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The Role of AI Enablement in Organizational Change: A Systematic Review of Challenges and Opportunities

[1*]Mrs Puja Ashish Gavande, [2]Dr. Manisha Kulkarni

[1*]Research scholar at ATSS's IICMR Nigdi, affiliated to SPPU Pune. Email ID: puja.iicmr@gmail.com
[2]Research Guide and associate Professor at ATSS's IICMR Nigdi, affiliated to SPPU Pune.
Email ID: kulkarni.iicmr@gmail.com

Abstract
The way organizations operate is being transformed by artificial intelligence (AI). It is transforming the structures, decision-making and value creation of companies. One of the most significant advantages of AI is enhanced efficiency and innovation, although the technology also has issues to do with ethics, governance, and change management. It is essential to know the advantages and obstacles to effective use of AI and technology. This paper will discuss the opportunities and challenges of applying AI and related technologies to transform organizations. We have examined research articles published in the last five years (2019-2026) in large academic databases, including Scopus and Web of Science. These results show that there are a number of challenges in transforming with AI: low quality of data, lack of skills among workers, worker resistance and difficulty in adapting, ethical issues, transparency problems, and effective leadership are required. Meanwhile, AI opens valuable prospects: enhanced processes, more informed decisions made with data, enhanced learning, increased innovation, and higher stakeholder value. The review is especially applicable to entrepreneurial firms, SMEs, and organizations in emerging economies aiming to apply AI to innovate, gain competitive advantage, and create sustainable values.

Keywords: Entrepreneurship, Sustainable Transformation, SMEs, Innovation, Emerging Economies.

1. Introduction

The AI technology affects the way businesses are carried out and the competition of organizations. In fact, the introduction of the technology has been a significant element in the creation of organizational changes in the form of restructuring, optimization of the use of information, and decision making process. The effective application of AI in organizations is not just on the availability of technology but also on its acceptance, preparedness, perceived usefulness, and the capacity of users and organizations to utilize new digital systems [1]. In this light, it is clear that the role of artificial intelligence is increasing. Artificial intelligence facilitates automation, data analysis, innovation, and decision-making in organizations [2]. Thus, AI technology can help organizations to shift to new operating models through such capabilities. Business transformation refers to the strategic changes that are needed to ensure that one goes beyond mere optimization. The changes required to transform include culture, leadership behaviors, skills, and business models to suit new contexts [3]. AI has been one of the reasons why businesses can leave the traditional way of doing things to more dynamic and intelligent processes so that they can enjoy the full advantages of the technology revolution in the industry 4.0 developments [4].

AI enables companies to work harder, smarter, and more innovatively by enabling them to use such tools as data analytics, machine learning, language processing, and automation [5]. In recent years, AI has begun to be applied in businesses in finance, healthcare, education, manufacturing, and services in such critical aspects as decision-making, customer service, HR, and process optimization [68]. This indicates that AI is not merely a technology anymore; it is a major shift in the way organizations operate [9].

Nevertheless, even though the change that AI can bring about is possible, organizations have numerous obstacles to go through when attempting to do so. Some of these challenges include issues with data quality, ethical dilemmas, bias in algorithms, a lack of transparency in AI, and cybersecurity concerns. These are some of the reasons why the implementation of AI solutions can be ineffective in organizations [10-12].

Human resource issues are also a challenge. They are poor competence of personnel, resistance to change, skepticism towards AI solutions, and insufficient support on the part of the top management. All these may hinder the successful implementation of AI into an organization [13-15]. These issues emphasize the fact that AI transformation is a socio-technical process, not a technical one. Burke and associates support this point of view [16].

Conversely, organizations have huge opportunities during the transformation process through the use of AI. The current literature demonstrates that AI has the potential to improve decision-making with the help of data-driven predictions. It is also able to increase efficiency by automation, encourage innovation, and assist in developing flexible business structures [17-19]. Additionally, AI-

powered systems are able to anticipate risks, offer person-focused assistance, utilize resources more effectively, and enhance the overall organizational performance [20]. This applies especially to the entrepreneurial firms, SMEs, and organizations operating in the emerging or Asian business environments where AI can facilitate the innovation capability, resource efficiency, market responsiveness, and sustainable competitiveness [21].

The enablement of AI use is not only an economic change, but a technical change, as far as the management of businesses is concerned. AI is utilized by businesses to become more productive, reduce operating expenses, make decisions, and generate more customer value. However, economic advantages of AI application will depend on the cost of implementation, the cost of data infrastructure, employee education, governance frameworks and value creation in general. In this regard, AI enablement also needs to be viewed through the prism of such business metrics as ROI, productivity gains, cost reduction, efficiency, and risk reduction.

Although the number of studies on AI and its impact on organizational change has significantly increased in recent years, the current research is still fragmented as it primarily addresses particular technologies, industries, or functions. The past reviews have mainly focused on the aspects of digital transformation with less emphasis on AI enablement as a more comprehensive driver of organizational change that can touch on the structural, cultural, and human aspects. Therefore, the necessity to thoroughly examine the current literature to articulate the role of AI enablement in promoting sustainable organizational change, innovation potential, and entrepreneurial competitiveness is apparent, especially in the context of emerging business and Asian business.

This gap will be addressed using this study, which will involve conducting a systematic literature review (SLR) of more recent publications published between 2019 and 2026. The research will be conducted on the basis of the PRISMA guidelines, whereby systematic search, identification and review of literature on the subject will be conducted to determine the key issues and opportunities of AI enablement in the organizational change. The research question that guides us is as follows: What are the key challenges and opportunities of AI enablement in the organizational change?

The contribution that this review will bring to our understanding of AI-enabled organizational change, as well as bring some practical implications to practitioners, policymakers, and organizational leaders who may be interested in responsibly and effectively introducing AI into their organizations.

2. Research Background

Artificial intelligence (AI) has moved beyond being a technical notion to a strategic resource that determines how organizations work, compete, and develop. Advances in machine learning, deep learning, natural language processing, and smart automation, along with increasing amounts of data and computing power, have greatly led to the application of AI in service organizations. The AI systems are being incorporated in key processes in the sector such as banking, healthcare, education, retail, and professional services. Organizational transformation is a long term change process that entails the change in the structure, processes and culture of an organization as a result of environmental and technological changes. It is not just a simple change since it involves linking of technology, human resources and governance structures. Here, AI enablement is vital because it helps organizations to shift towards the conventional rule-based systems to smart and adaptable organizational designs.

The new studies lay stress on the importance of AI in strengthening organizational abilities. It helps in making data-driven choices, automation of regular tasks, predictive and prescriptive analytics [10-12]. Service organizations, which require knowledge and customer interaction, are some of the areas that use AI to provide personalized services, real-time responses and high levels of efficiency [13]. The AI may also help in finding opportunities, sensing the market, developing a new business model and more promptly addressing changing customer requirements in the case of entrepreneurial companies, SMEs and innovation-driven organizations [14].

Despite these benefits, challenges are related to adopting AI to bring change in organizations. In prior studies, such technological challenges as data fragmentation, data quality, system integration, and cybersecurity risks have been identified and highlighted as significant barriers to AI adoption [15-17]. Other ethical concerns such as data privacy, bias, transparency, and accountability have also become noteworthy, especially when it comes to the service fields where personal and organizational data are at stake [18-20].

Apart from ethics, the use of AI technology in the transformation process also poses various legal and regulatory challenges. The use of artificial intelligence in companies should worry about the compliance of their operations with different data protection, algorithmic responsibility, intellectual property rights, consumer protection, employment risk, and liability of automation laws. The above challenges are more acute in the industries such as financial services, health care, education, retail, and professional services, where artificial intelligence can impact sensitive decisions concerning

customers, employees, and other interested parties of the company.

The AI-enabled transformation is made complex by human and organizational factors. The lack of skills pertaining to AI, the unwillingness to change, the fear of losing a job, and the lack of trust towards AI systems tend to be obstacles to successful implementation [21-23]. Additionally, AI projects can be derailed by a lack of strategic vision and the lack of backing by the top management. This can result in half-baked or shallow implementations rather than actual organizational change [24]. These challenges show that AI enablement involves more than just technology; it is a socio-technical issue that requires change across various aspects of an organization [25].

Meanwhile, literature also indicates opportunities brought about by AI-driven organizational change. The use of AI technologies can be used to enhance processes, innovation, service quality, and organizational learning. The AI can be used in service organizations, entrepreneurial firms, SMEs, and emerging-economy organizations to engage with customers better, customize services flexibly, manage risks proactively, optimize resources, and create value sustainably. The strategic and responsible use of AI can enhance organizational sustainability and competitive advantage.

Despite the fact that the current research area is fragmented and disjointed, the current research environment has significantly enhanced our knowledge of AI adoption and digital transformation. Most of the existing literature is generalized on the topic of digital transformation, and little emphasis is placed on AI enablement as a particular driver of organizational change, both structural, cultural, and human. Thus, there is a need to synthesize the available literature to enrich the existing knowledge and to outline new trends and issues associated with AI-based organizational change, entrepreneurial competitiveness, and sustainable enterprise growth.

3. Research Methodology

To gain a comprehensive and unbiased understanding of the challenges and opportunities related to AI enablement in organizational transformation, this study uses a systematic literature review (SLR) approach. The systematic reviews are usually employed to be comprehensive, clear and accurate in terms of collecting the existing literature on a topic. The search of the literature was carried out in Scopus and Web of science databases, which are the largest and most credible databases of peer-reviewed literature. Keywords, individually and in combination, including the following, were used to identify articles published in 2019-2026: artificial intelligence, AI enablement, machine learning, organizational transformation, organizational change, and AI adoption. The search was done on the title, abstract, and keywords of the articles. The search strategy was designed to capture studies linking AI adoption with organizational transformation, managerial decision-making, business value creation, governance, and change management. To make the selection of studies for the research clear, the PRISMA method was used for identifying, screening, and selecting studies.

During the identification process, we searched and exported all relevant records to an Excel file containing author, title, abstract, and DOI information. In the screening process, we removed irrelevant studies based on an analysis of titles and abstracts. During the full-text analysis, we evaluated studies for eligibility using predefined inclusion criteria, which included: (i) peer-reviewed journal articles and conference proceedings published in English, (ii) studies that specifically addressed AI enablement and organizational transformation, and (iii) studies that provided access to the full text. Studies were excluded if they were not related to organizational transformation, focused only on technical AI model development, were not available in full text, were duplicates, or did not clearly discuss challenges, opportunities, governance, or managerial implications of AI adoption. After screening and eligibility assessment, 32 studies were retained for final qualitative synthesis. These studies are listed as references [26] to [57] and form the basis of the Results and Discussion section. We identified, coded, and grouped textual segments that discussed the challenges and opportunities of AI enablement into thematic categories. During coding, special attention was also given to business-oriented themes such as productivity improvement, cost optimization, return on AI investment, customer analytics, marketing personalization, regulatory compliance, legal risks, governance mechanisms, and managerial decision-making. After removing duplicate codes, we grouped the remaining units into higher-order categories and subcategories based on their conceptual similarity. We determined the frequency of these themes and analyzed the relationships among categories to create the classification framework used to present the findings. The frequency counts were used as descriptive quantitative indicators to show which challenges and opportunities appeared most frequently in the reviewed studies.

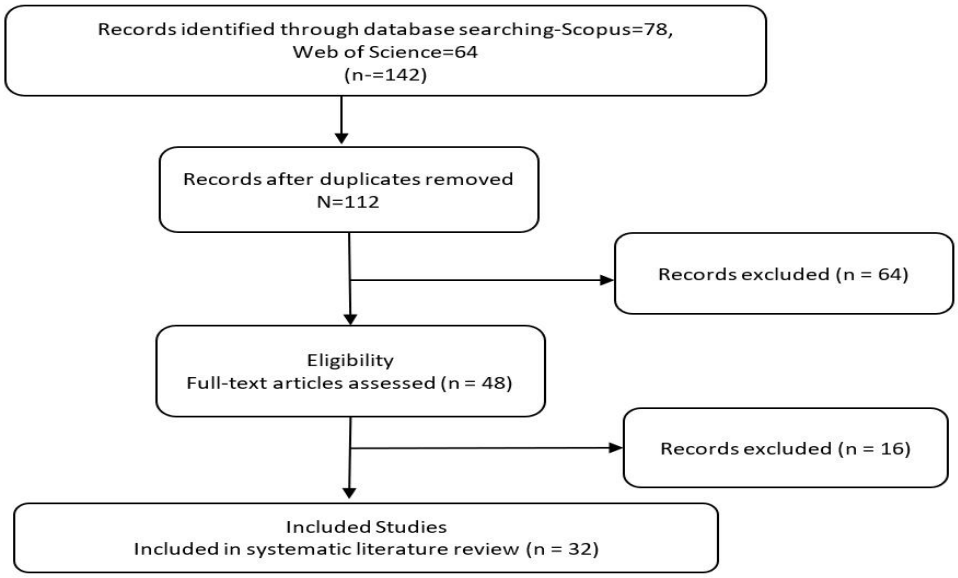

Figure 1. PRISMA flow diagram of the systematic literature review process

The PRISMA flow diagram summarizes the identification, screening, eligibility assessment, and final inclusion process. The final synthesis was conducted on 32 studies that directly addressed AI enablement, organizational transformation, challenges, opportunities, governance, business value, sustainability, or managerial implications.

4. Results and Discussion

4.1 Overview of the included studies

The final set of included studies provides a broad and multidisciplinary foundation for examining the role of AI enablement in organizational change. The identified literature is about AI strategy, digital transformation, AI capability, business value, organizational readiness, algorithmic management, work design, trust, responsible AI, governance, bias, privacy, innovation, and human-AI collaboration. Table 1 provides a thematic summary of the 32 studies included, [26] through [57].

Table 1. Overview of Included Studies According to Major Research Focus

Study	Main Research Focus	Relevance to AI-Enabled Organizational Change
[26]	AI strategy and digital transformation	Explains AI as a strategic enabler of digital transformation, automation, innovation, and business model renewal.
[27]	Role stress and digital behaviour	Provides insight into employee-level adjustment, role pressure, and behavioural responses in digital work environments.
[28]	AI capability and firm performance	Shows that AI capability can improve organizational creativity, performance, and competitive advantage.
[29]	AI business value	Explains AI value as the outcome of interaction among technology, data, people, processes, and strategy.
[30]	AI in organizations and IS research	Highlights the organizational implications of AI for decision-making, structures, processes, and information systems research.
[31]	Organizational readiness for AI adoption	Identifies readiness factors required for AI adoption, including technological, organizational, and environmental conditions.
[32]	Algorithmic management and job design	Shows how AI-based algorithms influence task allocation, monitoring, evaluation, control, and job design.
[33]	Algorithmic control at work	Explains how algorithms create new forms of workplace control, contestation, and power relations.
[34]	Automation, algorithms, and work design	Emphasizes that AI and automation reshape autonomy, skill use, job meaning, and employee well-being.
[35]	Ethical implications of AI for meaningful work	Shows that AI can either support or weaken meaningful work depending on design, governance, and ethical use.
[36]	AI-based CRM and organizational performance	Demonstrates that AI-enabled CRM can improve performance and competitive advantage in B2B contexts.
[37]	AI transformation projects and	Shows that AI-based transformation projects can improve efficiency,

	firm performance	decision-making, customer value, and performance.
[38]	Predictive modelling and forecasting	Provides methodological relevance for data-driven forecasting and decision-support logic.
[39]	Human-AI collaboration	Explains how intelligent organizations require deliberate principles for combining human judgment and AI systems.
[40]	AI in international HRM	Shows that AI can improve HR cost-effectiveness, employee experience, personalization, and service efficiency.
[41]	Human trust in AI	Identifies trust as a key condition for AI acceptance, based on reliability, transparency, competence, and fairness.
[42]	Interpretations and implications of AI	Explains AI as a social, managerial, and market-shaping phenomenon, not only a technical system.
[43]	AI, business models, and sustainability	Links AI with sustainable business models, SDG-oriented value creation, and strategic transformation.
[44]	AI and innovation	Shows how AI can support innovation when combined with policy, skills, institutional support, and organizational capability.
[45]	Continuous auditing of AI	Presents continuous auditing as essential for monitoring AI accountability, compliance, risk, and system performance.
[46]	Automated machine learning and business analytics	Explains the role of automated machine learning in AI-driven decision-making and business analytics.
[47]	Organizational AI governance	Defines AI governance as structures, processes, and mechanisms for directing, controlling, and monitoring AI systems.
[48]	AI governance systematic review	Shows that responsible AI requires fairness, accountability, transparency, privacy, explainability, and oversight.
[49]	Responsible AI in practice	Identifies organizational barriers in translating responsible AI principles into everyday routines and practices.
[50]	Fairness checklists and responsible AI tools	Highlights practical tools and checklists for identifying fairness challenges and responsible AI opportunities.
[51]	Ethical theories and responsible AI adoption	Explains how ethical theories, governance models, and strategic frameworks support responsible AI adoption.
[52]	AI ethics tools and methods	Emphasizes the need to translate ethical principles into practical methods, tools, audits, and decision-support practices.
[53]	Gender bias in AI decision-making	Shows that AI systems can reproduce social inequalities if bias is not addressed during design, deployment, and monitoring.
[54]	Digital transformation and organizational change	Explains digital transformation as a strategic and organizational change process.
[55]	AI adoption checklist for digital leaders	Provides a TOP framework-based checklist for technology, organization, and people readiness in AI adoption.
[56]	Responsible AI governance framework	Develops a responsible AI governance framework for strategic information systems and organizational implementation.
[57]	AI and business value in digital strategy	Reviews how AI influences business value in the digital era of strategy.

As it is demonstrated in Table 1, the studies included are five broad areas of AI-enabled organizational change: strategy and business value, organizational readiness, work design and human-AI collaboration, responsible AI governance, and innovation-oriented transformation. Overall, the table supports the concept that AI enablement can be viewed as a socio-technical and strategic process. All of the studies analyzed in this paper prove that successful AI-mediated change in organizations should be enabled by the technological capacity, human readiness, strategic alignments, ethical governance, and continuous supervision.

4.2 Findings from the Included Studies

The studies included demonstrate that AI enablement impacts organizational change by means of strategy, readiness, work design, governance, innovation and value creation. The data suggests that AI is not merely a means of automation, but also a source of structural, operational, managerial, and ethical change. The research of [26] through [57] all indicate that AI-driven change is successful when companies are technologically capable and strategically aligned, human willing to change, responsible governance, and adaptable.

4.2.1 AI Strategy, Business Value, and Digital Transformation

The analyzed articles demonstrate that AI is a contributor to digital transformation, as it helps to automate processes, make decisions based on data, innovate, and develop new business models [26].

Organizational creativity, firm performance and competitive advantage are also associated with AI capability in case it is accompanied by appropriate data resources, technical infrastructure, managerial commitment, and human skills [28]. The same applies to AI business value, which is based on the interplay of technology, people, processes, and organizational strategy and not on AI adoption [29]. The literature also suggests that AI has significant consequences to the organizational structures, decision-making processes, and information systems studies [30]. AI-enabled CRM enhances customer relationship management, organizational performance and competitive advantage in businesses [36]. The AI-based transformation initiatives also increase the efficiency of the processes, the quality of decisions, customer value, and performance of the firm [37]. Forecasting, business analytics, and AI-driven decision-making are assisted by predictive modelling, automated machine learning, and analytics [38], [46]. Within the broader transformation contexts, AI helps in supporting sustainable business models, value creation driven by innovation, and digital transformation [43], [44], [54]. More recent reviews indicate that AI generates business value when it becomes a part of digital strategy and is aligned with organizational objectives [57].

4.2.2 Organizational Readiness and Adoption Conditions

A key prerequisite of a successful AI adoption is organizational readiness. The articles demonstrate that the implementation of AI needs technological preparedness, data maturity, funds, leadership backing, employee capacity, and governance preparedness [31]. Preparedness is necessary since AI systems rely on quality data, compatible infrastructure, competent users and well-defined organizational goals. The review also recommends that human and behavioural factors influence the adoption of AI. Online workplaces can cause role stress, role ambiguity, and adjustment difficulties, which can influence how employees react to AI-enabled change [27]. As such, companies need to equip employees by training, communicating, reskilling, and engaging them in change processes. The adoption checklist based on TOP framework also reveals that the adoption of AI involves the need to integrate technology, organization, and people-related readiness factors [55]. The implementation of AI as an organizational change process should thus be handled like any other change process which needs to be prepared in terms of readiness, leadership dedication and constant adaptation.

4.2.3 Work Design, Algorithmic Management, and Human-AI Collaboration

The AI-enabled systems are transforming the work environment by affecting the allocation of tasks, their monitoring, scheduling, evaluation, and managerial control [32]. The management can be enhanced through algorithmic management, which can enhance coordination and efficiency, as well as introduce new types of control, surveillance, and contestation at work [33]. These results demonstrate that AI has not only a positive impact on productivity, but also on the autonomy of employees, their trust, and the quality of their jobs. The focus of AI-enabled organizational change is work design. Work can be made better by automation and algorithmic systems that decrease repetitive work and aid in making better decisions. Nevertheless, they may undermine purposeful work by diminishing human judgment, autonomy, and involvement [34], [35]. The human-AI partnership needs to be well balanced between automation and augmentation. Smart companies should develop systems in which AI is used to complement human skills and not to supplant them altogether [39]. Responsible use of AI can also lead to increased efficiency, cost-effectiveness, and experience of HR services, as well as employees [40]. The aspect of trust is essential since there is a higher chance that employees will embrace AI when systems are trustworthy, transparent, equitable and comprehensible [41]. Therefore, the work design, employee experience, and trust-building must be addressed to achieve AI-enabled transformation.

4.2.4 Responsible AI, Ethics, and Governance

The aspect of responsible AI governance seems to be one of the most robust in the literature reviewed. AI systems raise ethical and governance issues of bias, privacy, accountability, transparency, explainability, auditing and monitoring [45], [47]. The concept of organizational AI governance is the policies, processes, structures, and control mechanisms that guide and oversee AI systems [47]. Recent research indicates that to implement responsible AI, fairness, accountability, transparency, privacy protection, explainability, institutional oversight, and strategic governance mechanisms are necessary [48], [56]. Another gap that is demonstrated in the literature is the gap between responsible AI principles and organizational practice. Most organizations endorse the idea of ethical AI but have difficulties in translating these ideas into practices, tools, audits, and decision making [49]. The checklists on fairness and the practical governance tools may assist the organizations in risk identification and enhancement of responsible AI implementation [50]. Responsible adoption is also supported by ethical theories and governance models, which aid organizations to strike a balance between

innovation and responsibility and protecting the stakeholders [51]. The AI ethics tools can only be effective when they are converted into practical tools like audits, documentation, monitoring, review boards, and human oversight [52]. Discrimination is still a critical issue, especially when it comes to AI-driven decision-making systems, where unfair results could be reached in case data, design, or implementation procedures are not managed adequately [53].

4.2.5 Opportunities and Challenges of AI-Enabled Organizational Transformation

The studies in the included ones find both opportunities and challenges. Automation, enhanced decision-making, business model innovation, customer relationship management, predictive analytics, workforce augmentation, enhanced HR services, automated machine learning, sustainable value creation, and strategic agility are the primary opportunities [26], [28], [36]-[40], [43], [44], [46], [54], [57]. These opportunities demonstrate that AI can help in the efficiency of operations, the strategic flexibility, productivity of employees, value to customers and innovation in the organization. Meanwhile, the research papers also highlight issues of role stress, lack of readiness, algorithmic control, lack of autonomy, low trust, ethical risk, poor governance, bias, lack of explainability, and inability to translate responsible AI principles into practice [27], [31]-[35], [41], [45], [47]-[56]. These issues demonstrate that the process of AI transformation cannot be controlled solely by investing in technologies. Employee acceptance, governance structures, ethical risks, accountability mechanisms, and continuous monitoring are also issues that organizations have to deal with. The general conclusion is that AI enablement is a twofold impact. It is value-generating when applied in a strategic and responsible way, yet it may cause risk in an organization when applied without preparedness, governance, human control and ethical checkpoints.

Table 2. Summary of Findings from Included Studies

Heading	Main Findings	Key References
AI strategy and business value	AI supports digital transformation, innovation, decision-making, CRM, analytics, business models, and performance.	[26], [28], [29], [30], [36], [37], [38], [43], [44], [46], [54], [57]
Organizational readiness	AI adoption requires data maturity, infrastructure, leadership support, employee capability, people readiness, and change readiness.	[27], [31], [55]
Work design and human-AI collaboration	AI reshapes job design, monitoring, autonomy, HR services, trust, meaningful work, and human-AI collaboration.	[32], [33], [34], [35], [39], [40], [41]
Responsible AI governance	Responsible AI requires governance structures, auditing, fairness, accountability, transparency, privacy protection, explainability, and practical ethics tools.	[45], [47], [48], [49], [50], [51], [52], [53], [56]
Opportunities and challenges	AI offers efficiency, innovation, productivity, customer value, and strategic transformation, but creates risks related to resistance, bias, opacity, control, and weak governance.	[26], [28], [29], [31]-[37], [39], [40], [41], [43]-[57]

The results indicate that AI enablement is a socio-technical change agent to the organization. Its value will be based on how the organization can align AI with its strategy, prepare employees, redesign work, govern ethical risks, and monitor AI systems in real-time. The literature is not in favor of the opinion that the adoption of AI is the sole factor that brings about transformation. Rather, change is achieved when AI potential, organizational preparedness, responsible governance and human-AI partnerships interact.

4.3 Discussion

The systematic review demonstrates that AI enablement contributes to the organizational change in a substantial manner, as it impacts the strategy, operations, work design, governance, innovation, and value creation. The studies included suggest that AI facilitates the digital transformation by automating, making decisions based on data, innovating, managing customer relationships, automated analytics, and renewing business models [26], [28], [29], [36], [37], [43], [44], [46], [54], [57]. In the context of entrepreneurship and sustainability studies, these results imply that AI enablement has the potential to enhance innovation capacity, customer-responsiveness, scalable business model, and sustainable competitiveness, particularly in SMEs and entrepreneurial firms [28], [29], [31], [55]. The review also demonstrates that one of the preconditions of successful AI adoption is the organizational readiness. Preparedness is based on maturity of data, technology infrastructure, leadership, employee capabilities, finances, and

preparedness of governance [31], [55]. Human factors are also crucial since digital change may cause role stress, uncertainty, resistance, and adjustment issues among the employees [27]. The circumstances particularly apply to SMEs and entrepreneurial organizations, which are resource-constrained, and responsible adoption of AI can assist in optimizing resources, acquiring market insights, and making strategic choices. The other significant conclusion is that AI transforms the work nature. The job design, allocation of tasks, monitoring, evaluation and managerial control are affected by algorithmic systems [32], [33]. Although these systems have the potential to enhance efficiency, they can also diminish autonomy, raise surveillance issues, and undermine meaningful work unless they are created in a responsible manner [34], [35]. There is thus a need to have human-AI collaboration. Human judgment must be supported by AI, and it must enhance the experience of employees and foster trust by being reliable, transparent, fair, and explainable [39]-[41]. The review also outlines the importance of responsible AI governance as a key requirement. The use of AI systems is associated with the issues of bias, privacy, accountability, transparency, explainability, auditing, and ethical use [45], [47], [48]. The articles in the list demonstrate that companies tend to fail to translate ethical values into effective governance systems [49]. Therefore, equitable checklists, audit frameworks, documentation frameworks, human controls, monitoring practices, and responsible AI frameworks are needed to ensure the adoption of AI is responsible and sustainable [50]-[53], [56]. Altogether, the results validate that AI-based organizational change is an opportunity-driven and risk-sensitive one. Efficiency, decision quality, innovation, productivity, customer value, competitiveness, and strategic transformation can be enhanced using AI. Simultaneously, it can cause issues of employee opposition, skills shortage, algorithmic management, privacy, discrimination, lack of accountability, and bad governance. Thus, effective AI-driven change needs a comprehensive strategy that involves strategic alignment, organizational preparedness, human-AI interaction, responsible AI governance, and monitoring.

4.4 Conceptual Framework

The systematic literature review findings have led to the development of a conceptual framework to demonstrate how AI enablement promotes organizational change. This framework introduces AI enablement as a multidimensional construct that transforms organizations in the context of technology, human factors, ethics, and governance. Rather than considering AI as just a standalone technology, this framework views AI enablement as both a social and technical factor that changes traditional organizational structures into flexible, data-driven, and intelligent organizations.

AI enablement is the input that is needed in the proposed framework. It includes AI technologies, data infrastructure, analytics capabilities and integration with existing organizational systems. These elements are the first step towards transformation since they enable better data processing, automation, and decision making. However, AI enablement and organizational change do not have a direct linkage; it is established through a wide range of challenges and opportunity in the literature review.

The framework recognizes the following challenges as those that can slow down or stop the realization of transformation goals: data quality issues, lack of skills, resistance to change, ethics, governance constraints. On the other hand, the processes that can harness the power of AI to the organization include such aspects as optimization of the processes, better decision-making, human capital, customization of services, and strategic innovation.

The change of the structure, culture, work and strategies, which is introduced by the framework, implies the structural, cultural, operational, and strategic changes. Examples of such changes include simplifying business operations, basing strategy on data, improving employee functions, relationship with customers and innovation of new business models. Framework is supported by commitment, ethics and change management.

The business, legal, marketing, entrepreneurial and sustainability implications of AI-enabled transformation are also considered in the model. The benefits are productivity, cost-efficiency, return on investment (ROI), legal compliance, accountability towards AI, customer analysis, personalization, and competitiveness in the market. The framework can also be applied to the context of the entrepreneurial firms and SMEs since it demonstrates how AI enablement can facilitate innovation, resource efficiency, market responsiveness, and sustainable competitiveness.

Overall, the conceptual framework provides a broad view that shows how AI enablement can drive an organizational change through the dynamic interaction of technological readiness, development of human capabilities, and responsible governance. The framework not only provides a summary of the current literature, but also provides the foundation to future studies to support the proposed relationships.

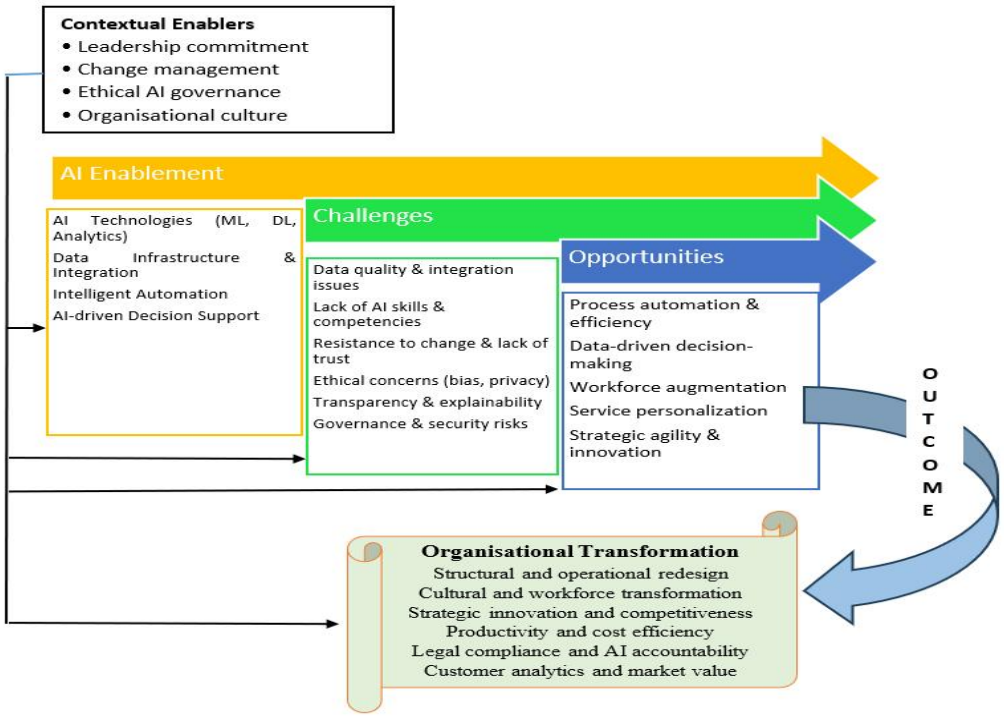

Figure 2. Conceptual framework illustrating the role of AI enablement in organisational transformation

5. Conclusion

This study gives a comprehensive overview of the role of AI in assisting organizations to transform. It provides an overview of the recent research and identifies the key issues, opportunities, and approaches to AI-driven change. The review demonstrates that AI is a social and technical driver of change in organizations. It has an effect on technology, organization structure, culture, governance and decision making. Even though AI would represent a variety of opportunities to automate, streamline the workflow, expand the human resources, and personalize the services, it alone can lead to success in the context of promoting the change by addressing a variety of challenges. The quality of information, the lack of skills, opposition to change, ethics and governance are these problems.

This paper demonstrates that the process of AI usage is to be considered as a complex and interconnected one. The proposed framework is added to the existing body of knowledge because it shows how the assistance of AI can be implemented to move to the next stage of larger-scale adoption to organizational change. The results can be valuable to researchers and professionals interested in being responsible and strategic in using AI. In addition, the review discusses some of the business, legal and marketing implications of AI-powered transformation. AI helps in raising levels of productivity, economicalness, ROI, customer insights, customization as well as competitiveness within the market. Conversely, companies should be aware of the legal issues related to data protection, responsibility, transparency, IP rights, artificial decisions and responsible governance of AI. The proposed framework can be experimented in the future on other industries, SMEs, entrepreneurial organizations, and in other emerging-economy environment to have a clearer understanding of the changes brought about by AI on an organizational level and sustainable transformation.

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