

IMPACT OF ARTIFICIAL INTELLIGENCE ON HR PRACTICES OF BANKING AND AUTOMOBILE SECTORS

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Abstract: AI is fast developing Technology for across the world. In this paper discussing about How AI is using in Banking & Automobile sectors in India. Challenges, Benefits & Development by implementing AI in Banking & Automobile sectors. The world is constantly becoming more prone to technology due to globalization which implies organizations have to stay up to date in order to be competitive. Human Resource Management (HRM) is more important than ever, especially with a focus on the HR practices of new employees which will bring skills and knowledge to an organization. With Technological advances also comes the opportunity to streamline activities that previously have had to be carried out by humans. Therefore, it is of the highest importance to consider and evaluate the impact technology might have on the area of HR practices. The purpose of this is to research the implications that technological advancements, in particular Artificial Intelligence (AI), have for the HR practices. It aims to investigate where AI can be implemented in the traditional HR practices process and possibly make the process more effective, as well as what the implications would be of having AI within HR practices. The main benefits of AI were seen the speeded quality and elimination of routine tasks, while the major challenge was seen as the company's overall readiness towards new technologies.

Keywords: Human Resource Management, HR Practices, Artificial Intelligence, Recruitment, Performance Management, Training in Banking & Automobile.

HIGHLIGHTS OF THE ARTICLE:

- Results show that the area of AI in HR Practices is relatively new and there are not many companies that utilize AI in all parts of their HR Practices.
- Artificial Intelligence is quick developing across the world to customize insight for people.
- AI affected each banking office, this innovation is getting more intelligent for performing different activities.
- Banking area is turning out to be first adopter of AI like other segments, and banks are investigating and executing this innovation in different ways.

INTRODUCTION:

Artificial Intelligence has changed each part of the banking process. AI advances making Banking measures quicker and cash moves more secure and it additionally performs back – end activities more efficient. AI has affected each banking office. AI is quick developing across the world to customize insight for people. This innovation is getting more intelligent step by step and it is making more and more current enterprises to embrace this innovation for performing different activities. Banking area is turning out to be first adopter of AI like different Segments, and banks are investigating and executing this innovation in different ways. AI bring more brilliant visit bots for client care. In any event, putting AI robot for self-administration at banks. This innovation brings more productivity and even diminish misrepresentation and security hazards. As indicated by Fintech India report by pwc in 2017, the worldwide spending in AI contacted \$5.1 billion, up from \$4 billion out of 2015.

Need of the study

The purpose of this study is to identify how AI is used in Indian banking & Automobile industry sectors. To find the benefits & challenges facing in HR depart by implementation of AI & what it offers in different ways for both Banking & Automobile industry sectors. In which both sectors can improve operations & use resources effectively. This study is formulated to and is based on secondary sources of data.

Scope of the study

The present Study has been undertaken to examine the impact of AI on Human resources practices like Recruitment, Performance management, Training in Automobile & Banking sector have been considered.

Research Methodology

The study is based on secondary data. The data that has been collected from various sources like

- Journals (IRJET, IJSART)
- Newspapers (Economic times, The Hindu, Indian Express)
- Websites (HR Technologist, Digital HR Tech)

Objectives of the study

1. To study the role of AI on Human resources practices of Automobile & Banking sectors in India.
2. To study the Benefits & challenges of AI with respect to HR Practices of automobile & banking

Table no 1: Employees lost their jobs in banking sector by implementation of AI by 2030

Different positions	No of people affected
Tellers	40000
Loan officers	20000
Customer service reps	18000
Loan interviewers & clerks	12000
Financial managers	10000

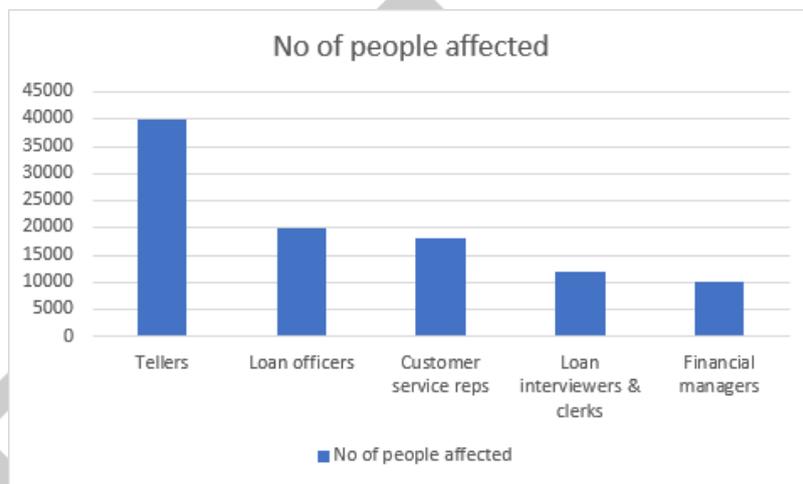


Figure no 1: Graphical representation of no of employees affected in different positions by implementation of AI in banking sector

Data Interpretation:

From the above graph, represented that no of employees may lose their jobs in different positions by implementation of AI

- For position of Financial managers, the no of employees may lose their jobs are 10000
- For position of Loan interviewers & clerks, the no of employees may lose their jobs are 12000

Table no 2: AI role in banking sector

Name of the bank	Improve efficiency	Reduce operational costs	Accuracy rate	Customers can get information about products & services instaneously
SBI	80%	85%	80%	80%
AXIS	75%	76%	78%	76%
YES	82%	75%	76%	73%
ICICI	81%	78%	79%	78%
HDFC	80%	75%	80%	75%



Figure no 2: Graphical representation of AI role in banking sector

Data interpretation:

From the above graph, represented that role of AI in banking sector

- In SBI Bank 80% improve efficiency,85% reduce operational costs,80% accuracy rate increased ,80% can get information for customers about products & services
- In AXIS Bank 75% improve efficiency, 76% reduce operational costs,78% accuracy rate ,76% customers can get information about products & services
- In YES Bank 82% improve efficiency,75% reduce operational costs ,76% accuracy rate,73% customers can get information about products & services

Table no-3: AI challenges in banking sector

Name of the bank	Scarcity of trained human resources	Unemployment	Collecting training data of sufficient quality
SBI	60%	79%	78%
AXIS	75%	80%	82%
YES	80%	85%	84%
ICICI	82%	80%	83%
HDFC	80%	85%	83%



Figure-3: Graphical representation of AI challenges in banking sector

Data interpretation:

From the above graph, represented that AI challenges in banking sector

- In SBI Bank 60% scarcity of trained human resources,79% unemployment,78% collecting training data of sufficient quality
- In AXIS Bank 75% scarcity of trained human resources,80% unemployment,82% collecting training data sufficient quality

Table no 4: Role of AI in Automobile sector

Name of the company	Advanced machine learning	Decision making
Tata motors ltd	80%	80%
Mahindra ltd	75%	75%
Maruti Suzuki ltd	70%	80%
Bajaj Auto ltd	75%	80%
TVS motor co ltd	78%	83%

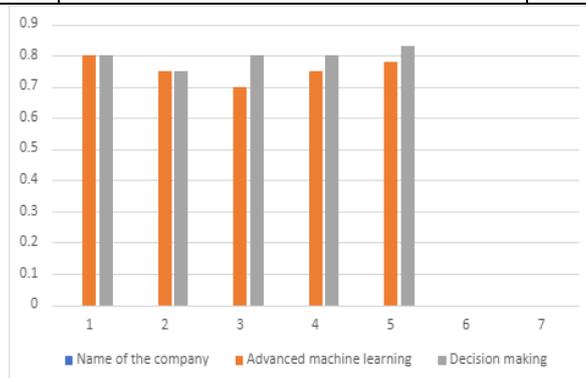


Figure-4: Graphical representation of Major factors of Role of AI in Automobile sector

Data interpretation:

From the above graph, represented that major factors of role of AI in Automobile sector

- In Tata motors ltd 80% of advanced machine learning,80% decision making
- In Mahindra ltd 75% advances machine learning,75% decision making
- In Maruti Suzuki India ltd 70% machine learning,80%decision making

Table no 5:AI challenges in automobile sector

Name of the co	Unemployment	Shortage of analytics leaders
Tata motors ltd	75%	60%
Mahindra ltd	75%	75%
Maruti Suzuki India ltd	75%	74%
Bajaj auto ltd	75%	76%
TVs motor co ltd	75%	80%

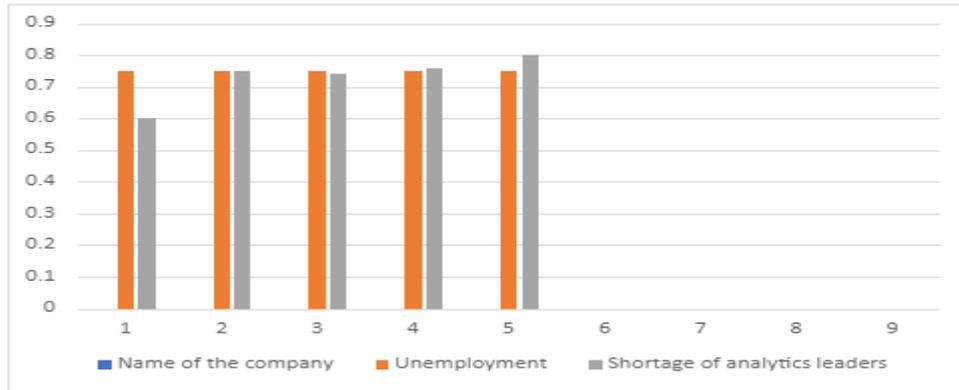


Figure no 5: Graphical representation of major factors of challenges in automobile sector

Data interpretation:

From the above graph, represented that major factors of challenges of AI in automobile sector

- In Tata motors ltd 75% unemployment,60% shortage of analytics leaders
- In Mahindra ltd 75% unemployment,75% shortage of analytics leaders
- In Maruti Suzuki India ltd 75% unemployment,74% shortage of analytics leaders
- In Bajaj auto ltd 75% unemployment,76% shortage of analytics leaders

FINDINGS:

1. 83% of AI has impacted number of employees working in SBI Bank.
2. 80% of employees affected in banks for the position of Tellers & least affected for the positions of financial manager by implementing AI.
3. 82% improved efficiency in YES Bank by implementing AI & it also leads to reducing operational costs, customers can get information about products & services within time.
4. 82% of scarcity of human resources in YES Bank & it collecting training data of sufficient quality for reducing unemployment problem.
5. 80% of AI impacted in Tata motors ltd & it leads to advanced machine learning & also for decision making.
6. 75% of AI impacted on employees in Automobile sector & leads to unemployment.
7. 80% of AI was impacted on employees working in Tata motors ltd & more opportunities for getting employment.
8. 80% of Training was provided to employees in SBI Bank & it was decreased to 60% after implementation of AI.

SUGGESTIONS:

1. AI must be adopted by other banks more for performing work efficiently & to complete work within time.
2. AI should bring more positions in the banks instead of affecting different positions in banks.
3. AI can bring more efficiency in the banks & reduce fraud & it also update information to the customers without any delay.
4. Banks should provide Training to the employees for reducing unemployment problem & also should provide efficient requirements like Training programs with sufficient quality.
5. AI will surely bring essential change in Automobile industry.
6. Analytics leaders are needed to reduce unemployment problem, for analysing the reason for getting unemployment problem in Automobile industry.
7. AI leads to more opportunities for employees for getting the employment in Automobile industry.
8. AI Develops easy process of providing to training to employees & it also caused unemployment problem.
9. AI makes easy process of hiring employees & evaluating employee performance & providing rating to employees without any bias & errors .AI impacted employee in positive way improving organisation development &will not create negative impression, employees will not create negative impression & also treat organisation for security not for insecurity.

CONCLUSION:

Banks are using AI for exploring & implementing this technology in transforming the way customers are assisted. The future of AI in Banking Sector is very bright, it even makes easier for customer to do transactions from any place & at any time. Without waiting any long queues at the bank. The Aim of AI is to provide Personalized & high-quality customer satisfaction along with efficient & Time saving services. Automobile industry using AI & developing that day is not so far when we don't need a driver. There are several practical applications of Artificial Intelligence with respect to Human Resource Management. In fact, artificial intelligence can be automated to assist hand in hand with the human resource management department throughout the employee lifecycle. However, there are also downsides that could cause fatal problems if the system is not programmed or managed correctly. The subject of Artificial Intelligence is far from complete; as with any other profitable business decision, it is a risk that should be taken with adequate consideration.

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