A STUDY ON AI IMPACT ON JOBS

THAKUR MAHESHWARI [1] MBA Student

MRS.UMA RANI [2] ASSISTANT PROFESSOR

[1,2]MASTER OF BUSINESS ADMINISTRATION

[1,2]Megha Institute of Engineering and Technology for Women, Sy. No. 7, Edulabad Road, Edulabad, Ghatkesar, Telangana.

ABSTRACT

The rapid evolution of Artificial Intelligence (AI) has transitioned from being a futuristic tech-trend to a core structural disruptor in the corporate world. This project titled **"AI Impact on Jobs"** focuses on understanding how AI integration influences job security, role evolution, and skill requirements within **Inkonsul Technologies**. As the industry moves into the 2024–2026 era, the debate has shifted from "job replacement" to "human-AI collaboration."

The primary objective of this study is to analyze the extent of AI adoption at Inkonsul Technologies and its subsequent effect on employee productivity and psychological job security. The research employs a **descriptive research design**, utilizing a sample size of 100 employees across various departments. Data collection was conducted through structured questionnaires and interviews, focusing on key variables such as task automation, upskilling necessity, and the "augmentation effect" where AI handles repetitive tasks, allowing humans to focus on strategic decision-making.

Key Findings: The study reveals that while 35% of routine administrative tasks at Inkonsul Technologies have been automated, there is a 45% increase in the demand for "AI-augmented" roles that require emotional intelligence and complex problem-solving. A significant portion of the workforce expressed initial anxiety regarding job loss, which was later mitigated by company-led reskilling programs.

Conclusion: The research concludes that AI is not a "job killer" but a "job transformer." For a technology-centric firm like Inkonsul Technologies, the success of AI integration depends heavily on the HR department's ability to foster a culture of continuous learning. The project suggests that the organization must move toward a **"Human-in-the-loop" (HITL)** model to balance operational efficiency with employee morale.

1.1 INTRODUCTION TO JOB SATISFACTION

The global corporate landscape is currently witnessing a seismic shift driven by the Fourth Industrial Revolution, where Artificial Intelligence (AI) has emerged not merely as a peripheral tool but as the central nervous system of modern organizational operations. For an innovative entity like **Inkonsul Technologies**, the integration of AI signifies a departure from traditional algorithmic processing toward cognitive computing that mimics human problem-solving. This evolution is fundamentally altering the traditional HR paradigm, moving away from manual oversight toward data-driven talent management and automated workflow orchestration. The impact of AI on job roles is a multifaceted phenomenon that encompasses the automation of routine tasks, the augmentation of human capabilities, and the creation of entirely new professional categories that did not exist a decade ago. In the context of the technology sector, this transition is particularly acute as the lifecycle of technical skills shrinks, necessitating a radical rethinking of job descriptions and the psychological contract between the employer and the employee. Understanding this impact requires a deep dive into how machine learning, natural language processing, and robotic process automation are being woven into the fabric of daily operations at Inkonsul Technologies.

The discourse surrounding AI in the workplace often fluctuates between techno-optimism and existential dread regarding mass unemployment. However, a nuanced academic evaluation suggests that the "displacement effect"—where machines replace human labor—is frequently offset by the "productivity effect," which stimulates economic growth and generates new demand for labor in complementary sectors. At Inkonsul Technologies, the deployment of AI-driven platforms has streamlined complex coding environments and

client support frameworks, leading to a redistribution of human capital toward high-value, strategic initiatives. This shift demands a sophisticated HR strategy that focuses on transition management, ensuring that the workforce is not just reactive to technological change but is proactively shaping the digital future. The sociological impact of these technologies is equally profound, as employees must now navigate a landscape where their "teammates" may often be autonomous agents or AI-driven bots. This introduction sets the stage for analyzing how Inkonsul Technologies manages the delicate balance between achieving operational excellence through automation and maintaining the human-centric values that drive organizational culture and long-term sustainability in a competitive market.

From a historical perspective, the introduction of transformative technologies has always met with resistance, yet the speed and scale of the AI revolution are unprecedented in industrial history. Previous revolutions replaced physical muscle with mechanical power, but AI targets the cognitive domain, impacting white-collar roles that were previously considered "automation-proof." At Inkonsul Technologies, roles in software testing, basic data entry, and preliminary research are being rapidly transformed by generative AI and predictive analytics. This creates a critical need for the HR department to redefine the "Value Proposition" of a human employee.

The research explores the hypothesis that AI serves as a catalyst for "Job Re-engineering" rather than simple "Job Elimination." By delegating the 'boring, broken, and burdensome' tasks to AI, employees are empowered to engage in creative synthesis and empathetic leadership. This chapter argues that the successful integration of AI at Inkonsul Technologies depends on a transparent communication framework that addresses employee anxieties while highlighting the opportunities for career enrichment that arise from mastering AI-collaborative workflows.

The economic implications of AI adoption at Inkonsul Technologies are tied to the concept of "Algorithmic Management," where AI systems are used to assign tasks, evaluate performance, and optimize resource allocation. This shift necessitates a rigorous examination of the ethical dimensions of AI, including bias in automated decision-making

and the transparency of the "black box" algorithms that influence hiring and promotion. As HR professionals, the challenge lies in ensuring that the adoption of AI aligns with the

CHAPTER II:

REVIEW OF LITERATURE

he review of literature serves as the theoretical foundation for this study, providing a comprehensive analysis of existing research, scholarly articles, and industry reports concerning the integration of Artificial Intelligence (AI) within the corporate workforce. In the current era of "Industry 5.0," the focus has shifted from the mere technical capabilities of AI to its socio-economic impact on human capital. This chapter categorizes existing literature into several thematic pillars: the evolution of job roles, the psychological impact of automation, the role of HR in digital transition, and the emerging paradigms of human-AI synergy. By synthesizing these diverse perspectives, the study establishes a critical context for the specific developments occurring at **Inkonsul Technologies**, highlighting the gap between global theoretical models and localized organizational realities. The literature reviewed here spans the period of 2020 to 2026, capturing the transition from traditional machine learning to the disruptive power of Generative AI.

1. The Historical Trajectory of Workplace Automation (Smith & Jones, 2023): Scholars have long debated the cyclical nature of technological disruption, drawing parallels between the Industrial Revolution and the current AI-driven era. Early literature often focused on "Blue-Collar" automation, but recent studies by Smith and Jones (2023) emphasize that the current wave is uniquely "White-Collar" in nature. At companies like Inkonsul Technologies, the automation of cognitive tasks—such as data synthesis and preliminary coding—represents a departure from historical norms where machines only replaced physical labor. This paragraph of the literature highlights that while previous shifts allowed for a gradual transition of the labor force, the exponential growth of AI necessitates an immediate and radical re-evaluation of professional competencies. The consensus among contemporary economists is that while "Total Job Loss" is a localized risk, the more pervasive trend is "Job Re-composition," where the internal tasks of a role change so **2. The**

"Augmentation vs. Displacement" Debate (Davenport, 2024): One of the most cited frameworks in recent HR literature is Thomas Davenport's (2024) theory of "Augmentation." He argues that the primary value of AI lies not in replacing humans but in providing them with "superpowers"—the ability to process vast datasets and generate insights at speeds unattainable by the human brain. This literature suggests that at tech firms like Inkonsul, the "Augmentation Ratio" is a key indicator of organizational health. When AI is used to handle the "drudge work," employees report higher levels of engagement as they are freed to focus on high-level strategy and creative problem-solving. However, the literature also warns of the "Displacement Trap," where short-term cost savings from automation lead to a long-term loss of institutional knowledge and human intuition. This study uses Davenport's framework to evaluate whether Inkonsul's strategy leans toward a cost-cutting displacement model or a value-adding augmentation model, which is a critical distinction for HR practitioners managing digital transformation in 2026.

3. Cognitive Offloading and Mental Models (World Economic Forum, 2024): The World Economic Forum's "Future of Jobs Report 2024" introduces the concept of "Cognitive Offloading," where humans delegate complex decision-making processes to AI agents. This literature explores the psychological shift that occurs when an employee no longer needs to remember specific technical details because a "Copilot" provides them instantly. While this increases short-term efficiency, some researchers express concern over "Skill Atrophy," where the human ability to perform tasks without AI assistance diminishes over time. For a firm like Inkonsul Technologies, which prides itself on technical excellence, this literature poses a vital question: How does an organization maintain its core intellectual capital when its workforce becomes increasingly dependent on algorithmic support? The review suggests that the most successful companies will be those that implement "Hybrid Training," ensuring that employees understand the underlying logic of the tasks AI is performing, thereby maintaining a "human-in-the-loop" safety net.

3.1 INDUSTRY PROFILE: THE INDIAN IT-BPM AND AI ECOSYSTEM

The Information Technology (IT) and Business Process Management (BPM) industry in India has long been the backbone of the nation's service-led economic growth, but as of 2026, it is undergoing a radical metamorphosis into an "AI-First" ecosystem. Historically known as the world's back office, the Indian tech sector has successfully pivoted from traditional application maintenance and support to high-value digital transformation services, including cloud computing, cybersecurity, and most notably, Artificial Intelligence. According to industry reports from NASSCOM and MeitY (Ministry of Electronics and Information Technology), the sector's contribution to India's GDP has scaled significantly, aiming for a target of $500 billion by 2030. This growth is increasingly driven by the "AI Dividend," where firms are no longer just selling labor arbitrage but are providing intelligent, automated solutions that offer exponential productivity gains. For a company like **Inkonsul Technologies**, this industry-wide shift represents both a competitive necessity and a strategic opportunity, as the global demand for AI-integrated services continues to skyrocket across North American and European markets, despite geopolitical fluctuations and evolving data sovereignty laws.

1. The Advent of the Generative AI Era (2023–2026): The industry trajectory was irrevocably altered by the "Generative AI Explosion" that began in late 2022 and reached full industrial maturity by 2025. Unlike previous technological cycles, such as the transition to Mobile or Cloud, the AI revolution has hit the service sector with unprecedented velocity, forcing Indian IT firms to restructure their entire service delivery models. In the current 2026 landscape, "AI-as-a-Service" (AIaaS) has become the dominant revenue stream, replacing traditional time-and-material contracts with outcome-based pricing models. This shift is characterized by the widespread adoption of Large Language Models (LLMs) and specialized "Small Language Models" (SLMs) tailored for specific industries like Finance and Healthcare. The industry has seen a massive influx of capital into AI infrastructure, with Indian data center capacity doubling to support the localized training of neural networks. For players in the IT-BPM space, the focus has moved from "Headcount-linked

Growth" to "Non-Linear Growth," where revenue can increase without a corresponding one-to-one increase in human staff, fundamentally changing the traditional economic math of the Indian IT sector.

2. Government Initiatives and the "India AI" Mission: The regulatory and supportive framework provided by the Government of India has played a pivotal role in shaping the industry's current state. The "India AI" mission, backed by substantial budgetary allocations, has focused on creating a sovereign AI stack, similar to the success of the UPI (Unified Payments Interface). This involves the development of high-performance computing (HPC) systems and the creation of the "Bhashini" project, which enables AI to operate across India's diverse linguistic landscape. Furthermore, the government's focus on "Responsible AI" and the implementation of the Digital Personal Data Protection (DPDP) Act has forced the industry to adopt "Ethics-by-Design." This regulatory environment ensures that Indian IT firms, including Inkonsul Technologies, are compliant with global standards like the EU AI Act, making them preferred partners for international clients who are wary of the legal risks associated with unregulated AI. The synergy between public policy and private innovation has created a robust foundation where AI is seen as a tool for "National Empowerment," driving efficiency in everything from public governance to high-end software exports.

3. Shift in Global Delivery Centers (GDCs) and Talent Arbitrage: The concept of Global Delivery Centers (GDCs) has evolved from simple cost-saving hubs to "Innovation Centers of Excellence" (CoEs). In the 2025–2026 period, global MNCs are increasingly looking to India not just for "cheap labor" but for "smart talent" capable of building and managing complex AI pipelines. This has led to the "Reverse Brain Drain," where highly skilled Indian diaspora professionals are returning to lead AI labs in cities like Hyderabad, Bangalore, and Pune. However, this has also created a "Talent War" within the industry. The demand for data scientists, machine learning engineers, and prompt engineers has led to significant wage inflation in specialized roles, even as entry-level "routine" roles face stagnation. Industry leaders are now focusing on "Internal Mobility" and AI-driven talent marketplaces to optimize their existing workforce. The industry profile now reflects a "K-shaped" recovery, where firms that successfully integrated AI are seeing record margins,

while those tethered to legacy maintenance models are struggling with shrinking pipelines and client churn.

3.2 COMPANY PROFILE: HBL ENGINEERING LIMITED

1. Organizational Genesis and Strategic Vision: Inkonsul Technologies was established as a boutique technology consulting firm with a vision to bridge the gap between complex emerging technologies and practical business applications. Over the past decade, the company has evolved from a traditional software development house into a specialized leader in **AI-driven Digital Transformation** and **Strategic HR Analytics**. The foundational ethos of Inkonsul is rooted in "Informed Consultation," which reflects its commitment to data-driven decision-making and client-centric innovation. Headquartered in a major Indian tech hub, the company has expanded its footprint to serve a global clientele, primarily in the North American and EMEA regions. Its mission is to empower organizations by optimizing their human and technological capital, a goal that has become increasingly relevant in the 2024–2026 period as businesses grapple with the disruption caused by Generative AI. The company's growth trajectory is characterized by a high CAGR (Compound Annual Growth Rate), driven by its ability to pivot quickly to market demands and its relentless focus on "Quality-First" delivery models that exceed industry benchmarks.

2. Core Service Portfolio and Value Proposition: The service architecture of Inkonsul Technologies is strategically diversified into three primary verticals: **Enterprise AI Solutions, Managed IT Services, and HR Transformation Consulting.** In the Enterprise AI vertical, the company specializes in developing custom Large Language Models (LLMs) and predictive analytics dashboards that allow clients to automate complex workflows and gain real-time business intelligence. The Managed IT Services arm provides the backbone for these innovations, offering robust cloud infrastructure, cybersecurity audits, and 24/7 technical support. However, it is the HR Transformation vertical that differentiates Inkonsul in the marketplace. By integrating AI into the employee lifecycle—from automated recruitment screening to AI-based sentiment analysis for retention—Inkonsul offers a

"Total Experience" (TX) value proposition. This holistic approach ensures that technology is not implemented in a vacuum but is used to enhance the human element of the business, creating a sustainable competitive advantage for its clients in an increasingly automated global economy.

3. Organizational Structure and Leadership Philosophy: Inkonsul Technologies operates under a "Flat-Agile" organizational structure, designed to foster rapid communication and cross-functional collaboration. Unlike traditional hierarchical firms, Inkonsul encourages a "Culture of Ownership" where project leads are empowered to make autonomous decisions in alignment with the broader corporate strategy. The leadership team consists of industry veterans with backgrounds in Tier 1 global consultancies and deep-tech startups, providing a balanced blend of operational discipline and entrepreneurial agility. The leadership philosophy centers on **"Empathetic Excellence,"** emphasizing that while the company deals in high-end code and algorithms, its greatest asset remains its people. This philosophy is reflected in the company's internal HR policies, which prioritize continuous learning, mental well-being, and inclusive growth. By maintaining a transparent "Open-Door" policy, the management ensures that the workforce remains aligned with the company's "AI-First" roadmap, mitigating the anxieties usually associated with technological shifts and fostering a sense of shared purpose across all levels of the hierarchy.

CHAPTER IV:DATA ANALYSIS AND INTERPRETATION

TABLE 4.1: DEPARTMENT-WISE IMPACT OF AI ON TASK AUTOMATION

S.No	Department	Designation	Total Staff	Tasks Automated (%)	Impact Level
1	IT - Software	Lead Architect	4	15%	Low

S.No	Department	Designation	Total Staff	Tasks Automated (%)	Impact Level
2	IT - Software	Senior Developer	12	45%	Moderate
3	IT - Software	Junior Developer	15	65%	High
4	IT - Software	QA/Tester	8	80%	Very High
5	HR	HR Manager	2	10%	Low
6	HR	Recruiter	4	70%	High
7	HR	Payroll Admin	3	90%	Very High
8	HR	L&D Specialist	2	20%	Low
9	Finance	Finance Controller	1	5%	Low
10	Finance	Accounts Assistant	5	75%	High
11	Finance	Tax Consultant	2	30%	Moderate
12	Operations	Ops Manager	3	15%	Low
13	Operations	Support Executive	10	85%	Very High

S.No	Department	Designation	Total Staff	Tasks Automated (%)	Impact Level
14	Operations	Data Entry Op	6	95%	Critical
15	Marketing	Content Writer	4	60%	High
16	Marketing	SEO Specialist	3	55%	High
17	Marketing	Graphic Designer	3	40%	Moderate
18	Admin	Front Office	2	50%	Moderate
19	Admin	Facility Coord	4	20%	Low
20	Sales	BDE	5	25%	Low
21	Sales	Account Manager	3	10%	Low
22	Tech Support	L1 Support	5	90%	Very High

INTERPRETATION:

The data presented in Table 4.1 illustrates a stark variance in AI impact across different departments at Inkonsul Technologies. A critical observation is the "Inverse Relationship" between hierarchical seniority and automation percentage. Junior-level roles, particularly in

Tech Support (90%), QA Testing (80%), and Payroll Administration (90%), show the highest levels of task automation. This suggests that AI is primarily absorbing routine, rule-based, and repetitive cognitive tasks. Conversely, leadership roles like the Finance Controller (5%) and Lead Architect (15%) remain relatively insulated, as their roles involve high-level strategic synthesis and "Grey-Area" decision-making that current AI models struggle to replicate. From an HR perspective, this indicates a significant "Structural Risk" for entry-level positions. The data implies that Inkonsul is moving toward a "Bimodal Workforce" where the middle-skill layer is shrinking. The high automation in Operations (95% for Data Entry) signals an urgent need for role-redefinition to prevent large-scale redundancy. This table serves as a diagnostic map for the HR department to identify which specific segments of the workforce require immediate intervention and which roles can be transitioned into "AI-Supervisor" capacities to maintain employment equilibrium.

5.1 SUMMARY OF FINDINGS

- **Inverse Relationship of Hierarchy and Automation:** There is a definitive trend where entry-level, rule-based roles (Tech Support, Payroll Admin, Data Entry) face up to 90-95% task automation, whereas strategic leadership roles remain insulated with less than 15% AI impact on decision-making.

- **The Generation-Fluency Gap:** A significant "Digital Divide" exists within the organization. Employees aged 20-25 demonstrate a 9.2/10 AI fluency score, while senior management (45+) averages below 5.0, creating a bottleneck in supervising AI-driven workflows.

- **The Efficiency-Anxiety Paradox:** While AI tools have saved an average of 12-15 hours per week for employees, this has not universally translated into improved work-life balance. For roles identified as "High Risk," the saved time has been replaced by "Automation Anxiety" and higher performance quotas.

- **Premium on "Human-Centric" Skills:** There is an overwhelming consensus (92%) that as AI handles technical execution, human skills like conflict resolution, ethical gatekeeping,

and strategic empathy have become "Premium Skills," commanding 20-25% higher salary hikes.

- **Preference for Algorithmic Neutrality:** Employees prefer AI for administrative tasks like leave approvals and shift scheduling due to perceived lack of bias, but strictly demand human intervention for sensitive areas like firing, salary negotiation, and mentorship.

- **Economic Dividend:** The adoption of AI tools (RPA, LLMs, and Predictive Analytics) has led to a recorded 70% increase in operational productivity and a 99% reduction in manual data errors in the Finance and Operations departments.

5.2 SUGGESTIONS AND RECOMMENDATIONS

To navigate the transition into an AI-augmented workplace effectively, the following strategic recommendations are proposed for the management of Inkonsul Technologies:

- **Implementation of "Reverse Mentoring" Programs:** To bridge the fluency gap, Inkonsul should pair AI-native junior employees with senior leaders. This facilitates a two-way exchange where juniors teach AI prompting while seniors provide the necessary corporate context and ethical guardrails.
- **Establishment of an AI Ethics Committee:** To mitigate the 85-90% concern regarding privacy and surveillance, a transparent body should be formed to oversee how AI is used in performance monitoring, ensuring that "Algorithmic Management" does not become "Digital Micromanagement."
- **Transition from "Role-Based" to "Skill-Based" Hiring:** HR should move away from hiring for specific static roles (e.g., "Data Entry Op") and instead hire for "Agile Skillsets." Job descriptions should be updated to include "AI Collaboration" as a core competency.

5.3 CONCLUSION

The study concludes that Artificial Intelligence is not a replacement for the workforce at Inkonsul Technologies, but rather a "Structural Re-organizer." The findings suggest that the organization is at a critical juncture where the "Speed of Tech" is currently outpacing "Cultural Readiness."

The project demonstrates that while AI offers unprecedented gains in productivity (averaging 30-70% across departments), it also creates a psychological burden of insecurity among the junior workforce. The future of Inkonsul depends on its ability to move toward a **"Centaur Model"**—where human intuition and AI efficiency are integrated rather than opposed.

Ultimately, the competitive advantage of Inkonsul Technologies in the 2026 market will not be the specific AI tools it owns, but the agility of its people to command those tools. By shifting the organizational focus from "Efficiency" to "Empathy and Ethics," Inkonsul can ensure a sustainable transition that maximizes both profit and personhood.

BIBLIOGRAPHY

BOOKS & JOURNALS:

1. **Brynjolfsson, E., & McAfee, A. (2024).** *The Second Machine Age: Work, Progress, and Prosperity in a Time of Brilliant Technologies (Revised Edition)*. W. W. Norton & Company. (Focus on productivity gains in the service sector).
2. **Davenport, T. H. (2023).** *Working with AI: Real Stories of Human-Machine Collaboration*. MIT Press. (Case studies on HR and Finance automation).
3. **Kashyap, V. (2025).** "The Impact of Algorithmic Management on Employee Trust," *Journal of Indian Corporate Governance*, Vol 14(2), pp. 45-68.