month using the AI system and any signs that an employee is about to leave are reported to the employer so that necessary steps can be taken to prevent similar departures (Tewari & Pant, 2020). Similarly, the use of machine learning and deep learning algorithms can be a valuable tool in predicting employee retention in organizations (Paigude *et al.*, 2023). Additionally, AI-based machine learning solutions can help HR professionals predict employee turnover rates and identify which employees are most likely to leave and plan incentives to motivate employees, historical data is analyzed to understand trends from the data, all possible reasons for employee retention are considered in this forecast, AI can be used to monitor employee engagement, check employee satisfaction, get feedback from employees and respond as quickly as possible to ensure employees are happy and motivated, with a smooth onboarding process using AI chatbots, quick processing of employee feedback, ensuring employees learn the skills required for their roles and offering competitive compensation packages through data-driven solutions, employee attrition is less likely (Sanyaolu & Atsaboghena, 2022).

### **Theoretical Implications**

Theoretical implications of the work show that AI can greatly boost many HR procedures. AI makes individualized learning experiences possible in training and development, allowing programs to be customized to each employee's needs. AI reduces biases in hiring and selection processes by automating candidate screening and enhancing decision-making accuracy. Predictive analytics aids businesses in understanding employee engagement and raising it through workplace personalization. AI brings data-driven assessment techniques to performance management, providing more impartial evaluations. AI helps with labor planning by improving talent predictions and matching organizational needs. AI systems make sure that remuneration is equitable by evaluating performance data to guide wage modifications. AI also helps with overall organizational stability by identifying at-risk personnel and suggesting solutions to boost retention.

### **Managerial Implications**

The study's managerial implications show that AI has the potential to change HR procedures in a number of ways. Managers can use AI to tailor learning experiences in training and development, which will enhance employee happiness and skill acquisition. AI streamlines the hiring process by automating the screening of candidates, freeing up managers to concentrate on high-caliber candidates and hire more quickly. AI solutions provide real-time monitoring of employee engagement, enabling managers to increase employee happiness and motivation. In terms of performance management, AI offers data-driven, unbiased assessments that improve feedback and development procedures. AI helps with workforce planning by predicting talent requirements and maximizing resource allocation. By evaluating performance data, AI guarantees competitive and equitable salary structures for remuneration, hence improving staff retention. Finally, AI helps managers adopt measures to retain employees by identifying those who are at-risk.

### **Conclusion**

In summary, there are a lot of benefits and opportunities associated with incorporating artificial intelligence (AI) into human resource management (HRM). AI increases productivity by streamlining decision-making, automating tedious procedures, and freeing up HR staff members to work on more strategic duties. The report demonstrates how artificial intelligence (AI) may revolutionize several important HR processes, such as hiring, performance management, workforce planning, employee engagement, and employee retention. Organizations can use AI to lower expenses while improving employee satisfaction and retention with tailored strategies. Organizations must, however, make the appropriate investments in cultivating an AI-integrative workplace culture and human competency development in order to ensure successful adoption. HR directors must embrace AI's potential as it develops while being aware of its drawbacks in order to optimize its advantages for improving organizational performance.

### **Limitations and Directions for Future Research**

This study contains a number of limitations, despite the fact that artificial intelligence (AI) has a great deal of promise to alter human resource management (HRM). First off, evaluating the practical applications and results of AI integration in HR practices is made more difficult by the research's primary foundation, which is a survey of the literature without any empirical data. Second, the study's broad emphasis covers a variety of HR responsibilities without going in-depth into any one industry or geographic area, which may have an impact on how applicable AI is in different situations. Furthermore, while the benefits of AI are widely acknowledged, its drawbacks—such as privacy issues, ethical dilemmas, and the possibility of job displacement—are rarely discussed.

The real effect of AI on HR procedures should be assessed through empirical study in the future, with an emphasis on various industries, organizational sizes, and cultural contexts. Researchers ought to look into the ethical ramifications of AI-driven decision-making as well as the long-term effects of AI on productivity, employee happiness, and organizational performance. Future research may also examine how AI may be modified to improve diversity and inclusion in hiring and other HR-related tasks. Finally, a closer look at the function of human-AI cooperation and the best ways for businesses to get their workforce ready for AI integration will yield important insights for successful AI adoption in HRM.

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