

CHAPTER 40

How HR Adopts to AI Automation and the Digital Workplace: A Pathway to Talent Transformation

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ABSTRACT

The rapid growth of Artificial Intelligence (AI), automation, and digital workplace technologies has fundamentally transformed the role of Human Resource Management (HRM). This study explores how HR adapts to these technological interruptions and acts as a cause for talent transformation. Review of existing literature, industry reports, and case analyses, the research highlights how AI improves HR efficiency in recruitment, training, and performance evaluation, while automation reduces, administrative workloads, enabling HR professionals to focus on strategic initiatives. Also digital tools enhance collaboration, flexibility and productivity. Findings show that successful talent changes depend on the integration of continuous recurrence, employee engagement and flexibility and integration of cooperation. However, challenges such as moral concerns, unemployment and data privacy are important. The study concludes that HR's ability to embrace technology while maintaining a human-focused approach is important for the creation of future-prepared organizations. Also, automation enables focus on strategy, routine payroll, attendance and compliance task are now automated.

Keywords: Human resources management; Artificial Intelligence; Automation; Digital workplace; Talent transformation.

1.0 Introduction

Automation, digitalisation and artificial intelligence are transforming the workplace of the 21st century. At the vanguard of this change is Human Resource Management which strikes a balance between the demands of business and the goals of workers. HR is essential to talent transformation, skill development and work force planning as digital technology reshapes the nature of work. The study investigates how HR responds to automation and artificial intelligence and how it serves as a means of transforming talent.

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2.0 Review of Literature

- *AI in HR*: Elect the role of AI in previous studies recruitment (start screening, chatbots, re - starting prepaid analytics).
- *Automation and HR functions*: reduces automation repetition functions, allowing HR to focus on strategic activities such as employee engagement, culture building and learning and development.
- *Digital Workplace*: Literature suggests that digital equipment increases cooperation, flexibility and productivity, but also bring challenges such as digital stress, privacy concerns and revived needs.
- *Talent Transformation*: According to the World Economic Forum (2020), by 2025, 50% of the employees will need retraining. HR should run to learn lifetime and make adaptable workforce models.

3.0 Relevance of the Study

This study is relevant because organizations are facing increasing reliance on AI-driven decision-making, demand for hybrid work models and digital skills, a talent gap in advanced technologies, and the need for HR to act not just as administrators, but as strategic partners in digital transformation.

4.0 Objectives

- To analyze how HR AI optimized for automation and digital workplace tools.
- To study the impact of AI on HR functions such as recruitment, training and performance management.
- To identify strategies for HR to drive talent transformation.
- To evaluate implications of digitalization for workforce well-being and organizational growth.

5.0 Hypothesis

H1: Adopting AI in HR improves efficiency and accuracy in talent management processes.
H2: HR adaptation for digital workplace equipment positively affects employee engagement and performance.

H3: Talent change depends significantly on the ability of HR to integrate AI, automation and continuous learning.

6.0 Research Methodology

- *Type of research:* Descriptive and analytical.
- *Data Collection:* Secondary data from magazines, reports (WEF, SHRM, Deloitte, PWC), and case studies of companies adopting AI in HR.
- *Analysis:* Comparative analysis of pre -and subsequent digital adoption in human resource practices.

7.0 Key Findings

- AI HR increases efficiency - eg, AI chatbots reduce the time of the recruitment cycle by 50%.
- The automation focuses on strategy - regular payroll, appearance and compliance work is now automated.
- Talent transformation requires retraining. HR must run continuous training programs to prepare employees for AI-operated roles.
- Employee experience improves - digital equipment enable hybrid work, flexibility and cooperation.
- Challenges remain - moral issues, job displacement fear and data privacy concerns should be addressed.

8.0 Implications of the Study

- For organizations: Invest in HR Tech to stay competitive and agile.
- For HR professionals: focus on administrative to strategic roles, emphasizing revival and talent development.
- For Employees: It is necessary to learn for a lifetime to remain relevant in the AI-managed economy.
- For policy makers: AI morality, employee data and guidelines on job safety require to frame.

9.0 Conclusion

The conclusion is that the integration of Artificial Intelligence (AI), Automation, and Digital Technologies is fundamentally re -shaping the role of human resource management (HRM) and is required to create future -prepared organizations. The findings of the study indicate that these technologies promote HR's efficiency in areas such as

recruitment and training and leave the administrative Burdon. For example, AI chatbots can cut 50% in the time of the recruitment cycle. Automation also streamlines regular functions such as payroll and compliance. Research also states that successful talent changes rest on HR's ability to combine AI, automation and continuous learning programs. The study emphasizes that employees must be engaged in learning lifetime to remain relevant in the AI-managed economy.

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