

Exploring the Role of Employee Well-being in Organizational Productivity: AI Perception in Indian IT Sector

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Abstract

Artificial intelligence (AI) is transforming the modern workplace, creating both fear of job loss and excitement about organizational improvements. This study uses structural equation modeling (SEM) to explore the combined effects of perceived importance of artificial intelligence, job insecurity due to artificial intelligence, and perceived business need for artificial intelligence on employee well-being and organizational performance using survey data from 350 IT sector employees from India. Our findings suggest that perceived usefulness of AI is positively related to employee well-being ($\beta = 0.36$, $p < .001$) and company performance ($\beta = 0.75$, $p < .001$). AI-related job instability had no significant direct effect on company performance ($\beta = 0.06$, $p = .372$), suggesting full mediation. However, it was positively related to employee well-being ($\beta = 0.19$, $p = .019$) and, more importantly, to the estimated company needs for AI ($\beta = 0.61$, $p < .001$). A significant compromise between well-being and achievement was highlighted by the fact that the felt company requirement for conventional artificial intelligence was a favorable predictor of organizational success ($\beta = 0.14$, $p = .044$) and adversely linked with employee well-being ($\beta = -0.40$, $p < .001$). While the measurement model demonstrated a suitable fit (CFI = .916, TLI = .907, RMSEA = .056), a biased validity issue connecting the significance of artificial intelligence and company performance is mentioned as a limitation. There are both theoretical and applied benefits for handling transformations in organizations brought forth by artificial intelligence. This research presents additional findings and limitations and suggests further investigations to understand

employee well-being and advises management to adopt artificial intelligence policies in the future.

Keywords: Employee well-being, SEM, artificial intelligence, organizational productivity, burnout, AI stress.

1. Introduction

1.1 Overview of the Rise of Artificial Intelligence

The rise of artificial intelligence in recent years has revolutionized the digital era. Modern organizations are adopting advanced human resource practices. Research indicates that Digital Twin Technologies (DTT) may improve these practices and enhance employee management. DTT can also support real-time data implementation and strengthen efficiency and decision-making processes in artificial intelligence. Further, the benefits and drawbacks, such as data confidentiality, budgetary constraints, technological advancement hurdles, and a lack of skills, are discussed, along with suggestions for proactive steps to tackle these challenges (Babita Bhati, Prachi Agarwal, Hermine V. Poghosyan, 2026). Most participants view artificial intelligence as a colleague in an office setting; however, they might be concerned that it will take over their jobs. While ethical rules have no effect on their openness to working with AI, at present, the majority of human-AI relationships are positive and encouraging, with few opportunities to work independently (Ofosu-Ampong, K., Renner-Micah, 2026). The improved efficiency of AI is one of the benefits of using AI, but it also raises issues related to the impact of AI on analytical thinking, confidentiality, and moral issues. A few CEOs are advocating for reskilling and upskilling the workforce to deal with the change wrought by AI; others are stressing the necessity for global regulations to deal with these issues. AI has already been employed in strategic positions such as data analysis, market study, and media creation (Duarte A, Dias P, 2026).

1.2 Statement of the Problem

Very few research investigations have concurrently simulated these conflicting factors within a particular standardized structure that connects employees' views of the value of artificial intelligence (AI), their career insecurity, their sense of business justification for embracing artificial intelligence, their well-being, and subsequently performance at work, contrary to

expanding academic attention. By employing data from surveys of 350 staff members to test a combined structural equation model (SEM), this research covers the gap that exists.

1.3 Research Question

This investigation primarily addresses the following research questions to understand the important aspects related to this study.

- (1) How does employee well-being connect to the perceived relevance of artificial intelligence and job instability associated with artificial intelligence?
- (2) Could the association between job instability and happiness/performance results be mediated by anticipated company requirements for artificial intelligence?
- (3) How do these assumptions about artificial intelligence affect company performance overall?

By offering answers to such concerns, this investigation adds to the body of knowledge on technologically induced organizational transformation while providing helpful recommendations for handling the adoption of artificial intelligence in an approach that preserves the welfare of employees in addition to performance-related objectives. By developing and analyzing a preliminary structural model in which employee well-being serves as the primary determinant of AI-related interactions, this pilot study addresses these gaps. The work contributes by examining the viability of the proposed links, identifying measurement problems in the AI constructs, and laying a solid foundation for a comprehensive verification examination, even though the pilot's small sample size limits conclusive results.

1.4 Significance of the Study

This study makes several contributions. It theoretically extends the literature by reframing employee well-being as a major contributor to AI-related workplace outcomes, which hasn't been fully explored in the literature. The AI Stress and Burnout Scale offers methodological guidance for the evolving field of AI in the workplace evaluation by highlighting model performance issues that have implications for future scale development initiatives. According to the report, organizational investments in employee well-being may serve as upstream enablers of efficient AI integration. This finding has an immediate influence on corporate change management, strategy, and AI planning processes.

1.5 Research gap

The outcomes of artificial intelligence in work environments are gaining attention from academics, but there are still three missing pieces that need to be filled. Initially, previous studies have tended to examine the negative side of AI (work instability, technological stress, and burnout) and its bright side (perceived usefulness, productivity benefits) as distinct literatures, rarely examining each in an integrated way to determine how they complement or counteract other studies. Estimated effectiveness of artificial intelligence as a private, natural evaluation, and perceived company requirement for artificial intelligence—the concept that a company must implement artificial intelligence irrespective of employee sentiment—have failed to be distinguished. Given that they indicate various variables of personal worth versus company requirement, they might correspond to employee well-being in opposing ways, a theory that was not thoroughly examined.

2. Literature Review and Hypothesis Development

2.1 Job Demands-Resource Theory

Numerous studies using the Job Demands-Resources (JD-R) model show that job demands are strongly linked to burnout, whereas insufficient job resources lead to disengagement. Empirical studies, including LISREL analyses, support a strong two-factor model of burnout and disengagement within the Oldenburg Burnout Inventory across diverse occupations (Demerouti, E., Bakker, A. B., Nachreiner, F., & Schaufeli, W. B., 2001; Bakker, A. B., & Demerouti, E., 2017). The findings emphasize the important role of a positive evaluation of technology and a supportive learning environment in virtual workplaces in China. A new term, techno-eustress, was identified, suggesting that a positive view of technology helps connect online learning and happiness. A company's learning culture is associated with online learning habits and techno-eustress to a much lesser extent (Tan, J., Zhang, M.M., and Zhu, C.J., 2026).

Artificial intelligence is a standard, multifaceted element of today's work environment, serving as both a resource and a necessity at the same time. The incorporation of AI creates computational observation, role boundary confusion, competitiveness, worry about shifts, and emerging skill demands. AI is an asset that enhances individual talents, improves information processing, lessens the load of repetitive tasks, and produces better results. According to JD-

R, the program's initiation depends on workers' personal resources. Workers with sufficient personal resources engage in the encouraging strategy: they use AI to increase their output, overcome stress associated with AI without depleting their resources, and view AI as meaningful and influential. Employees with limited resources participate in the process related to wellness harm because they perceive AI's demands as risky, its pressure as crippling, and its potential for efficiency as unachievable.

2.2 Conservation of Resource Theory

This research study is based on Hobfoll's 1989 theory, which holds that human beings seek to gain, preserve, and protect valuable assets that, if lost, might cause stress, and that they also seek to save them. A significant idea in business psychology, maintenance of resources theory (COR) discusses stressful situations in all their forms, from exhaustion to post-traumatic stress syndrome (PTSD). Incorporating other models, such as the job-resources-based model, it offers extensive, specific presumptions. This investigation supports the theoretical framework's foundations and its potential uses in organizational research (Stevan E. Hobfoll, Jonathon Halbesleben, Jean-Pierre Neveu, Mina Westman, 2018).

According to COR theory, productive individuals have sufficient mental and creative resources to evaluate and interact with AI in an office setting without depleting their overall capacity. By investing these resources, users can engage with AI in a beneficial and creative way, gaining a clearer understanding of its effects, keeping expectations in check, and guiding its potential toward beneficial goals. In contrast, staff members with limited resources view AI as an obstacle to their inadequate supply and deal with it competitively and cautiously, rather than integrating flexibility.

2.3 Artificial intelligence perception towards employee well-being

Whenever artificial intelligence (AI) is used to promote a healthy balance between life and work, lessen administrative responsibilities, and offer individualized medical assistance, workers frequently view it as a helpful instrument. Based on studies, implementing solutions that use AI can greatly improve workplace productivity and retain workers. Examples of these approaches include chatbots for psychological health, predicted exhaustion frameworks, and customized wellness initiatives (Dhand et al., 2025) This research looks at the ways in which AI affects business employee efficiency, handling stress, and overall health. Worker understanding of advanced artificial intelligence is found to be average, but there is a

significant receptivity to intelligence-enabled wellness initiatives. According to the findings, AI reduces labor stress, streamlines processes, and improves work-life balance. Workers use artificial intelligence (AI) tools to reduce stress, which leads to the view that a mixed human-machine interaction strategy is best for enhancing employee well-being and achieving goals for efficient work conditions (Kazim et al., 2025).

2.4 AI Adoption in the Workplace

This research highlights the significance of artificial intelligence in advancing digital outreach methods for financial products and its impact on advertising, quality, costs, and promotional channels. The research recommends further research using both existing and new models adopted by organizations, increased focus on AI applications, and instructional guidelines for staff on AI (Ali, Y.A., Al-Safarini, M.Y., 2026). An AI-led training program enhances telecom worker efficiency by employing artificial intelligence-powered learning systems that are interactive and engaging, thus boosting efficiency as well as quality (Arora, K., & Singh, A., 2026). Participation at work partially mediates the influence of staff AI interaction on work-life balance (WLB). AI understanding hampers participation by diminishing resources and increasing job risk, but it improves team-building relationships, showing that teams can turn technical risks into motivation. A baseline level of participation is crucial for good WLB (Pinho, J. C., Fontes, A., & Santos, G. G., 2025). The study reveals that job insecurity in human-AI collaboration may trigger technological learning anxiety and negatively impact employee performance, but workplace mindfulness practice prevents these consequences (Wu, T.J., Liang, Y., & Wang, Y., 2024).

The development of artificial intelligence has a significant impact on economic growth, with a noticeable slowdown. Inequalities in investment quality, knowledge, and standard technology determine performance by geographic location. Slow progress in AI limits innovation, and modest investments yield substantial improvements, whereas major capital investments have little effect (Wang, X., He, T., Wang, S., & Zhao, H., 2025). AI has transformed routine tasks and will operate as an important tool for managing advanced IT services in the future. We can expect to see profitability gains from increased efficiency and security across the sector in activities. However, many real-world barriers within organizations prevent full AI adoption and digital transformation, including data security, installation costs, a lack of skills, and complexity of integration. The research recommends incorporating custom execution for an

optimal blend of AI and organizational success (Amaeriworio & Ayebamieghayefa, 2026; Renuka Devi, M., Jiji, Y. S. I., & Hema, G., 2024). There are four main areas where artificial intelligence (AI) is being used in a significant way: security intelligence (spotting malicious activity), programming (code creation), information technology operations (AIOps) (self-governing architecture), and data analytics (producing smart forecasts) (P. Ishara Perera W. P., 2025).

2.5 Artificial Intelligence in Organizational Productivity

Organizations that use AI can support automated processes such as risk assessment, data collection, and data analysis. Ultimately, AI relies on its ability to identify trends and gaps and to conduct studies to evaluate the risk of business deals. It may categorize legal documents, examine public records for disputes, and detect confidential data, saving significant time and effort (Mukherjee, P., 2026). In the modern era, artificial intelligence has been affecting the workplace in two ways. AI improves worker autonomy, learning, cooperation, and organizational success when built on belief, good leadership, and people-centered practices. Employee views are influenced by factors such as perceived usefulness, job-task fit, and the benefits of AI visibility. On the other hand, concerns about job losses, lack of transparency, work uncertainty, and technostress can delay adoption and create opposition, even if AI can raise efficiency, expand flexibility, and inspire innovation (Avelar, S., Farinha, C., Tiago, F., Borges-Tiago, T., 2026; Rani, P., Bagri, K., Yadav, P., & Dahiya, S., 2026). In summary, the beliefs and anxiety of human resources managers about AI were the main motivators of their capacity to adopt AI. Robust, high-performance work systems can provide a pleasant atmosphere for the incorporation of AI into personnel and lower AI anxiety (Suseno, Y., Chang, C., Hudik, M., & Fang, E. S., 2022).

H1: Employee well-being is positively related to the perception of artificial intelligence.

H2: Productivity in organizations is favorably correlated with the recognized significance of artificial intelligence (AI)

2.6 AI-Job Insecurity on Employees Impacting Organizational Productivity

Basically, the development and likelihood of machine learning-driven automation raise issues related to job elimination, which is an important driver of employment insecurity, especially in

businesses that are already susceptible. Conventional professional interactions seem to be less effective in reducing such worries, even though online social media activity may provide considerable alleviation (Cao, 2024). The introduction of artificial intelligence poses a mental risk that increases individuals' job insecurity. The connection between the application of artificial intelligence and work performance is thus mediated by this sense of insecurity, which means that AI's effect on performance is mostly mediated via the job instability it causes. It is noteworthy that workers with moderate self-esteem are the most impacted, with the greatest degrees of anxiety and worst-case indirect impacts on their productivity. This demonstrates how the psychological burden of AI, especially for this ignored center category, can completely outweigh its promise for emancipation. (Liu & Ye, 2026).

H3: Job insecurity corresponding to artificial intelligence (AI) has a relationship with employee well-being

H4: Perceived company requirement for artificial intelligence (AI) has a positive relationship with job insecurity connected to artificial intelligence (AI).

H5: Productivity in organizations is connected to job insecurity caused by artificial intelligence (AI)

2.7 Employee Well-being and Organizational Performance

Job fulfillment, employment retention, and business efficiency are all greatly influenced by employee well-being. It encompasses emotional, working conditions, and personal components, stressing the need for opportunities for development, supportive conditions, and efforts to promote mental health to strengthen this specialized area of research (Naveena, C., & Murthy, Y. S., 2025). Organizations are adopting wellness programs, as they emphasize the importance of strong management, emotional intelligence, and strong support in promoting mental health through aesthetic and emotional resources, with OA serving as a proactive support system (Singh, V.K., & Keshari, 2026). Regarding the workplace, greater social interaction may reduce physical burnout. Conversely, the absence of social contact can lead to increased emotional exhaustion and feelings of helplessness, even when paired with high job demands that frequently diminish well-being (Giovanis E, Özdamar B, Ozdamar O, 2026).

2.8 Employee Well-being and Artificial Intelligence

H6: Employee well-being is connected to the projected company requirement for artificial intelligence.

H7: Organizational achievement is favorably correlated with the recognized company demand for artificial intelligence.

H8: There is a favorable correlation between performance at work and employee well-being

Summary of Proposed Hypotheses

The section presents the proposed hypotheses that were framed based on a systematic literature review to test the data further and make useful conclusions and suggestions from this research study.

Table 1: Summary of proposed hypothesis

Hypothesis	Statements
H1	Employee well-being is positively related to the perception of artificial intelligence.
H2	Productivity in organizations is favorably correlated with the recognized significance of artificial intelligence (AI)
H3	Job insecurity corresponding to artificial intelligence (AI) has a relationship with employee well-being
H4	Perceived company requirement for artificial intelligence (AI) has a positive relationship with job insecurity connected to artificial intelligence (AI)

H5	Performance in organizations is connected to job insecurity caused by artificial intelligence (AI).
H6	Employee well-being is connected to the projected company requirement for artificial intelligence
H7	Organizational achievement is favorably correlated with the recognized company demand for artificial intelligence.
H8	There is a favorable correlation between performance at work and employee well-being

3. Conceptual Model

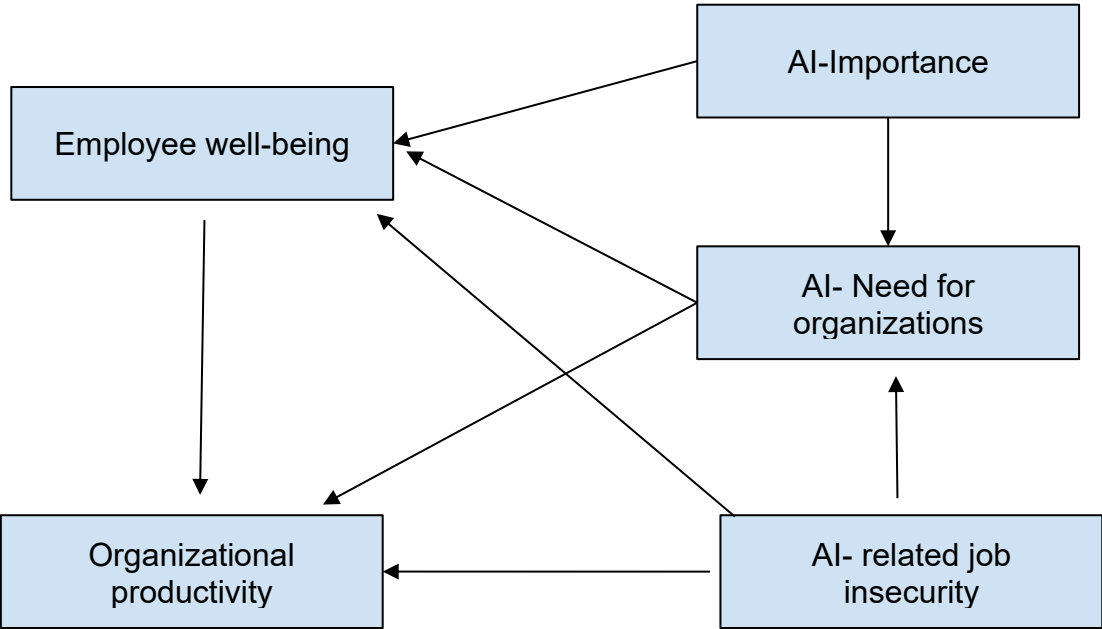


Figure 1. Conceptual Framework

4. Research Methodology

4.1 Research Design

Structural equation modeling (SEM) was carried out to assess the numerical, cross-sectional questionnaire design used in the present investigation. Since the objective of the research as a research study was to evaluate the viability of suggested models rather than to determine time-dependent causal linkages, a cross-sectional methodology was decided on.

4.2 Sample and Sampling Method

Information was gathered from 350 workers in the Indian IT industry. Using a technique called snowball sampling, the first responses were found through networks of professionals with the request to recommend more qualified peers. This strategy was used for real-world access to a regionally distributed population; Section 8 addresses its individual choice constraint. The eligible participants had firsthand knowledge of AI-powered applications or platforms in their regular job and were currently working at an IT company in India.

4.3 Method for data collection

A systematic, self-completed questionnaire was used to gather standard data, and it was delivered online via email or a survey website—describe which during the allotted time for collecting data. After starting the questionnaire, respondents were made aware of the objective of the investigation and the private nature of their comments. Participation was completely optional.

4.4 Data measures

In this study, the constructs were measured using multi-item scales on a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). For measuring employee well-being, it was measured using a standard scale and a self-made set of questions relating to artificial intelligence perception and overall organizational productivity.

4.5 Data Analysis

Two phases of data evaluation were carried out using the RStudio platform. First, the metric model's discriminant validity, convergent validity (AVE), and reliability were evaluated using a standard confirmatory factor analysis (CFA). Furthermore, 8 proposed routes (H1–H8) between five different latent concepts were examined using structural equation modeling.

Ethical Considerations

The respondents who contributed to this study were enrolled voluntarily and provided informed consent. The authenticity and confidentiality of the data were maintained, and no personal information was collected; the study was conducted in compliance with the ethical standards of research.

5. Data Analysis & Findings

5.1 Overview of sample

The pilot exploratory SEM data analysis is covered in this section. The two phases of the analysis were structural path exploration and measurement model evaluation. The total sample ($n = 350$) and the exploratory purpose of this research are explicitly acknowledged in the interpretation of all outcomes. Outcomes are not presented as conclusive affirmations of the suggested hypotheses, nor are they reported in terms of directions and relative consequence intensities. The presentation of the demographic profile of the sample size, where $N = 350$, is in the following table.

Table 2 presents the demographic composition of the sample ($N = 350$).

Variable	Category (code)	n	%
Gender	Code 1	233	66.6%
	Code 2	116	33.1%
Age	Code 1	284	81.1%
	Code 2	42	12.0%
	Code 3	15	4.3%
	Code 4	9	2.6%

Experience (years)	Code 1	74	21.1%
	Code 2	142	40.6%
	Code 3	85	24.3%
	Code 4	25	7.1%
	Code 5	24	6.9%
Department	Code 1	17	4.9%
	Code 2	191	54.6%
	Code 3	31	8.9%
	Code 4	33	9.4%
	Code 5	36	10.3%
	Code 6	42	12.0%

5.2 Measurement Model

The five-factor measurement approach was validated by confirmatory factor analysis. The range of values of the normalized loadings of factors was 0.50 to 0.85. For each model, the composite reliability was greater than 0.70. Though internally uniform, wellness questions recorded fairly varied subject matter, reflected by the mean variation extraction for employee well-being (0.363), which fell beneath the traditional 0.50 criterion advised; this is discussed in the research work.

Table 3: Measurement model

Construct	Items	AVE	Composite Reliability (CR)
Importance of AI	6	0.542	0.876
AI-related job insecurity	4	0.592	0.853
Employee well-being	8	0.363*	0.819
Organizational performance	5	0.493	0.828
Perceived business need for AI	5	0.636	0.897

By evaluating the square root of every construct's corresponding AVE (diagonal) to its associations with other corresponding constructs, discriminant reliability was assessed using

the Fornell-Larcker criterion (Table 3; Fornell & Larcker, 1981). All construct combinations showed validity for discrimination, with a notable exception of the relevance of artificial intelligence and organizational efficiency, where correlation ($r = 0.768$) was greater than the $\sqrt{\text{AVE}}$ levels of both concepts (0.736 and 0.702, correspondingly). This is mentioned as a drawback and indicates that the two concepts may not be completely distinct in the current population.

Table 4: Measurement model

	EWB	ImpAI	JobIns	OP	BN
EWB	(0.602)				
ImpAI	0.402	(0.736)			
JobIns	-0.090	-0.105	(0.769)		
OP	0.362	0.768†	0.050	(0.702)	
BN	-0.347	-0.201	0.609	-0.008	(0.797)

5.3 Structural Model and Hypothesis Testing

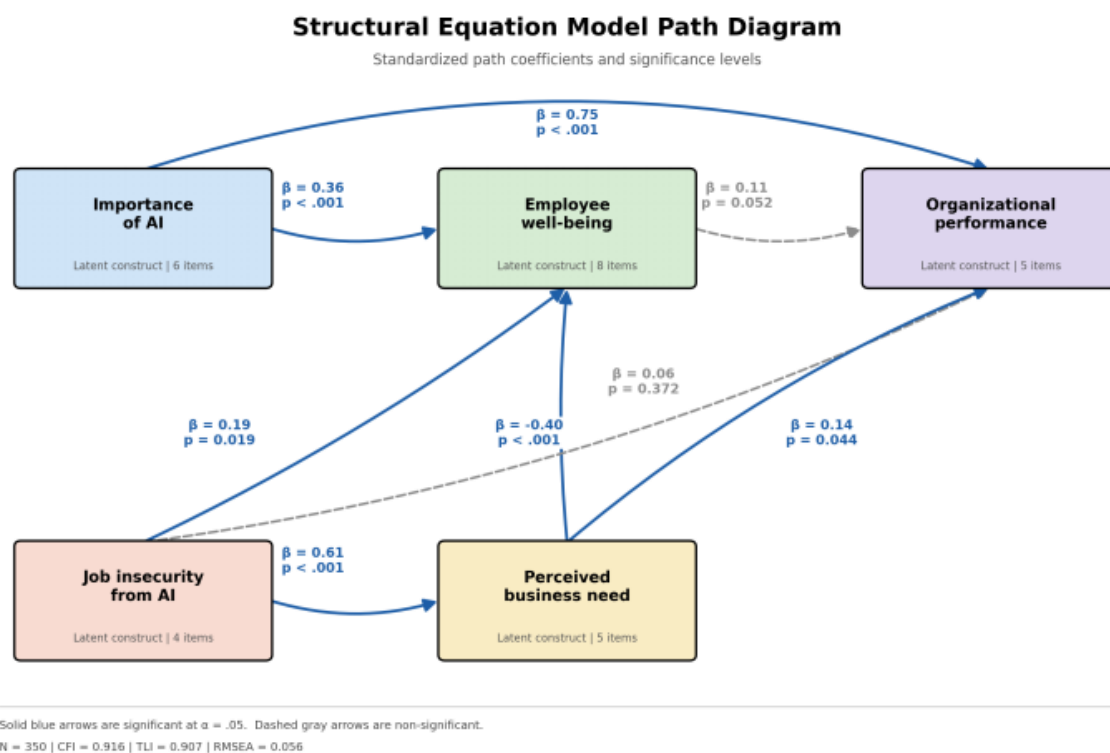
Based on Hu and Bentler's (1999) criteria, the model of structure matched the data satisfactorily: $\chi^2(341) = 717.56$, $p < .001$; CFI = 0.916; TLI = 0.907; RMSEA = 0.056. 23.7% of the variability in employee well-being ($R^2 = .237$), 37.4% of the variance in perceived company demand for advanced artificial intelligence ($R^2 = .374$), and 63.0% of the variance in organizational performance of the organization ($R^2 = .630$) were all determined by the framework.

Table 5: SEM results

Path	Std. β	p-value	Result
H1: Importance of AI $\rightarrow$ Well-being	0.357	< .001	Supported
H2: Importance of AI $\rightarrow$ Performance	0.749	< .001	Supported†

H3: Job insecurity → Well-being	0.193	.019	Supported
H4: Job insecurity → Business need	0.612	< .001	Supported
H5: Job insecurity → Performance	0.058	.372	Not supported
H6: Business need → Well-being	-0.404	< .001	Supported (negative direction)
H7: Business need → Performance	0.135	.044	Supported
H8: Well-being → Performance	0.113	.052	Not supported (marginal)

Figure 1 presents the full structural model with standardized path coefficients.



6. Discussion

In the beginning, the mutually beneficial indicator was the perceived significance of artificial intelligence. It correlated positively with both performance ($\beta = .749$, $p < .001$) and well-being ($\beta = .357$, $p < .001$), indicating that when workers truly see artificial intelligence as adding value to their current jobs, this attitude does not necessarily come at a mental health burden. This is in line with recent research showing that adoption of artificial intelligence fails to, on average,

negatively impact worker well-being and might even have slight beneficial effects when workers perceive it as enhancing instead of threatening their responsibilities (Stella et al., 2026, cited via Insurance Business Magazine reporting on the Nature: Scientific Reports study). Meanwhile, the dimension of the performance of the path ($\beta = .749$) must be evaluated in light of the differential validity issue mentioned in Section 5.2. Since the relationship between the significance of AI and performance metrics ($r = .768$) was higher than the $\sqrt{\text{AVE}}$ corresponding to both standardized constructs, this path coefficient probably represents a few similar method variations or intellectual overlaps between the two metrics instead of an absolute causal impact. We see H2 as information that is somewhat but not entirely unbiased.

Furthermore, joblessness revealed a double channel that is theoretically significant. Artificial intelligence-related job instability was not immediately negative to well-being; instead, it was moderately but beneficially linked to it ($\beta = .193$, $p = .019$). Its important influence was by means of the viewed company's requirements for AI ($\beta = .612$, $p < .001$), a factor that was then highly and unfavorably linked to well-being ($\beta = -.404$, $p < .001$) as well as positively associated with performance ($\beta = .135$, $p = .044$). The relationship between job insecurity and productivity did not appear meaningful ($\beta = .058$, $p = .372$). When examined collectively, this trend corresponds with complete mediation by observed company necessity; nevertheless, an official bootstrapped indirect effect test did not show this relationship. Significantly, this indicates that workers might find the corporate discourse surrounding job uncertainty—the idea that advanced artificial intelligence has grown into an industry need irrespective of employee feelings—to be more upsetting than job instability directly. This perspective is consistent with the Conservation of Resources theory (Hobfoll, 1989), which considers dangers to essential resources—autonomy, profession, and employment stability—as the process that occurs when advancement in technology negatively impacts quality of life. The latest implementations of COR to artificial intelligence-induced job insecurity demonstrate that it can fully mediate the relationship between AI adoption and employee outcomes (see the 2025 *Frontiers in Psychology* study on China's cross-border e-commerce sector and the 2026 industrial sector investigation that links AI-induced job insecurity to exhaustion through mental protection). It also stands in line with literature on challenge-blocking stress, which demonstrates that, relying on the manner in which it is conceptualized within an institution, AI-associated technological stress can either be an inspiring test or a decreasing obstacle (Verma, Tudoran, Singh, & Bhattacharyya's 2025 analysis of 299 Indian workers).

Lastly, the model's poor relationship was between performance and health ($\beta = .113$, $p = .052$, not confirmed). This represents a major difference from the research on behavior in organizations in broad terms, where employee well-being is usually a strong predictor of performance. As opposed to suggesting that well-being is essential to achievement in this setting, we feel this negative outcome is more likely attributed to measurement shortcomings: the well-being concept's variance mean retrieved (.363) dropped considerably beneath the .50 norms, indicating that the elements failed to converge sufficiently to provide a fair evaluation for the concept.

To summarize, the findings indicate a fundamental struggle in the implementation of artificial intelligence in Indian IT companies: views of the technology's fundamental value seem to be advantageous to both companies and employees, while opinions of advanced artificial intelligence as an externally prescribed corporate obligation seem to exchange employee well-being for improvements in company performance. Existing research on artificial intelligence and employee outcomes has not made an obvious distinction between effectiveness and enforced requirement, which could be a helpful theoretical result of the present investigation.

7. Conclusion

This research shows that employees' opinions on artificial intelligence, or AI, contain equal potential and danger for companies. Although the perceived advantages of AI enhance productivity and satisfaction, employee well-being may be compromised by the assumed business requirement of artificial intelligence deployment. Businesses undertaking AI-driven innovation must pay attention to both the efficiency justification for artificial intelligence (AI) as well as the way workers understand and express it. From a theoretical standpoint, by separating perceived need from perceived functionality as separate, contradictory predictors of employee well-being, this study adds to the body of knowledge on artificial intelligence-driven corporate transformation. This separation has its foundations in the Job Demands–Resources model and Conservation of Resources theory, and this presents artificial intelligence as having the ability to act as both an asset and a requirement at the same time. To summarize, the results imply that human resources and change-administration tactics that highlight the benefits of artificial intelligence for workers' personal jobs, as opposed to evaluating implementation solely as a matter of corporate existence or competitiveness requirements, may safeguard well-being while maintaining the productivity benefits linked to implementing artificial intelligence. These findings should be regarded as tentative and require validation via the broader, more

thoroughly validated study described subsequently, assuming the experimental breadth of this investigation.

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