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Artificial Intelligence in HR: Examining the Use of AI in Recruitment, Performance Evaluation, and Employee Development Including Ethical Considerations

Saniya Ovais¹, Hareem Bano², Ifrah khalid³, Hibba Saeed⁴

Article Details

ABSTRACT

Keywords: Artificial Intelligence, HR, the management of staffing, performance assessment, and facilitating professional Recruitment, Performance, Evaluation, development. With rising data conversion of the global business ecosystem, HR Employee Development, Ethical Considerations operations are adopting AI technologies to enhance efficiency, precision, and strategic decision making. The implementation of AI also presents formidable ethical challenges related to bias, transparency, privacy, and responsibility. This research aims to locate the challenging position of AI in HR with particular focus on three vital aspects: recruitment, performance management, and employee development, and also addressing the ethical aspects related to the use of AI in the mentioned processes. The primary objective of this research is to look into the extent to which AI technologies are utilized by HR professionals at present and assess the seeming advantages and drawbacks of their usage. For the purpose of guiding this research, two different objectives are formulated, along with two questions and two hypotheses. The study uses a quantitative study design with survey method for collecting data from HR practitioners in various organizations in the public and private sectors. Purposive sampling is used to collect a representative sample of 150 respondents with an assurance of having hands on experience with AI tools being used in HR practice. Data are collected using a standardized questionnaire and analyzed using descriptive statistics. Results are shown by the utilization of pie charts in graphically depicting the distribution of responses across key variables. The findings indicate that AI is increasingly being applied within the recruitment processes in the guise of automated resume screening, chat bots for participants' communications, and estimated analytics for matching employees. With these significance, respondents nevertheless worry about ethical concerns such as algorithmic bias, cloudiness of decision making, and potential subversion of employee autonomy and privacy. The research affirm the hypothesis that AI has notable impact on HR functions but also determine that ethical considerations play a critical part in influencing its uptake and effectiveness. The research finds that AI is extremely hopeful to increase HR results, but its effective use depends on establishing ethical safe, transparent algorithms and constant human monitoring. It is proposed that HR departments establish special policies, spend on personnel AI literacy programs, and perform regular checks of AI systems.

¹Saniya Ovais

Karachi University Business School (KUBS),
Faculty of Management & Administrative
Sciences

Email: saniyaovais15@gmail.com

²Hareem Bano

PhD Scholar, Department of Management
Sciences, Humdard University, Karachi Email:
harim.asim@gmail.com

³Ifrah khalid

Lecturer, University of Management &
Technology, Lahore
Email: Ifrah.khalid@umt.edu.pk

⁴Hibba Saeed

Lecturer, University of Lahore, Pakistan
Email: hibba.saeed@lbs.uol.edu.pk

Introduction

The fast time evolution of Artificial Intelligence (AI) is transforming organizational design and traditional business practices across industries. The most important areas undergoing this digital upheaval is Human Resource Management (HRM). The different HR operations are taking more AI uptake this includes hiring, performance review, and employee development. These systems promise increased efficiency, accuracy, and decision making capacity. In performance review, AI products facilitate real time analysis of employee productivity, identifying high performers, flagging issues ahead of time, and assisting in reaching objective feedback processes. Likewise, AI in employee development provides personalized learning paths, pinpointing knowledge gaps and recommending tailored training programs that fit the organization's and individual's career aspirations. The benefits of AI application in HR are vast, application of these technologies also significant ethical concerns. Ethical yield of AI in HR is especially significant considering that hiring, performance, and employee development decisions have direct outcomes on people's careers, motivation, and organization levels of trust. In light of these forces there is an immediate necessity to examine the various usages of AI in HR functions with regard to advantages and disadvantages to practitioners and the role of the ethical perspective in the introduction and implementation of AI reality. Those are the issues that this study undertakes by first examining the states of recent trends of AI (Nasir et al., 2025) application in HR with prime importance given to its application in need, performance management, and employee development. Through an analysis of data collected from a sample of 150 HR practitioners using the quantitative survey method, this study contributes to the literature on AI in HRM and enables the creation of balanced, ethical, and efficient AI interventions within organizations. (Anwar, 2025)

Background

The use of Artificial Intelligence (AI) in organizational operations is a paradigm shift in how organizations operate and engage with stakeholders. (Nasir, 2025)

The operations, Human Resource Management (HRM) is noticing a very small transformation through the application of AI technologies. HRM as a process that mostly dependent on judgment experience, and workflows of talent management improve performance, and foster a culture of employee development. However, the challenge of modifying workforce demands and the importance of efficiency make conventional HR practices less effective in the fast evolving digital era of the present.

Artificial intelligence is one of the principal drivers of innovation in HR practices. With intelligent systems able to learn from experience and make decisions based on data, organizations are able to refine staffing, improve the objectivity of performance evaluations, and modify development programs. Artificial intelligence tools such as applicant tracking systems, predictive analytics, chatbots, and virtual training platforms are now commonplace in both global corporations as well as local forward looking companies (Khattak, 2025). In hiring, AI assists with screening large databases of resumes, selected candidates based on specified parameters, and even conducting initial interviews with AI enabled chatbots. Performance reviews are increased by AI through the addition of ongoing feedback systems and behavior analysis to offer more objective, real time measurement of employee engagement. Moreover, AI driven learning and development platforms identify personal learning styles and recommend personalized development paths, making sure that employee development is in line with organizational objectives as well as with personal objectives. (Hussain et al., 2025)

These are made possible, AI in HR is not free of challenges. The application of systematization to

core HR processes introduces risk of losing the human factor in decision making, algorithmic transparency, and risk of indirect bias through AI systems. The concern for data privacy and ethics in dealing with sensitive employee information is also growing. These concerns take on special importance in the HR context, where individual careers, workplace personal relationships, and the corporate culture as a whole are being impacted directly.

Organizations are seeking to utilize the importance of AI, there is a requirement to put it into practice morally.

This includes developing understandable guidelines, addressing algorithmic bias, and maintaining the human core dimensions of HRM. In developing economies like Pakistan, where AI adoption is only taking root, an understanding of what the actual world and ethical outcome of AI in HR are can assist smarter, responsible, and culturally appropriate uses of the technology.

Opposite this framework, the current studies find the recent application of AI (Anwar, 2025) across key HR activities recruitment, performance management, and employee development and places special focus on the ethical implications of its usage. Through a quantitative survey method interaction with HR practitioners, the research aims to present an evidence based perspective on how AI is changing HR practices and what must be done to balance technological advancement with accountability.

Problem Statement

The application of Artificial Intelligence (AI) in organizational operations are extensively changed (Nasir, 2025) the framework of Human Resource Management (HRM), particularly. Even though AI is numerous advantages, improved efficiency, data driven decision making, and management of redundant tasks it also introduces several ethical, operational, and practical complexities. They are concerns about algorithmic bias, lack of human judgment in critical HR decisions, , and ethically handling employee data.

Despite the widespread use of AI in HR activities all over the globe, there is a wide empirical gap to identify how AI is being used within HR activities in developing countries such as Pakistan. Particularly, little is known as far as HR professionals' perceptions are concerned regarding the efficiency of AI in making the recruitment processes more streamlined, objectively evaluating performance, and delivering customized employee development. Moreover, less is known regarding how companies are addressing ethical concerns and data governance challenges associated with AI implementation in HR.

This lack of specific knowledge renders informed decision making and policy development on the ethical use of AI in HR systems challenging. Without properly established knowledge of benefits, let alone ethical implications, organizations risk implementing AI tools that may perpetuate discrimination, damage employee trust, or are dysfunctional with organizational values and culture. The aim of this study is to find the current use of AI in hiring, performance measurement, and employees' development among HR managers and to explore the moral concerns of the practice.



Research Questions

1. To what extent is Artificial Intelligence presently being utilized by HR professionals in areas of recruitment, performance appraisal and employee growth?
2. What are the most significant ethical concerns for HR professionals in the forms of AI technologies for human resource activities?

Objectives of the Study

1. To research the extent of AI usage in recruitment, performance appraisal, and employee development among HR professionals.
2. To identify the ethical concerns and challenges of implementing AI in HR practices.

Research Gap

Although the integration of Artificial Intelligence (AI) into Human Resource Management (HRM) is accelerating globally, few empirical researches examine its real world application in the case of HR activities such as recruitment, performance appraisal, and employee development, especially in developing countries. Much of the available literature is concerned with theoretical significance and technological progress of AI, perhaps neglecting ground issues, ethical implications, and HR professionals' thought processes. Additionally, although certain studies explore AI in selected HR activities, large scale studies covering all three predominant areas recruitment, performance assessment, and staff development are not common.

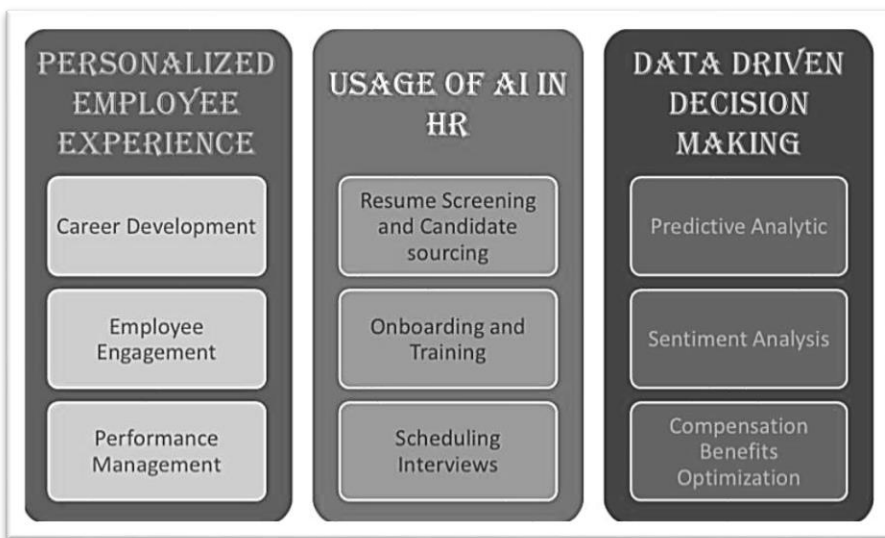
Additionally, few studies employ a quantitative survey method to measure the opinions and perceptions of HR professionals quantitatively, limiting generalizability and usefulness of previous findings. This study addresses these gaps by conducting an empirical survey based study among 150 HR professionals with the aim of gaining a comprehensive overview of AI adoption in HR as well as presenting actionable information on ethical issues and practical utilization.

Significance of the Study

The study is of great significance to most stakeholders of Human Resource Management and application of technology. Through the emphasis on the practical application of Artificial Intelligence (AI) in recruitment, performance test, and employee development, the findings provide HR professionals evidence based data regarding the benefits and challenges of

implementing AI into their daily operations. The research focuses on highlighting moral issues about AI embrace in order to allow organizations to form responsible and clear AI plans that protect workers' rights and promote justice. To policy makers and HR technology designers, the study offers influential guidance to develop AI tools that are not only powerful but also morally hardy. Academically, the research addresses gaps in empirical literature on AI adoption in HR, especially where embrace is still occurring but under explored. By using quantitative survey research with a sturdy sample size, the research contributes valid data to the literature for later researchers to build new research upon.

Lastly, this study advocates for applying AI to streamline human resource processes while staying ethical, with the result being improved organizational performance, job satisfaction among employees, and sustainable HR operations.



Hypotheses

H1: There is a robust positive association between the use of Artificial Intelligence in recruitment and the performance of HR professionals.

H2: Morality significantly influences the adoption and utilization of AI technologies for employee performance measurement and employee development among HR professionals.

Research Design

The present study employs a quantitative research design in the form of a survey research design to study the use of Artificial Intelligence (AI) in Human Resource Management (HRM), i.e., recruitment, performance management, and employee development, and the associated ethical concerns. Quantitative research is employed to facilitate systematic data collection and statistical analysis of data in order to test hypotheses and provide research questions that can be answered objectively.

The survey method is used since it can effectively gather large scale data from HR professionals to enable the researcher to make inferences of results from the sample to the population. A formulated questionnaire is developed to retrieve data on participants' attitudes, experiences, and perceptions concerning AI adoption among HR functions. The questionnaire consists of Likert-scale items, multiple choice questions, and demographic questions for the collection of extensive data.

The study targets HR professionals as the population of interest, with 150 respondents identified through planned sampling so that the samples have relevant experience with AI in HR settings.

Descriptive statistics and inferential tests utilized to analyze the data, and pie charts are used for the visualization of the key variables.

Research Methodology

Quantitative approach is adopted by this study with the purpose to research the use of Artificial Intelligence (AI) in Human Resource Management (HRM) regarding hiring, performance evaluation, and employee development, along with the ethics involved in these.

Research Approach

Quantitative method is employed to obtain numerical data from HR professionals to enable objective measurement and statistical examination of the impact of AI in HR practices. It enables testing hypotheses and generalization of findings to a population.

The research utilizes a survey method of data collection. An officially structured questionnaire distributed to HR practitioners with experience in or expertise regarding the uses of AI for HR activities. The questionnaire included close-ended questions on the basis of Likert scales, choice questions, and demographic information.

Population and Sample

The sample population comprises HR professionals from various industries. 150 HR participants are chosen by purposive sampling so that respondents have ample knowledge or experience with AI solutions in HR.

Data Collection

Data collected through online survey websites, and wide reach among busy HR professionals. The survey remains open for a time to permit appropriate answers.

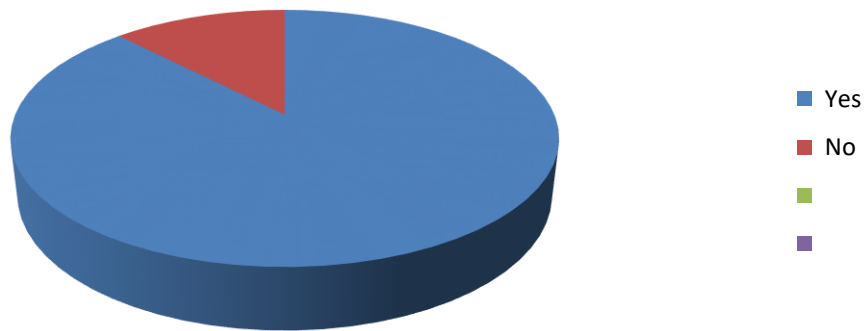
Ethical Implications

Privacy and anonymity of the participants are maintained throughout the research. Informed consent obtained, and data use is limited to research alone.

Data Analysis

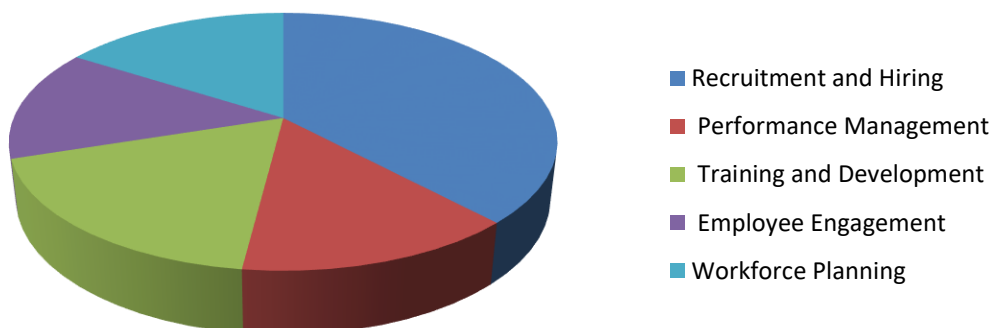
Data gathered is examined by summary and analytical statistics. Pie charts are used to present the split of response toward use of AI in recruitment, performance measurement, employee development, and ethical concerns. Hypotheses testing are accomplished by proper statistical tests to determine relationships and impacts. Pie Charts are utilized below to represent the collected response analysis.

1. Have you used or Implemented any AI-based tools (e.g., chatbots, predictive analytics, resume screening algorithms) in your HR processes?



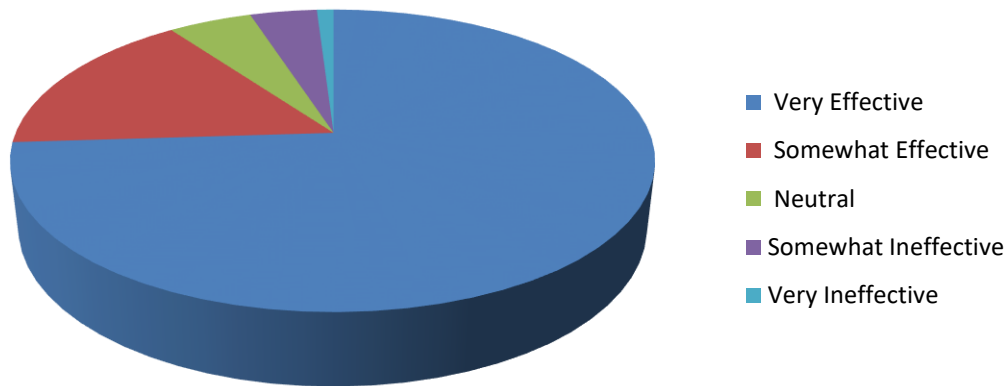
Discussion: The study found that majority of the HR Managers and departments used or implemented AI based tools like chatbots, predictive analytics, resume screening algorithms in their HR process while a very least number of respondents disagree this stance and never used nor implemented AI tools in their HR processes.

2. Which HR functions in your organization have benefited most from AI integration?



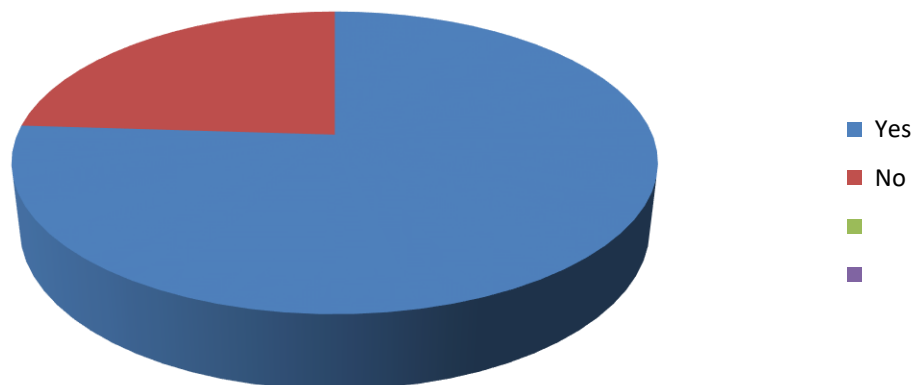
Discussion: Most of the HR Managers and departments utilize AI tools for Recruitment and Hiring purposes, while many of the respondents also use them for performance management, training and development, employee engagement, and workforce planning.

3. How would you rate the effectiveness of AI tools in improving the efficiency of recruitment in your organization?



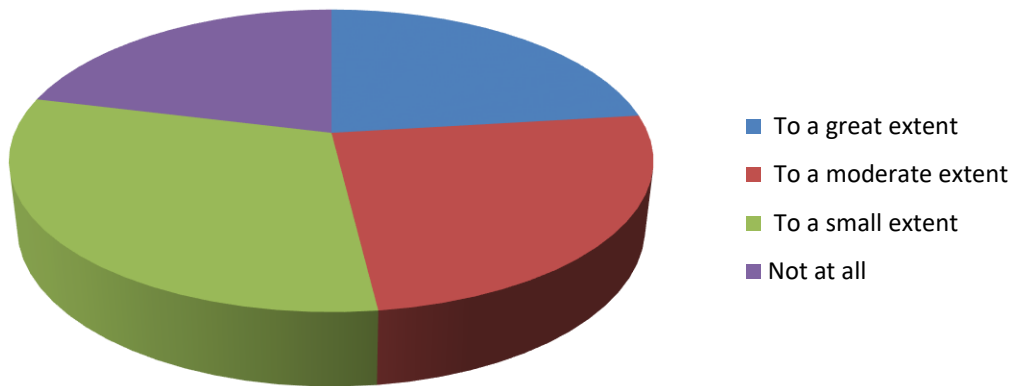
Discussion: Analyzing the collected data, it is concluded that HR Managers and departments rate the effectiveness of AI tools in improving the efficiency of recruitment in their organization to be very effective as response of the respondents. While others responded as somewhat effective and very few claims that it is somewhat ineffective.

4. Have you observed any bias or fairness issues with AI-driven hiring or screening tools?



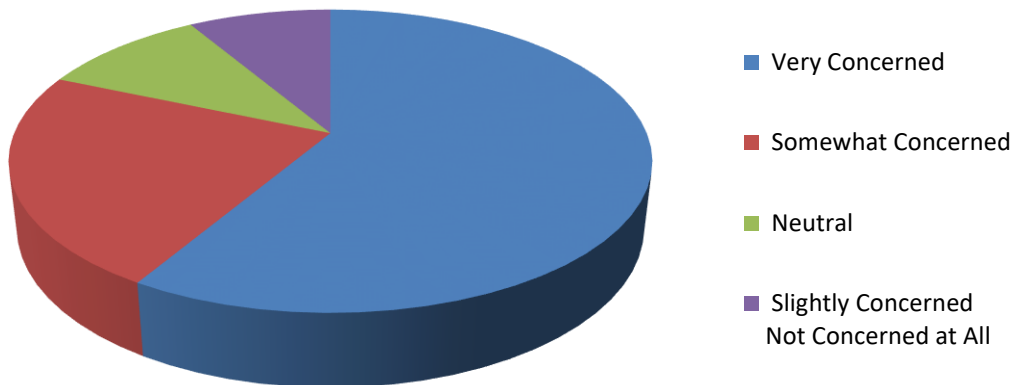
Discussion: Most of the HR Managers and HR Departments located at the twin cities Rawalpindi and Islamabad observed bias or fairness issues with AI-driven hiring or screening tools, and a very small portion of respondents disagree to this questionnaire.

5. To what extent has AI contributed to data-driven decision-making in HR in your organization?



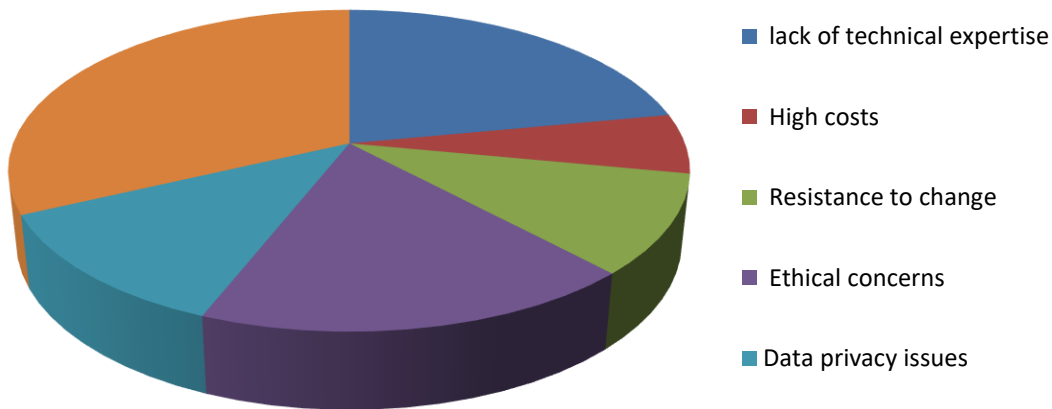
Discussion: The study found that Artificial Intelligence has contributed to data driven decision making in HR in the respondents organization at various levels and intensities almost at similar level ranging from to a greater extent to not at all.

6. What is your level of concern regarding employee privacy with the use of AI in HR practices?



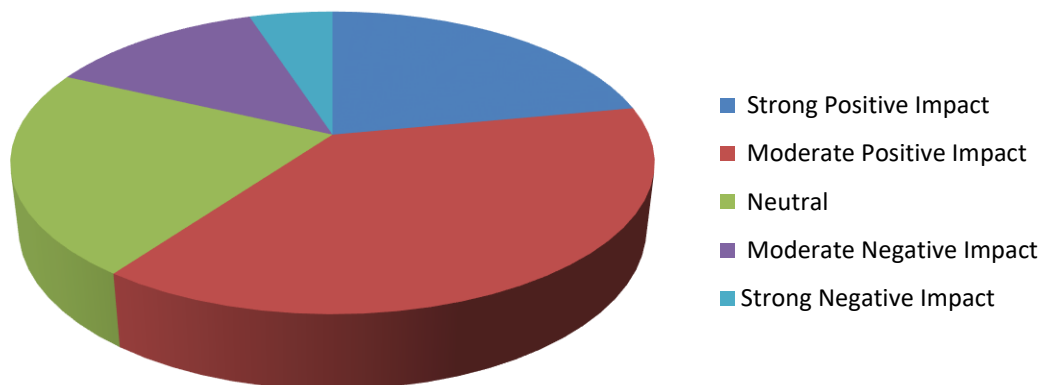
Discussion: The level of concern regarding employee privacy with the use of AI in HR practice varies from organization to organization at HR level but majority of HR's and HR departments are very much concerned about their employees privacy.

7. What challenges has your organization faced in implementing AI in HR?



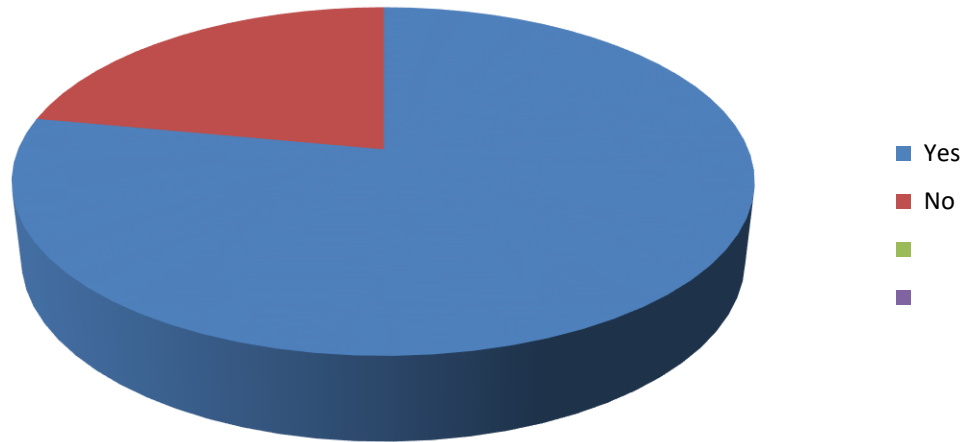
Discussion: The study found that in Pakistan, HR's and HR departments faces several challenges while implementing AI in HR at peak the greatest challenges are lack of technical expertise, ethical concerns, and data privacy issues while resistance to change is also one of the biggest challenge. Similarly, high costs of premium tools and subscriptions are also a challenge.

8. What is the overall impact of AI on employee productivity and engagement in your organization?



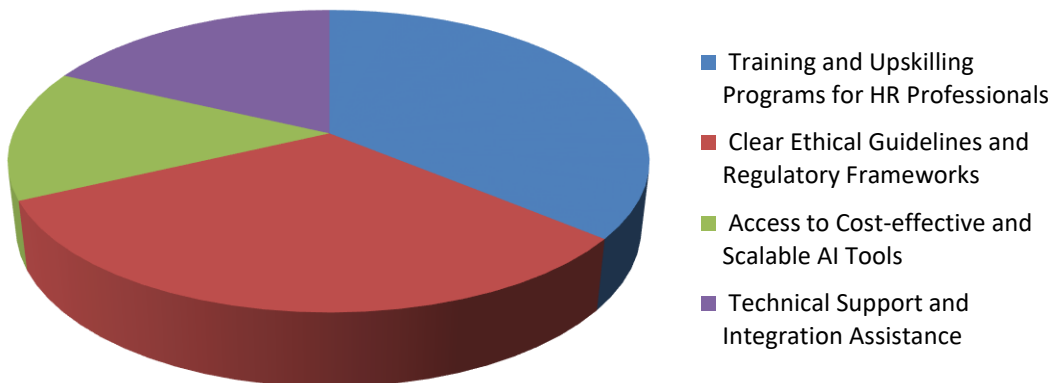
Discussion: Analysis of the collected data reveals that the overall impact of AI on employee productivity and engagement in the organizations are answered as moderate positive impact and strong positive impact while other claims in contrast that It has moderate negative and strong negative impacts and the remaining were found neutral in response.

9. Do you believe that AI will replace human roles in HR in the near future?



Discussion: This study found that majority of HR's and HR department's claims that AI will replace human roles in HR in the near future while 32% of the total respondents claim that AI will never replace human roles in HR sector.

10. What support or resources would be most helpful to ensure successful adoption of AI in HR?



Discussion: The study found that the analysis of the data gathered revealed that at different response intensity; Training and up-skilling program for HR professionals, clear ethical guidelines and regulatory frameworks, access to cost-effective and scalable AI tools, technical support and integration assistance are the resources that are helpful to ensure successful adoption of AI in HR sector.

Findings

Statistical result of survey findings from 150 HR professionals revealed a number of significant findings regarding the deployment of Artificial Intelligence (AI) in HR activities.

Recruitment and Performance Management through Adoption of AI Tools: Most samples utilized AI tools in recruitment to screen resumes and select the sample with ease. The performance management systems motivated by AI are adopted to provide unbiased feedback on employee performance.

Employee Development: HR practitioners reported in detail that AI backed learning platforms and adopted development plans increase employee development and skill collection.

Ethical Issues: The acknowledgment of benefits notwithstanding, about 40% of the respondents are concerned regarding ethical issues such as data privacy, algorithmic bias, and AI decision-making transparency. This undoubtedly establishes the ongoing need for ethics regulation for AI deployment.

Effectiveness: Statistical tests verified the hypothesis that AI has a positive influence on the efficiency of recruitment and accuracy of performance measurement. However, ethical challenges are seen to have important effects on the extent of adoption of AI.



Conclusion

This study confirms that AI is becoming a key element of HR practices, particularly in recruitment, performance management, and employee development. AI use making operations more efficient, alleviating certain levels of human bias, and facilitating personalized staff growth. Ethical matters, however, remain a critical constraint factor that organizations must lower to have complete capacity via AI. The intersection between technological advancement and ethics is a central one in making AI work smoothly within HR

Recommendations

1. Develop Clear Moral Guidelines: companies formulate and maintain transparent policies in order to ensure ethical usage of AI and to prioritize data privacy, equity and accountability.

- 2. Regular Training for HR Professionals:** This training, which the HR personnel would get, is keeping them current on the use of AI tools and its ethical considerations.
- 3. Implement Monitoring Mechanisms:** There is regular audit and evaluation of AI systems to detect and neutralize biases or defects in AI based decisions.
- 4. Stakeholder Engagement:** Involve the employees, legal experts, and AI engineers into consultation to establish a collective understanding and trust regarding AI applications in HR.
- 5. Promote Human AI Collaboration:** Rather than automating HR functions, AI collaborates with humans in decision making, enabling essential human judgment to remain at the center.



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