

AI to the Power of HRM: Building a Trustworthy Future

Abstract

The integration of disruptive technologies like Artificial Intelligence (AI) is transforming Human Resource Management (HRM), necessitating strategic alignment between HRM and technology. However, AI adoption in HRM raises ethical, legal, and privacy concerns that must be addressed for responsible implementation. This study investigates the current state of AI applications in HRM through surveys and interviews with HRM professionals and experts. It explores the key challenges faced and potential methods to overcome them. Thematic analysis of the qualitative data is conducted to identify recurring themes and patterns. The findings reveal numerous benefits of AI in HRM, including streamlined processes, improved decision-making, and enhanced employee experience. However, significant challenges hinder adoption, such as algorithmic bias, data privacy issues, legal implications for employment contracts, and employee resistance. Organizational readiness, ethical frameworks, and regulatory guidelines emerge as critical factors for trustworthy AI-HRM integration. By identifying these challenges and proposing a multilevel framework for developing ethical and trustworthy AI-enhanced HRM systems, this research sheds light on responsible AI adoption in HRM. The findings guide HRM professionals, organizational leaders, and policymakers in navigating opportunities and risks. It contributes to the discourse on disruptive technologies' strategic role in shaping the future of work and organizational practices, benefiting stakeholders across industries.