



The Indian Journal for Research in Law and Management

Open Access Law Journal – Copyright © 2024

Editor-in-Chief – Dr. Muktai Deb Chavan; Publisher – Alden Vas; ISSN: 2583-9896

This is an Open Access article distributed under the terms of the Creative Commons Attribution-Non-Commercial-Share Alike 4.0 International (CC-BY-NC-SA 4.0) License, which permits unrestricted non-commercial use, distribution, and reproduction in any medium provided the original work is properly cited.

THE IMPACT OF ARTIFICIAL INTELLIGENCE ON MANAGEMENT

~Jenia Begam

INTRODUCTION

Artificial Intelligence (AI) is changing how companies run, cut expenses, and accomplish goals. Through natural language processing and predictive analytic, artificial intelligence will be a major factor in leadership decision-making by 2023. Due to exponential growth, 35% of firms now employ AI, and 42% plan to do so in the future. Companies may manage the workforce more effectively and use less time and resources when they use AI-driven scheduling tools. In the modern workplace, society must continue to operate while technology advances.

AI-Powered Improved Decision-Making:

AI's capacity to improve decision-making processes has one of the biggest effects on management. With their sophisticated algorithms and machine learning powers, artificial intelligence (AI) systems can analyze large datasets at rates that are unthinkable for humans. This gives managers access to data-driven insights, empowering them to make more strategic and well-informed decisions. AI brings a new level of accuracy to management activities, from risk assessment to predictive analytic.

AI Boosts Efficiency in Operations¹

AI in management enhances operational effectiveness by automating repetitive tasks, allowing managers to focus on more complex responsibilities. This promotes a more efficient work environment and reduces the risk of human errors, thereby enhancing overall efficiency.

Artificial intelligence and workplace diversity

Attempts by companies to promote diversity and inclusion may be hampered by AI algorithms' propensity to reinforce prejudices in previous data. To be an effective manager, one must confront these prejudices, encourage diversity in AI development teams, and make sure AI innovations

¹Jagannth International Management School, <https://www.jagannath.org/blog/the-impact-of-artificial-intelligence-on-management-practices/#:~:text=AI's%20impact%20on%20management%20practices,and%20creating%20opportunities%20for%20upskilling> .(June 08, 2024)

support workplace inclusion. As artificial intelligence (AI) continues to transform management practices, managers are essential in helping the workforce reskill, making sure workers have the skills needed to work together with AI technology. This entails determining skill shortages, putting training plans into action, and encouraging an adaptable culture.

AI APPLICATION AND MANAGEMENT ROLE

- Vision and Strategy:

Management should be aware of the advantages and disadvantages of AI and integrate them into their company plans. They should enlist the support of stakeholders and inform the company of their objectives and ambitions.

- Investment and Funding:

Management should set aside enough money for initiatives using artificial intelligence, including personnel and infrastructure. When designing and implementing AI systems, leaders should appoint data analysts, AI engineers, and other experts.

- Collaboration and Partnership:

To keep current on AI trends and breakthroughs, leaders should work in concert with other companies. Executives should think about the moral implications of artificial intelligence, such as data privacy, prejudice, and transparency. Responsible development and application of AI systems should include the necessary protections and controls.

- Handling Change:

Management should keep everyone informed about the status of AI efforts and provide for assistance and training for all parties.

IMPACT OF ARTIFICIAL INTELLIGENCE ²

Artificial intelligence (AI) is changing operations and opening up new development prospects for enterprises, so revolutionizing them. Its capacity to handle enormous volumes of data can improve important performance indicators including profitability, growth, productivity, digital transformation, and efficiency. AI can gain a competitive edge by identifying trends and opportunities, automating repetitive tasks, improving customer experience, lowering costs, assisting in fraud detection and prevention, improving maintenance prediction accuracy, strengthening cybersecurity measures, and helping businesses quickly develop and launch new products and services. From self-driving cars to medical equipment, artificial intelligence (AI) has been incorporated into many facets of our life to enhance productivity, lower human error, offer deeper insights, encourage wise decision-making, and enable round-the-clock operations. Artificial intelligence (AI) has a significant influence on organizations because it enables improved decision-

² Microsourcing, <https://www.microsourcing.com/learn/blog/the-impact-of-ai-on-business/>, (June 8, 2024)

making, customized consumer experiences, cost savings, fraud detection, predictive maintenance, and faster innovation.

AI IN MEDICAL INDUSTRY

In the medical field, artificial intelligence is being employed more and more; 38% of clinicians use it to diagnose patients. By 2022, Juniper Research projects that 75% of bot interactions would be successful, and by 2026, important clinical health AI applications may save up to \$150 billion yearly. Applications of AI include medication creation, remote patient treatments, better communication, patient diagnosis, and medical document transcription.

AI IN BANKING OR ACCOUNTING INDUSTRY

Artificial intelligence is being used by the banking industry to enhance client experiences, compliance, and fraud detection. According to IDC, by 2024 the industry will be one of the leading investors in AI solutions, with over \$1 billion in value anticipated by 2035. The application of artificial intelligence (AI) in accounting is also improving internal processes including purchase orders, billing, procurement, expense reports, and accounts payable and receivable tasks. Accounting revenue is predicted to reach \$161.8 million by 2028, and 80% of corporate executives³ think AI gives them a competitive edge. By 2035, it is anticipated that both industries will witness large expenditures in AI solutions.

CONCLUSION

AI in management offers several advantages, but it also raises issues such as data privacy and security. Steady steps to safeguard confidential data are required due to the growing dependence on data-driven decision-making. An openness to change and a change in organizational culture is necessary for the incorporation of AI into managerial processes. To properly utilize AI systems, managers need to possess the necessary abilities, which calls for ongoing education and training. Artificial Intelligence has a huge influence on management; it improves strategic planning, streamlines repetitive processes, and makes decisions better. Managers need to be ready to lead their teams into a future motivated by innovation and data-driven insights as their organizations adopt and incorporate AI technology.

³ Journal of accountancy, <https://www.journalofaccountancy.com/newsletters/2017/oct/artificial-intelligence-changing-accounting.html> , (June 8, 2024)