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### Abstract

*This paper describes how Artificial Intelligence (AI) has been adopted in India's Human Resource Management (HRM) between 2018 and 2025, focusing on two objectives: (1) to describe adoption patterns in Talent Acquisition (TA) and Performance Management (PM), and (2) to synthesize reported benefits and measurable outcomes (efficiency, quality, engagement) based on secondary data. Key signals from industry and platform reports show rapid diffusion of AI in recruitment (e.g., three in four Indian recruiters now invest up to 70% of hiring budgets in recruitment technology and AI), supported by sector-wide AI maturity gains tracked by NASSCOM. Recruiter surveys report faster screening, improved candidate-job matching, and some perceived bias reduction. Indian vendor case notes illustrate use of identity authentication and AI-proctored assessments at scale; skills-first approaches are associated with stronger retention intentions in India. In PM, Indian HR suites advertise continuous feedback, analytics dashboards, and AI assistants—capabilities that organizations use to increase review cadence and visibility on goals. We conclude with a concise agenda for better outcome measurement in Indian contexts and note the limitations of relying on heterogeneous secondary sources.*

**Keywords:** Artificial Intelligence (AI); Human Resource Management (HRM); Talent Acquisition (TA); Performance Management (PM); skills-first hiring; recruitment technology.

### Introduction

India's HR technology landscape changed significantly from 2018 to 2025. Recruiters, line managers, and HR analytics teams increasingly use AI to source, screen, engage, and assess candidates, as well as to track goals, summarize feedback, and analyze performance. Indian evidence from platform surveys and industry associations indicates that AI is no longer experimental in HR: 75% of recruiters in India now devote up to 70% of hiring budgets to recruitment technology and AI tools, while broader enterprise AI maturity continues to rise across sectors. In TA, common use cases include (a) skills-based search and matching, (b) resume triage, (c) conversational engagement and interview scheduling, and (d) proctored skills assessments with identity authentication. In PM, Indian HR suites emphasize (a) continuous goal tracking (often OKR—Objectives and Key Results), (b) real-time feedback and summaries, and (c) predictive or explanatory analytics for calibration. These features are visible in Indian product literature and case repositories and are repeatedly referenced in HR trade coverage. This paper narrows to two research objectives and relies only on secondary data such as platform reports, industry publications, reputable news coverage, and Indian vendor case notes.

### Literature Review

Indian surveys and media show rapid, mainstream adoption of AI in Talent Acquisition (TA): about three in four recruiters now allocate up to 70% of hiring budgets to AI-enabled tools, and nearly nine in ten use AI for sourcing—reporting faster screening (75%) and better candidate-job matching (59%). Ecosystem signals align: NASSCOM's AI Adoption Index 2.0 (2024) places India in the "Enthusiast" band with many firms at mid-maturity, indicating stronger foundations for AI-enabled HR processes (ETHRWorld.com; The Economic Times; NASSCOM).

In TA, companies deploy AI-proctored tests, interview authentication, and agentic assistants to curb impersonation and scale high-volume hiring (e.g., an HCLTech case on AI-driven authentication). Skills-intelligence platforms integrated with ATS/HRMS enable skills-first matching; an EY-iMocha study links this approach to higher retention intent. In Performance Management (PM), Indian suites (PeopleStrong, Keka, Darwinbox) promote AI-powered goals, continuous feedback, and analytics; vendor materials and HRWorld coverage claim "up to 40%" efficiency gains—figures that are indicative but should be read cautiously (Talview; EY; ETHRWorld.com; PeopleStrong).

LinkedIn's *Future of Recruiting* and Economic Graph resources—widely cited in Indian HR media—suggest AI advances skills-based hiring and quality of hire by improving job-description writing, sourcing of passive talent, and personalized outreach at scale; Indian teams often use these platform insights to justify investment in recruiting AI (LinkedIn Business Solutions).

### Research Objectives

1. Describe AI adoption patterns in Indian Talent Acquisition (TA) and Performance Management (PM) between 2018–2025.
2. Synthesize reported benefits and measurable outcomes (efficiency, quality, engagement) from secondary sources.

### **Research Methodology**

This study adopts a descriptive review design based exclusively on secondary data. We synthesized materials from Indian industry associations (e.g., NASSCOM), platform reports and datasets (e.g., LinkedIn Economic Graph and recruiting reports), reputable Indian business/HR media (e.g., Economic Times HRWorld and The Economic Times), and Indian vendor case notes and product pages used purely to illustrate use cases.

### **Findings and Discussion**

#### **1. Adoption patterns in India (2018–2025)**

##### **1.1 Talent Acquisition (TA)**

Indian recruiters report large and growing allocations for AI-enabled recruitment technology: ~75% of recruiters investing up to 70% of hiring budgets in such tools. This pattern suggests AI is now embedded across India's TA stack rather than confined to pilots. ([ETHRWorld.com](#)) Surveys indicate widespread use for sourcing: nearly nine in ten recruiters report using AI for candidate sourcing. Reported functional benefits include faster screening (75%), better matching (59%), and some perceived bias reduction (40%), implying adoption extends beyond search to triage and ranking. ([The Economic Times](#))

Mechanisms in use.

- Skills-based discovery and matching (embeddings, taxonomies) through platforms and ATS add-ons.
- Automated triage to generate shortlists and route candidates.
- Conversational engagement and interview scheduling to reduce cycle time.
- AI-proctored assessments and identity authentication to reduce fraud/impersonation at scale—highlighted in an Indian case with HCLTech. ([Talview](#))

At the enterprise level, AI maturity is rising across Indian sectors (NASSCOM AI Adoption Index 2.0), providing infrastructure and practices that indirectly support HR adoption (e.g., data pipelines, analytics talent). IT/ITeS and Global Capability Centers (GCCs) are frequently cited as early and heavy adopters due to scale. ([nasscom](#)) The diffusion curve in TA shows movement from efficiency-seeking pilots (screening automation) to quality-oriented stacks (skills-first matching + assessments + authentication) and experience layers (chat, scheduling). Trade coverage suggests many Indian teams now frame AI as a way to raise quality of hire, not only speed. ([ETHRWorld.com](#))

##### **1.2 Performance Management (PM)**

Indian HR suites advertise AI-powered goals, continuous feedback, and real-time analytics—often underpinned by generative features that summarize text inputs or nudge managers and employees to check in. Product pages and announcements emphasize visibility, cadence, and decision support rather than end-year forms. ([peoplestrong](#), [ETHRWorld.com](#)) Although India-specific PM adoption surveys are sparse, the availability and marketing emphasis on AI-enabled PM from Indian vendors, combined with global platform narratives about skills-based internal mobility and data-driven growth, indicate growing PM digitization with AI features. Indian trade coverage and vendor case libraries show diffusion across large enterprises and scaling mid-market firms. ([peoplestrong](#), [LinkedIn Business Solutions](#)) PM adoption moves from annual appraisals to continuous performance models supported by analytics and summaries; local product ecosystems (PeopleStrong, Keka, Darwinbox) accelerate this shift by bundling performance, engagement, and learning with AI assistance. ([peoplestrong](#))

#### **2 Reported benefits and measurable outcomes**

##### **2.1 Efficiency outcomes (time, throughput, effort)**

Indian recruiter surveys attribute faster screening (reported by 75% of AI users) and smoother sourcing to AI tools—two direct levers on time-to-shortlist and ultimately time-to-hire. Conversational scheduling further cuts administrative delays in interview orchestration. ([The Economic Times](#)) Indian product announcements claim substantial administrative efficiency gains from generative AI features. An HRWorld report on PeopleStrong cites “up to 40%” improvement in HR efficiency when AI is embedded “across the employee lifecycle,” implying significant time savings for PM documentation and review workflows as well. These are vendor-reported figures and should be interpreted as directional, not definitive. ([ETHRWorld.com](#)) Where impersonation and exam fraud pose risk in campus and entry-level hiring, Indian case notes (e.g., HCLTech) indicate AI authentication and proctoring reduce interviewer burnout and streamline workflows, which indirectly improves throughput. These outcomes are operational and case-specific rather than sector-level estimates. ([Talview](#))

## 2.2 Quality outcomes (match, retention proxies, performance signals)

Recruiter surveys report better matching (59%) when using AI—largely a function of skills-based search and resume parsing. While these metrics are self-reported, they align with the observable shift toward skills-first approaches in Indian practice. ([The Economic Times](#)) The EY-iMocha study in India associates skills-first strategies with stronger employee stay intent (report headline: 83% of employees more likely to stay when organizations prioritize skills). While intention is not realized retention, the statistic is relevant as a quality proxy for post-hire fit and development. ([EY](#)) Indian PM suites emphasize real-time goals and analytics that may reduce recency bias and “year-end crunch.” Product pages and blogs describe automated summaries and insights that help managers spot outliers and discuss development earlier. Although rigorous India-specific causal studies are limited, the convergence of features across major Indian platforms shows a common design intent toward more frequent, data-assisted evaluation. ([peoplestrong](#))

## 2.3 Engagement outcomes (feedback cadence, employee experience)

PM tools used in India are designed for continuous feedback and OKR check-ins. Global workplace-learning reports (widely used by Indian HR teams) find higher promotion and engagement patterns in organizations with strong learning and development practices—a signal that complements PM adoption and nudging. These are correlative patterns but directionally consistent with the purpose of AI-enabled PM. ([LinkedIn Learning](#)) Conversational AI in TA provides faster responses to candidate queries and smoother scheduling, which Indian recruiter surveys associate with a pivot from speed-only to quality and experience. This is evident in the way Indian coverage frames the budget shift toward AI tooling. ([ETHRWorld.com](#))

## Conclusion

From 2018 to 2025, AI became a mainstream layer in India’s TA and, increasingly, in PM. Recruiter-side surveys and budget data show broad adoption in sourcing, screening, and engagement; Indian case notes illustrate assessment integrity at scale; and skills-first approaches correlate with stronger retention intent. In PM, Indian suites promote continuous feedback and analytics; organizations use these features to increase cadence and visibility. The clearest, most consistent outcomes in India’s secondary evidence are efficiency (faster screening and process throughput) and quality signals (better matching; skills-first retention intent). Future Indian research should quantify time-to-hire, first-year outcomes, retention, and promotion effects before and after AI deployment, distinguishing between tool adoption and complementary process change.

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