

Organizational Resistance to Artificial Intelligence

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supervised by
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Affidavit

I, **HOSHYAR AZIZ BAKER, MSC**, hereby declare

1. that I am the sole author of the present Master's Thesis, "ORGANIZATIONAL RESISTANCE TO ARTIFICIAL INTELLIGENCE", 92 pages, bound, and that I have not used any source or tool other than those referenced or any other illicit aid or tool, and
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Abstract

The adoption of Artificial Intelligence (AI) technologies in organizational settings presents significant potential for efficiency, innovation, and competitive advantage. However, despite these benefits, many organizations face notable resistance during the implementation process. This dissertation explores the multidimensional nature of resistance to AI adoption, emphasizing that resistance is not just a reaction to technological disruption, but a deeper, human-centered response shaped by organizational culture, individual identity, trust, and ethical concerns.

The literature review provides a foundation for understanding AI adoption through the lenses of organizational change theory, technological resistance, and human resource management. It draws on established frameworks such as Kotter's 8-Step Change Model and the Technology Acceptance Model (TAM) and identifies gaps in how traditional models often overlook emotional, psychological, and ethical aspects of AI resistance. The review also explores emerging themes such as algorithmic bias, data privacy, the "black box" nature of AI, and the ethical leadership required to manage AI transformation responsibly.

To explore these issues empirically, this study employed a qualitative research design using semi-structured interviews with 25 participants across diverse sectors, including healthcare, finance, education, and technology. Participants ranged from front-line employees to managers and IT specialists. The data were analyzed using inductive thematic analysis to identify patterns of resistance, enabling factors, and perceptions surrounding AI implementation.

The findings reveal that resistance to AI is driven by a combination of individual-level concerns such as fear of job displacement, mistrust of AI decisions, and the need for continuous upskilling and organizational-level factors, including weak communication, exclusion from decision-making, lack of ethical oversight, and insufficient training.

Participants reported mixed emotions, often expressing both excitement and concern about AI's impact on their roles and future in the organization.

The study shows that organizational culture and leadership are essential to shaping how AI is received. In organizations where leaders fostered inclusive decision-making, transparent communication, and ethical awareness, employees reported greater openness to AI. Conversely, top-down implementation strategies and lack of support led to heightened anxiety and disengagement. Peer-led initiatives, AI “champions,” and real-world training examples were reported as effective in easing transitions and reducing fear.

From these insights, considering organizational culture, leadership engagement, communication quality, and employee empowerment as core drivers of AI acceptance. This dissertation contributes to academic and practical understandings of technological change by highlighting the importance of treating AI implementation as a socio-technical process. It argues that resistance must be anticipated, understood, and managed through a holistic strategy that centers people—not just the technology. The findings suggest that successful AI adoption relies on empathy-driven leadership, continuous learning opportunities, ethical data practices, and the active involvement of employees throughout the change process.

In conclusion, this research offers a human-centered perspective on AI adoption and provides actionable insights for leaders, policymakers, and change agents. By addressing resistance not as a barrier but as a critical feedback mechanism, organizations can better align technological innovation with employee values, build trust, and ensure a more sustainable and inclusive digital transformation.

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CHAPTER ONE: INTRODUCTION

1.1 Overview of the Study:

Artificial Intelligence (AI) involves the use of computers to replicate human intelligence, enabling machines to learn, make predictions, and run decision-making processes. In addition, AI draws from a variety of fields, including computer science, logic, biology, psychology, philosophy, and other sciences (Zhang and Lu, 2021).

It has seen significant advancements in areas such as speech recognition, image analysis, natural language processing, automated theorem proving, and robotics (Duan et al. 2019). According to a 2025 study by the Statista research department on the percentage increase in the number of AI tool users between 2025 and 2031, this number is expected to increase from 826.2 million to 1.2 billion by 2031. Also, based on PwC's Global Artificial Intelligence study about AI contribution in the world economy, it predicts that by 2030, it will increase to 15 trillion US dollars.

The COVID-19 pandemic significantly sped up digital transformation, highlighting AI as a powerful general-purpose technology with the potential to drive innovation across sectors (AI media, 2024). However, successful AI adoption requires more than quick fixes or hype-driven investments—it demands a comprehensive strategy that includes data availability, infrastructure, talent, and ethical implementation. Business leaders must deeply understand AI's capabilities and build both short-term and long-term plans that align with organizational culture and processes. A balanced, informed approach will help firms utilize AI's transformative potential while avoiding common difficulties.

The primary focus of AI is to automate repetitive tasks, simulate certain workplace roles, and transform existing organizational processes. Beyond these functions, AI also plays a crucial role in helping organizations gain a competitive advantage by generating and developing innovative ideas and opportunities (Haefner et al. 2021).

While AI offers significant potential for creating competitive advantage and driving innovation, it also enables organizations to improve customer satisfaction, financial development, and operational efficiency. However, many organizations continue to face

challenges in effectively adopting AI. To support effective implementation, Enholm et al. (2021) introduce the TOE framework containing Technology, Organization, and Environment as a structured guide to help businesses generate value from AI. The framework highlights key technological factors such as data quality and infrastructure, organizational elements like leadership support, employee skill development, culture, and strategic alignment, and environmental considerations including privacy and ethical concerns. Addressing these interconnected factors enables organizations to adopt AI more effectively and realise its full business value.

Lee et al. 2023 explored more than 61 journal articles and accomplished a systematic literature review to understand how implement AI in organizations successfully. This study focused on both benefits and challenges of AI implementation and identified framework for AI Implementation in organization (Figure 1.1). The main drives of AI implementation in organizations include increasing decision-making processes quality, costs reduction, automation, better knowledge management, improving productivity and efficiency, and enhancing customer satisfaction and loyalty. To realize the full benefits of AI, organizations must first address several key challenges that arise during its implementation. These challenges fall into three main categories: organizational, technological and data systems, and stakeholder-related issues. Organizational challenges include resistance to change, limited financial resources, weak leadership, and a lack of clear goals or vision for AI adoption. On the technological side, difficulties such as system integration, opaque "black box" algorithms, poor data quality, legal and ethical concerns, and the absence of standardized frameworks pose significant obstacles. However, the most critical barrier is stakeholder resistance particularly from employees driven by fears of job displacement, a lack of necessary skills, and general uncertainty about AI's role in the workplace.

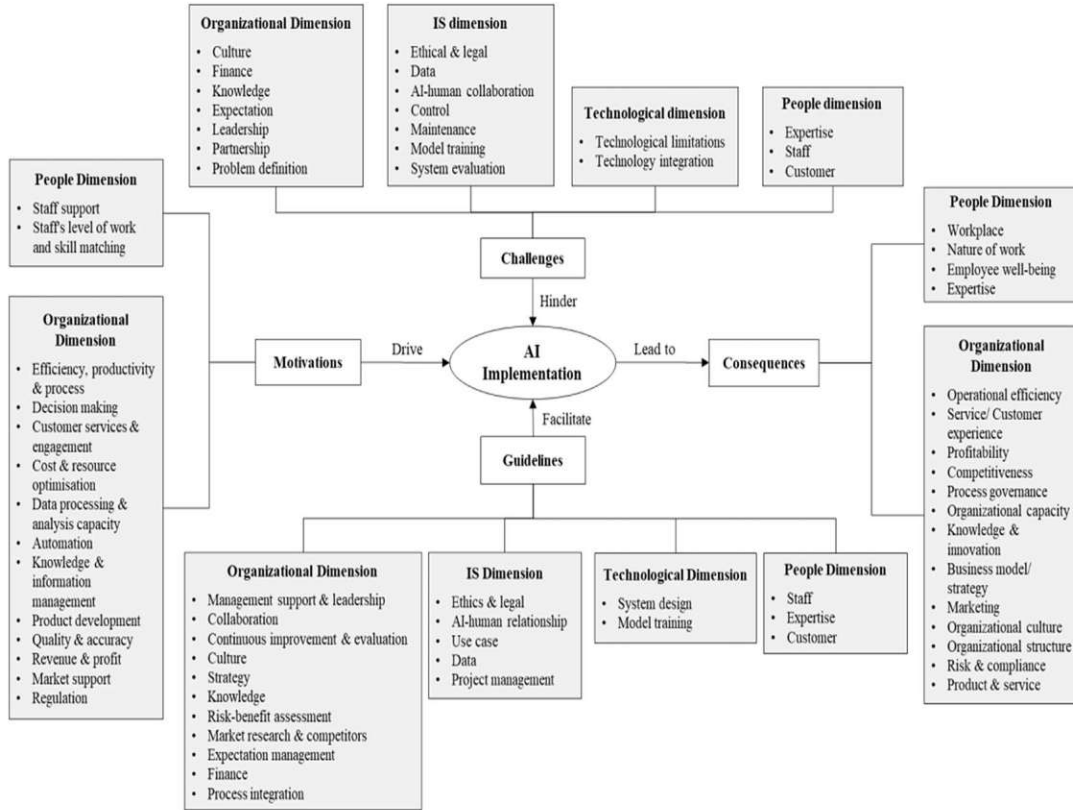


Figure 1.1: Conceptual Framework for AI implementation in organizations, 2023.

Sensino and Mauro (2021) categorized AI methods into two approaches: Predictive Analytics and Recognition Techniques. Predictive analytics uses AI and machine learning models to study and analyze past and present data to anticipate future trends. Businesses use predictive analytics to make informed decisions about market trends, customer behavior, financial risks, and operational efficiencies. For example, AI can predict consumer purchasing behaviors, helping companies improve inventory and marketing strategies. Recognition Techniques focus on identifying patterns and variances within large datasets to enhance business operations. AI-driven recognition techniques are widely used in fraud detection, customer segmentation, and quality control. For instance, AI can detect unusual spending patterns in financial transactions, signaling potential fraud, or it

can group customers based on purchasing behaviors to improve targeted marketing. Despite all AI benefits and outcomes in business, addressing ethical issues like data privacy, AI biases and workforce displacement due to automation is crucial. Consider the importance of creating an environment that helps humans to enhance their performance by utilizing AI and not replacing AI and robots with humans. AI is changing business operations through different applications that develop efficiency, decision-making, and customer engagement. Automation with Robotic Process Automation (RPA) and Intelligent Document Processing (IDP) streamlines repetitive tasks, reducing errors and increasing productivity (Bruno, 2024).

Moreover, the adoption of AI brings about various ethical and social challenges, including issues related to data privacy and security, the need for updated legal frameworks to regulate AI standards, the risk of misalignment with human values, and the lack of clear accountability for decisions made by AI systems (Malyjurek & Zyzak, 2025).

One of the major challenges in implementing AI is the lack of appropriate skills among employees. Organizations must reassess and enhance their workforce development plans, as existing skill sets are often insufficient to meet the demands of AI integration. This is crucial because AI is expected to transform job roles, and organizations need to build the necessary AI capabilities to adapt effectively (Morandini et al. 2023).

Implementing AI is a long-term process, and the challenges organizations face depend on how familiar they are with AI tools and technologies (Angstrom et al. 2023). Common issues include fear of losing jobs or control, and a lack of necessary skills, all of which increase resistance to AI. Resistance also comes from habits formed over time and differences in technology understanding between age groups. Many employees are unsure about the value of AI and often trust their intuition more than data.

Abonamah and Abdelhamid (2024) considered the successfully implementing AI requires a combination of strategic planning, continuous learning, and cross-functional collaboration. It begins with building a strong foundation of knowledge and understanding the fundamentals of AI, followed by setting clear objectives for why and how the

technology will be used. AI initiatives must align with the organization's broader strategic goals and be approached holistically addressing not only technical issues but also organizational and cultural factors. Collaboration between technical experts and business units is crucial, as is appointing a dedicated team to lead the transformation. Adequate resource allocation, ongoing learning, starting with pilot projects, and a commitment to regularly measuring outcomes and making necessary adjustments are all essential components for ensuring long-term success.

1.2 Statement of Problem

The integration of AI has been part of the process of organizations across industries, and the implementation of AI drives productivity, innovation, and achieving competitive advantage. However, despite its revolutionary and disruptive potential, organizations often face employee resistance that can hinder the effectiveness of AI implementation and face major challenges related to culture, ethical concerns, and leadership challenges (Murire, 2024).

Resistance to change often caused by fear of the unknown, uncertainty about the change outcomes and about possible negative results. Disruptive new technology especially AI make a resistance challenging. Employees may feel unsure about AI, especially if they fear losing their jobs or feel insecure about their future. A lack of understanding about how AI works can make these fears worse, leading to doubt, resistance, and reluctance to accept AI initiatives (Metz,2021).

AI is changing the types of skills required, the nature of job roles, organizational structure, and our methods for achieving productivity and performance. AI integration needs to development of new kinds of jobs and career paths that support and enhance collaboration between humans and machines (Tenkwah & Waston, 2025). Complex nature of AI, job security threats, ethical and psychological challenges such as replacing machine to human increase resistance to AI implementation.

Resistance to the implementation of AI stems from a range of factors that are interconnected. Fear of job displacement, a lack of understanding and insufficient training, ethical and data privacy, and organizational culture are considered as key factors of

resistance. In addition, unclear AI decision making process and autonomous process increase the resistance. Successful adoption depends on a lot of factors such as change management, leadership engagement, resources management and organizational strategy (Murire, 2024). Despite the growing presence of AI in the workplace, there is still a limited understanding of the specific sources and nature of employee resistance, as well as how it differs from resistance to other technologies. There is also a need for clearer strategies that organizations can use to effectively manage the AI adoption process. This study aims to explore the key drivers of resistance to AI implementation in organizations and examine the role of leadership, communication, and organizational culture in facilitating successful adoption.

1.3 Significance of the Study

The quick development of Artificial Intelligence (AI) is reshaping how organizations operate, but its effective adoption remains a sophisticated challenge, particularly due to employee resistance. This study is important as it investigates to understand and underline sources of resistance to AI adoption among employees, a topic that has received insufficient attention despite its critical impact on implementation results. By identifying fears, cultural or psychological barriers and ethical concerns, the research offers valuable insights into addressing AI resistance in workplaces especially among employees.

Furthermore, the study highlights what makes AI adoption unique compared to previous technological changes. Contrasting prior technologies, AI creates greater uncertainty due to its complexity, automation of decision-making, and ethical implications. Understanding these differences is essential for designing more effective change management strategies and addressing the deeper concerns that AI brings to the workplace.

Finally, the research contributes to practical knowledge by exploring how organizations can better manage the AI adoption process. It emphasizes the importance of leadership, communication, employee involvement, and continuous learning in fostering an environment where AI can be integrated successfully. The findings aim to support decision-makers, HR leaders, and change managers in developing strategies that reduce resistance, enhance readiness, and align AI initiatives with organizational goals.

By addressing these three critical areas, the study not only adds to the academic literature on organizational change and technology adoption but also provides practical suggestions for different organizational structures in the real world.

1.4 Research Questions

Based on research objectives, the study contains the following questions:

Q1. What are the sources of resistance against AI adoption among employees?

Q2. What is specific to AI adoption processes compared to other technology adoption or change processes?

Q3 How can organizations manage AI adoption processes effectively?

1.4.1 Research Hypotheses

H 1: Fear of Job Displacement

Employees resist AI adoption mostly due to concerns about job loss, role changes, or decreased the importance of their roles.

H 2: Lack of Understanding and Training

Resistance to AI is driven by inadequate awareness of AI technologies and insufficient training or skill development opportunities.

H 3: Ethical and Privacy Concerns

Employees are uncertain to adopt AI due to worries about data privacy, ethical implications, and potential misuse of information.

H 4: Cultural Resistance to Change

Organizations with rigid or traditional cultures experience more resistance to AI adoption due to reluctance to change established norms and routines.

H 5: Unique Complexity and Transparency of AI

AI adoption is more challenging than other technologies because of its complexity, unclear decision-making processes (e.g., black-box models), and unpredictability.

H 6: Psychological and Ethical Impact of AI

AI creates deeper psychological and ethical uncertainties compared to previous technologies, contributing to increased resistance.

H 7: Importance of Communication and Change Management

Effective communication and structured change management strategies significantly reduce resistance and facilitate smoother AI implementation.

H 8: Role of Leadership and Employee Involvement

Inclusive leadership and active employee involvement in AI planning and deployment lead to greater acceptance and successful adoption.

1.5 Research Objective

This study aims to achieve the following objectives:

1. To investigate the main factors contributing to employee resistance toward the adoption of Artificial Intelligence (AI) in organizations.
2. To analyze the distinguished challenges and characteristics of AI adoption, and how these differ from traditional technology or organizational change initiatives.
3. To evaluate effective organizational strategies and change management practices that can support the successful implementation of AI and reduce resistance.
4. To develop practical, evidence-based recommendations for leaders and managers to facilitate smoother human-AI collaboration and workforce adaptation.

1.6 Dissertation Structure

This dissertation is structured organized into the following chapters:

The first chapter, Introduction, provides background on the growing use of Artificial Intelligence (AI) in organizations and outlines the resistance to AI implementation especially among employees. It presents the research questions and objectives, explains the significance of the study, and defines its scope and limitations.

The second chapter, Literature Review, examines existing theories and research related to technology adoption, change management, and employee resistance. It explores the unique features of AI compared to previous technologies and identifies gaps in the literature that this study aims to address. In this study, various hypotheses are studied. Mainly focus is on finding the AI resistance resources especially employee's resistance.

The third chapter, Research Methodology, describes the qualitative research design used, including the population and sample, data collection methods, and data analysis techniques. It also outlines the ethical considerations considered during the research process.

The fourth chapter, Data Analysis and Findings, presents the key themes and patterns that emerged from the data, linking them to the research questions and hypotheses. This is followed by the fifth chapter, Discussion, which interprets the findings considering existing literature and highlights the distinct nature of resistance to AI, as well as effective strategies for managing it. Finally, the sixth chapter, Conclusion and Recommendations, summarizes the main findings, discusses their theoretical and practical implications, and offers actionable recommendations for organizations. It also addresses the study's limitations and suggests areas for future research. The dissertation concludes with a comprehensive list of references and relevant appendices, including research instruments and supporting materials.

CHAPTER TWO: STATE OF THE ART

2.1 Overview of AI in Business and Types of AI Applications

Artificial Intelligence (AI) has transformed the business environment as key driver of Industry 5.0, capability of imitating human thinking and behaviors, providing opportunities for automation, data analysis, problem solving and enhanced intelligent decision-making through different AI approaches such as machine learning, neural networks, and evolutionary algorithms in all industries such as manufacturing, finance, and neuroscience. Businesses utilize AI to improve product development, customer relationship management, supply chain, and market competitiveness. In sequence cost reduction, efficiency improvement and innovation are risen frequently. Despite all these advantages, it also increases ethical challenges regarding privacy, job displacement, and algorithmic bias (Irnazarov & Puzyrova, 2024).

According to the U.S. Census Bureau's Business Trends and Outlook survey, 13.8 percent of businesses in the information technology sector use AI, relying on it in areas such as data processing and providing computing infrastructure. Furthermore, 3.8% of all business sectors use AI in the products and services operation. In addition, a Stanford University survey about the AI index indicates that 55% of organizations reported using AI in 2023, up from 50% in 2023 and 20 % in 2017.

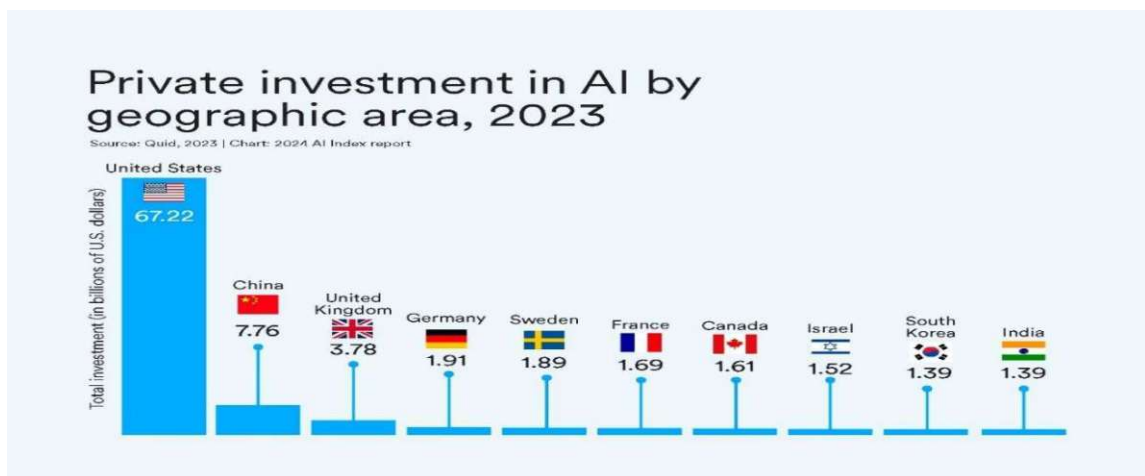


Figure 2.1: Private investment in AI by geographic area, 2023. (Resource: Stanford university, 2024)

The development of AI tools such as ChatGPT, Google Gemini, and Microsoft Co-Pilot has significantly impacted business and consumer interactions. The AI market growth exceeded \$184 billion in 2024, and Generative AI market growth reached \$ 1.3 trillion by 2023 (Nasr and Deeb, 2025). New AI tools are being developed rapidly every month for various fields like healthcare, finance, and education (Baber et al. 2024).

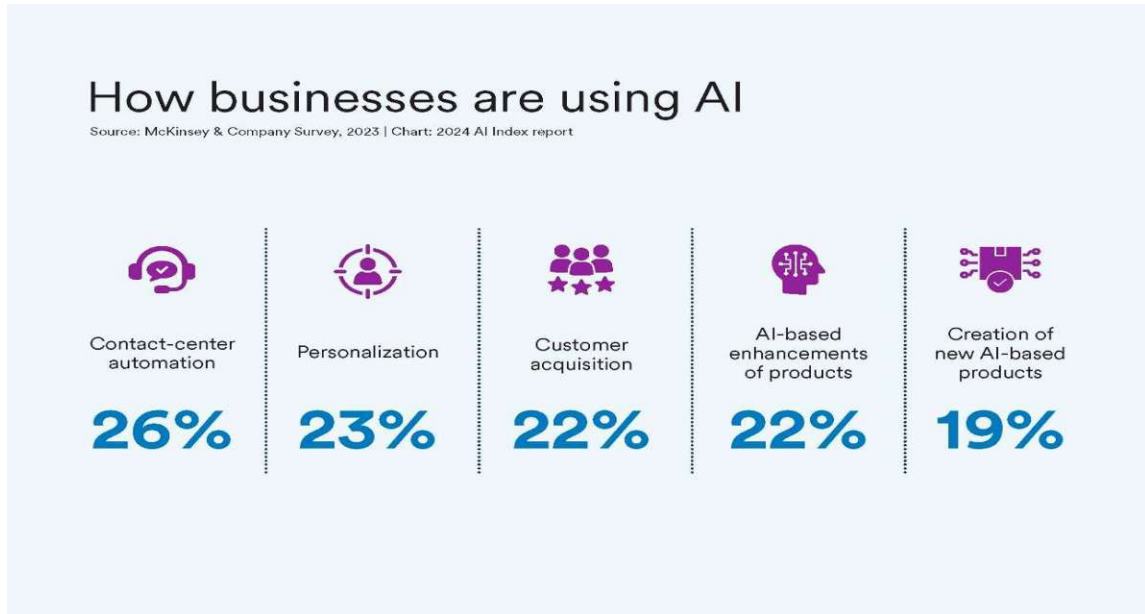


Figure 2.2: How Businesses are using AI (Stanford University, 2024)

Dirican (2015) emphasized that in today's market, investing in AI and understanding its impact is crucial for improving efficiency and productivity. Soon, it may become nearly impossible to imagine business growth without leveraging big data, AI, and machine learning. Though, it is so important to focus on the challenges related with AI and ensure industries effectively adapt to emerging technologies.

AI plays an essential role in business decision-making by analyzing big datasets to create valuable insights, enabling organizations to make more accurate decisions. With its ability to process information quickly all the time, AI-powered decision-making is faster and more reliable than human-based decision-making processes. The main important applications of AI in business include data mining for extracting useful patterns, predictive analytics for forecasting trends, and customer behavior analysis to enhance marketing strategies and personalized services (Prasanth et.al, 2023). Also, Dirican (2015)

highlighted the importance of strategic planning and leadership to transfer from this period successfully due to global economic challenges faced the world after post Covid and financial crisis.

Despite all the positive implications of Artificial intelligence on business processes, Soni et al. (2020) emphasized one of some negative implications of artificial intelligence. Businesses face challenges in adapting their existing business models and infrastructure to integrate AI technologies, which can be costly and time-consuming. Therefore, businesses must develop their models and strategies in response to the rapid change due to AI innovations and improvements frequently. It requires continuous efforts to be informed about new technologies and investment in learning and adapting to changes quickly.

On the other hand, Gurjar et. al (2024) identified AI challenges into different categories and aspects that affect business success and must consider all of them. One of the major concerns is data quality and accessibility. Organizations and leaders should invest in data creation systems like hardware, software and all processes related to analyzing data because poor data quality and inputs can lead to inaccurate or biased outcomes and results, especially in some critical applications such as healthcare and finance. Ethical concerns happen when AI makes biased decisions, such as in hiring processes, or raises privacy issues. Data security is another risk, with businesses needing strong governance to prevent breaches. The lack of technical expertise makes AI adoption difficult, requiring constant investment in training. High implementation costs can also be a barrier, especially for small businesses. Additionally, AI technology and applications have limitations and need to be developed further. Transparency is another issue, as many AI models function as "black boxes," making decision-making processes difficult to explain. In conclusion, integrating AI into existing IT systems can be complex. Addressing these challenges is essential for businesses to fully leverage AI's potential. However, AI rapid growth, particularly in the business field, cannot be ignored, and leaders should think about adapting new technologies, especially AI, to survive in a competitive market.

Chatre & Singh (2024) cited that AI changes organizations through three different mechanisms, First, task automation changes workflows and requires new skill sets for dealing with AI and robots. Second, there has been a shift in the decision-making process due to the availability of advanced data analytics tools and huge data sets, which improve the accuracy and efficiency of decisions. Third, new products and services by analyzing and accessing consumers behaviors by using AI.

2.2 Theories of Organizational Change

Organizational change is a fundamental factor in the survival and success of businesses in a competitive market. Despite its importance, organizations still face numerous uncertainties and challenges during change, such as employee resistance due to feelings of job insecurity and lack of trust in change.

Aninkan (2018) identified the foundations of effective change management as structured planning, clear communication, and leadership commitment to guide organizations through transition. He also categorizes change as reactive or proactive, radical, or incremental, and includes alignment with organizational strategy. In sequence, Aninkan (2018) cited that two-thirds of change initiatives fail due to poor change implementation, inadequate employee participation, and weak leadership support. Overcoming resistance involves engaging employees, providing training, and fostering a culture of adaptability. Successful change management not only improves organizational performance but also enhances employee trust and long-term sustainability.

Organizational change theories provide a good structure for understanding how businesses adapt to new technologies, especially AI and how changes occur during this transformation. Well-known change management models such as John Kotter's 8 steps, Kurt Lewin's and the Technology Acceptance Model allow us to look at organizational change from a wider perspective.

Kotter's 8-step model emphasizes creating a sense of urgency, forming an effective and collaborative team, establishing, and redesigning new vision and strategy based on that change, constancy communication between team members to ensure that they understand

vision and strategy deeply, robust risk management and adaptable organizational structure to change, focusing on visible improvement and encouraging people toward more achievement, hiring talented team members and enhancing change culture through focusing on customer and performance-oriented behaviors (Kotter, 2012).

Kotter believes that ignoring these steps can lead organizations to failure. Following and considering all steps precisely to achieve the desired goals is vital.

Kurt Lewin's change management model includes three phases which are unfreezing, changing, transforming, and refreezing (Shirey, 2013). The first phase or unfreezing is related to recognizing the problem or challenge, identifying the need for change, and preparing the organization for the transformation. The second phase, changing is where new processes and strategies are implemented, involving strong communication, and leadership. Last phase of refreezing, after change happened, and the organization adapted to the new environment, and this change became part of the regular processes and organizational culture.

Other theories, such as the Technology Acceptance Model (TAM), focus on user perceptions of technology's usefulness and ease of use. According to perceived usefulness, evaluate how much a user believes the technologies will improve their performance and based on ease of use, how simple it will be to use. However, over time, other factors such as social influence, and external conditions were added to this model and monitored how much these factors affect behavioral intentions and level of user adaption to advanced technologies (Davis & Granic, 2024).

The McKinsey 7S is a strategic method for organizational change, performance improvement, strategic planning, and ensuring that all business aspects are adapted to the new environment. The seven key elements of this framework are structure, strategy, systems, skills, staff, style, and shared values that change organizational culture and people dynamics (Odeh, 2024). These elements are classified into hard components (structure, strategy, systems) that define processes and organizational design, and soft components (skills, staff, style, shared values) that shape culture and people dynamics.

The model emphasizes that a change in one element impacts the others, requiring a comprehensive and unified approach to change.

Parry et al. (2013) explained that it seems hard for organizations to focus on all change methods and consider all aspects. For this purpose, organizational leaders should know which factors to consider and focus on, thus, classifying organizational change processes into two categories processual models and descriptive models. The processual model explains how change happens over time and describes the steps involved in the process such as Kotter's 8 steps, and Lewin's three steps. In addition, descriptive models focus on variables and success factors of organizational change and performance improvement such as the change tracking model. This model is designed to evaluate the improvement and success of organizational change projects. It essentially relies on enhancing business outcomes and improving business performance by accessing six crucial factors: resources (training and identifying capabilities), leadership (commitment), communication (clear vision and solid collaboration between all team members), team involvement, emotional energy (passion and resistance), risks and challenges. These factors help organizations to identify challenges adapt to change quickly and ensure a successful change transaction period.

Another change management model is the ADKAR model developed by Jeff Hiatt in 2003. Goal goal-oriented framework that contains five stages comes sequentially, their stages are Awareness, Desire, Knowledge, Ability, and Reinforcement (Kachian et al. 2018). It is essential to establish a clear need for change and encourage individuals to participate actively. At the same time, obtaining the necessary knowledge and skills and effectively implementing them is crucial for achieving desired outcomes. This model is a valuable tool for assessing an organization's readiness for change, identifying strengths and weaknesses in the adoption process, minimizing employee resistance, and enhancing engagement.

Given the complex nature of AI, research focuses on combining change management methodologies such as Kotter's Eight Stages, ADKAR, McKinsey 7S, and the Technology Adoption Model, as AI implementation impacts aspects of the entire organization,

stakeholders, and organizational strategy and structure. In addition, creating conceptual framework or method that contains all aspects of business such as technology, human, and environment.

To address resistance to AI implementation effectively, Kotter's 8-Step Change Model provides a structured framework that organizations can adapt. The process starts by creating a sense of urgency around AI adoption and establishing effective leadership team to increase chance of successful AI implementation. Reduce uncertainty by improving clear vision, and consistent and clear communication to raise trust. Upskilling employees and understanding their concerns. Also, continue support for maintaining progress and adjusting organizational culture with changes.

McKinsey 7s ensures organizational alignment when adoption AI by focusing on strategy, structure, system, shared values, staff, and skills. It means embedding in all key organizational dimensions.

Adkar's model focuses on employee resilience and tests key factors such as awareness, willingness, knowledge, ability, and empowerment, ensuring that people are effectively embraced in the AI journey.

Furthermore, technology adoption methodology helps researchers and organizations the reasons of employee's resistance to AI clearly through evaluation of AI usefulness and easy to use and perception of employees about changes. However, finding best match change methodology requires more studies and understanding AI deeply due to rapid development and growth, technical complication, and cultural influence on organizations (Martins, 2023).

2.3 The sources of resistance against AI Adoption among employees

2.3.1 Organizational sources of resistance against AI Adoption

2.3.1.1 Organizational culture definition and resistance to change

Organizational culture plays a vital role in shaping attitudes toward innovation and technology adoption. People often resist new ideas because of culture, fear of change, and

lack of trust in new technology. In workplaces with strict rules and top-down management, creativity and innovation can be limited. On the other hand, a more open and flexible environment encourages new ideas, research, and adaptability.

Schein (2016) identified the organizational culture as a norm, beliefs, and values of group of people that developed over the time, it effects on both external adaptations and internal integration, it means that group that follows this culture learn how to deal with surrounded environment and group members together. Thus, organizational culture learns people must think and how to solve the problems within the workplace and each new member of organization must follow this norms and values. Schein emphasizes that organizational culture is not just visible behaviors or company policies but contains deeply rooted mental models that influence decision-making, leadership styles, communication patterns, and employee interactions. Schein organizational culture framework contains three levels which are artifacts, espoused values, and fundamental norms.

Artifacts are the visible and tangible aspects of culture, such as dress codes, but they don't fully show deeper cultural norms. Espoused values are the clearly stated beliefs, like mission statements and core values. fundamental assumptions involve of extremely deep-rooted values, often unconscious beliefs that guide behavior and decision-making within the organization.

Kotter and Heskett (1992) cited that most important aspects of organizations influence by these values such as financial success, technological innovation, communication styles and most likely are difficult to change. In addition, on more visible levels, culture is reflected in behavioral patterns, styles, and norms that employees are encouraged to follow, such as work ethic or conservative dress codes. Both levels interact and shape behaviors in organization.

In support of pervious definition of organizational culture, it refers to shared values and norms that determine the members behaviors in organizations and even though creating a sense of collective responsibility and meaning (Denison et al, 2012). Furthermore, this study indicates that there is strong relationship between organizational culture and

performance outcomes like growth, financial improvement, and employee's satisfaction. In other words, one of key indicator of organizational success is effective culture which is align with organizational objectives and strategy.

Ramírez et al (2017) sorted organizational culture into five different types of flexible, clan, adhocracy, rigid and hierarchy cultures based on level of flexibility and rigidity. The flexible culture established based on flexibility and innovation, encouraging self-directed team with freedom to make decisions. The clan culture focused on commitment to organization structure, social influence, and strong sense of belonging among employees. Adhocracy culture Focuses on creativity, research, and innovation, main goal is rapid adaptation and growth in dynamic markets.

Rigid culture emphasizes on structure, hierarchy, and efficiency, leaders try to prioritize stability and performance measurement and market positioning in this culture. Fundamental aspects of Hierarchy culture are Bureaucracy, procedures, and formal structures to ensure efficiency and control. Finally, Market culture rely on competition and financial performance, focusing on outcomes, goal achievement, and surpassing competitors, but with low level of employee collaboration and social commitment.

Based on these definitions and classifications, in sequence, organizational culture shapes workplace behavior by conducting employee decision-making, setting expectations for communication, and influencing leadership styles. A positive culture increases engagement, enhance collaboration, and encourages innovation, while a rigid or toxic culture can lead to poor communication, low morale, and high turnover. In the end, a strong organizational culture promotes adaptability, stability, and long-term success.

In today competitive market, innovation is key factor of organizational growth and success, and achieving competitive advantage and enhancing performance (Peng & Tao, 2022).

Khazanchi et al, (2008) studied on impact of organizational culture and values on innovation processes, as key aspect of change management, they found that organizations

must think about how to create the balance between creativity and empowerment with productivity and structure. Also, consider that successful innovation requires both flexible and control-oriented values, and adopting shared and clear value culture in whole organizational levels. All team members should work to achieve shared values and targets from management and employee perspective together.

Naranjo-Valencia & Sanz-Valle (2011) studied on 471 Spanish firms to exam that how organizational culture influence company orientation toward innovation. They claimed that there is strong relationship between organizational culture and innovation. The organizations with flexible and creative environment are more capable to foster innovation and create new products compared to rigid and hierarchy culture. Companies that invest in research and development and are not afraid to pay a lot of money for research will adapt to new changes quickly, rather than companies not being interested in this area.

Baregheh et al. (2009) studied different definitions of innovation and, after analyzing various innovation's meaning, they tried to establish a unique definition based on the data that they collected. They describe innovation as a multi-stage process through which organizations develop ideas into new or enhanced products, services, or processes to drive progress, stay competitive, and stand out in the market (Figure 2.3).

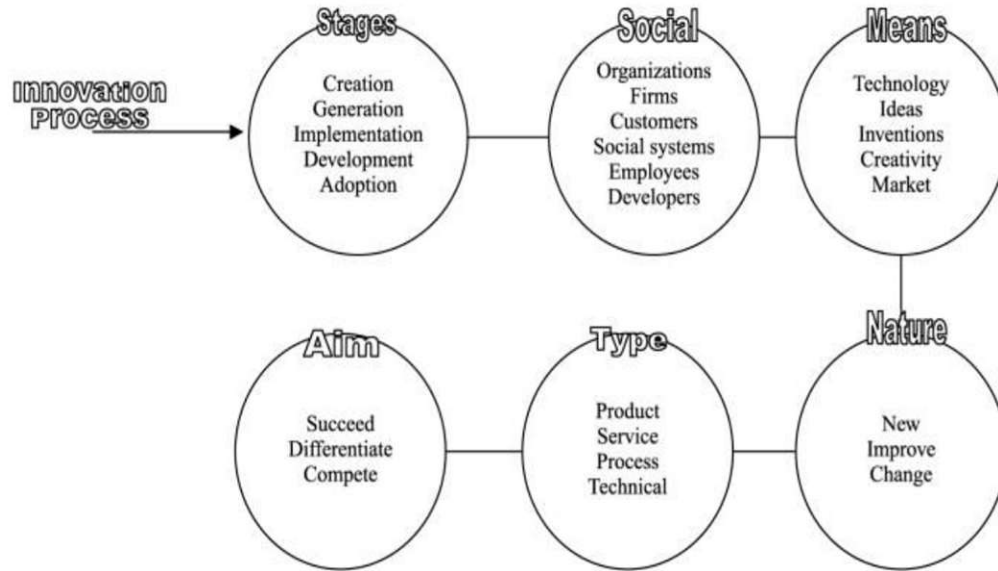


Figure 2.3: A Diagrammatic Definition of Innovation

Drucker (1998) explained how entrepreneurs and managers can effectively recognize and use innovation opportunities, emphasizing that innovation is a structured and systematic process that helps businesses succeed and adapt in a competitive market. However, identifying the sources of innovation is crucial for achieving desired goals. Also, success in innovation requires a deep understanding of the market and a commitment to continuous learning. He categorizes sources of innovation into two main groups. The first group contains of internal sources, including industry and market changes, unexpected events, process failures, and gaps between processes and performance. The second group comprises external sources, such as new knowledge, shift market demands and demographic shifts.

Hage (1999) classified source of innovation into two main groups, the first group contains internal causes such as organizational complexity, leadership, and knowledge-sharing. In addition, external factors involve Market shifts, technological advancements, and demographic changes. Also, Hage (1999) emphasized that flexible, decentralized structure and open communication persuade innovation, furthermore organizations that

embrace risk and invest on talents have more chance to meet success and become innovative organizations.

Euchner (2022) cited that it is vital to focus on discovering gaps between current culture and desired culture. Organizations can not follow and use same innovative approaches that followed by other organizations due to cultural differences. In other hand, Innovation differs from one organization to another, because each organization has unique culture and this culture emerge during period not quickly. Thus, identifying clear goals, vision, and strategic approach as first step is necessary and after that analysing methods or actions that can help achieve these goals. Finally finding proper practices are most likely adopted to current culture and have best chance to success.

Cheong et al (2024) investigated in nine case studies of famous companies and figured out the systematic and strategic framework for improving innovation culture in organizations under name of Innovation 360°. The framework highlights that companies must invest in R&D, encourage adaptability, promote inclusive and diverse workplaces, support employee learning, take assessed risks, and commit to sustainable business practices. By implementing this model, organizations can enhance their innovation capacity, maintain competitiveness, and demonstrate social responsibility. However, the study also highlights the need for careful adaptation of this framework based on specific industry and company contexts.

Bendak et al. (2020) suggested the framework to enhance innovation success based on existing culture under name of Innovative Culture Enhancement Framework (ICEF). The process includes three main steps which are accessing current culture and modifying it in a way that would enhance chance of attaining desired innovation type. Then organizations must access existing innovation types and applying creative innovation strategy to determine the types and levels of innovation present. Last step is positioning culture with innovation, and organizations adapt their culture to improve their aimed innovation method.

One of main challenge of organizations is how can they effectively manage change as inevitable aspect, there are many approaches that explain how to lead change successfully. However, Agarwala (2008) defined an approach as customized version can apply in all organizations. He focused on human aspect of change as one of key aspects of change and classified resistance to change based on this aspect into three types of resistance which are active, passive, and hidden resistance according to level of resistance. First type or active try to show their resistance very clearly and protest. Second type don't have any motivation or consideration about the change. Also, third type are hidden opponents like intentionally delay. In addition, Agarwala (2008) cited that change as continuous process in organization should be regulated by comprehensive change strategy which contains clear change stakeholders' identification, having sufficient data before starting change process and updating it regularly with stakeholders, focusing all resistance types (people, active feedback loop and harmonizing plans with system. Finally, effective change strategy should be established based on considering what is changing, how it will be happened and who will be participating or impacted.

Battilana and Casciaro (2013) categorized the resistance to change into three groups based on how much change affects current norms and values. First group is resisters who deeply opposed to the change and prefer to support the current situation. second group is neutral employees who may support or resist the change depending on influence efforts by organization and leaders. Third group is who actively engage and embrace the change program. Build trust and emotional relationship is vital to reduce resistance and using different strategies to overcome challenges with first group and try to reduce resistance between second group before first group (Battilana & Casciaro, 2013).

Most of studies about resistance focus on employees as key factor of innovation resistance, but Ford et al, (2008) claimed that change agents (leaders, managers, advisors) also play main role in creating resistance through their actions, miscommunications, and mismanagement. Also, they emphasized on changing perspective of seeing resistance as obstacle to opportunity for grow a business. Traditional beliefs assume that resistance comes only from employees who are reluctant to change. Leaders and organization top

management should create an environment that encourage employees to involve in change process in early steps, and building strong relationship and communication in all organizational levels effects on resistance and it becomes opportunity to improve business outcomes and performance.

Mikel-Hong et al. (2023) sorted out resistance to change in four different levels, organizational level, Group and Interpersonal level, individual level, and Meso-level. The organizational level is relied on leaders' reactions and strategies toward change and their plans to frame change and manage it in such a way that meet organizational objectives. Group level focuses on relationships between change agent and employees in the change process and how effective and strong communication play vital role to decline resistance. Individual level investigates on employees' behaviors towards change and meso-level focuses the interaction between strategists, agents, and employees. Organizations should realize resistance as valuable feedback rather than a barrier, actively involving employees from the start, building trust, and maintaining transparent communication to facilitate change adoption. In addition, emphasizing on that the effective change management needs a flexible, collaborative approach, where strategists, agents, and employees work together to improve and adjust strategies for successful implementation.

There is strong relationship between workplace diversity and innovation. The different skills, capabilities, a border range of intelligence and problem-solving skills in diverse workplace increase an opportunity to have more innovative organizations However, leaders should manage this diversity to ensure of all employee's levels involvement. When women and racioethnic minorities are fully engaged in decision-making, organizations experience higher innovation levels. Developing a collaborative and participatory culture increases the benefits of diversity, and strengthens innovation (Yang & Konrad, 2011).

Yoo et al, (2012) considered digital advance technologies as one of the key factors that encourages firms to be innovative. This study focuses on three different characteristics of digital innovation which are online platforms such as App Store or cloud services, distributed and combinatorial innovations. Distributed innovation is a collaboration between organizations and other parties to develop products or services like open-source

projects. Combinatorial innovation is collecting different type of technologies to create new products like apps and software updates.

2.3.1.2 Organizational Source of Resistance Against AI Adoption:

Artificial intelligence is transforming industries and changing the future of the world. Integrating AI into business processes and creating new products will force organizations to change strategies and adapt organizational structures to new changes, but at the same time, there are significant benefits for organizations such as automating repetitive tasks, improving decision-making processes, and enhancing efficiency. However, implementing AI is not simple process, and it requires strategic planning, leadership alignment, and cultural transformation (Chhatre & Singh, 2024). In addition, organization confront different challenges with employees due to resistance and fear of job displacement due to automation (Chhatre & Singh, 2024).

Organizations struggle with resistance to AI implementation and struggle to adopt with new change in both organizational and individual levels. Employees fear job loss, AI bias, and surveillance increased and same time organizations struggle with rigid cultures, high costs of AI and data security challenges. Additionally, insufficient regulations, industries shift due to AI and consumer uncertainty to trust to AI raised many challenges. There is no doubt to overcome these challenges, business should focus on learning, transparency, ethical AI practices, and developing collaboration of AI and human toward increasing human proficiency and productivity.

Antebi's report (2021) explained a various type of challenges in using AI for national security in Israel. The challenges are divided into technical, organizational, operational, security, and political challenges. Technical barriers involve developing, adapting, and implementing AI systems to meet specific demands (technology, hardware, and software issues). Organizational challenges contain Budget restrictions, inadequate AI experts in market (Human resource issues and recruitment), limited resources, employees' resistances, and leadership reluctance. Operational challenges are decreasing reliability in dynamic environment, AI inability to adapt to unpredictable operational contexts,

instability between AI rapid decision-making process and Human control. Security concerns are related to ethical, legal, and cyber security concerns.

Zhu et al. (2021) provide in-depth research about employee's resistance toward implementing AI in organizations and cited that most of businesses are in pre-adaption period of AI. This period is crucial because after this period change will be tough and some cases become impossible, so negative behaviors from all stakeholders especially employees about AI implementation can deeply undermine the organization's success. This study based on cognitive appraisal theory focused on both rational and emotional dimensions of employee's reactions to AI implementation into "AI Intrepid, AI Skeptics, AI dissenters, and AI Reticent" (Zhu et al. 2021). This classification is based on the level of interest in implementing AI to dislike and resistance to the implementation of AI.

There is strong relationship between AI ingratiation and employee's identification, increasing AI implementation threaten employee's professional identity in workplace (Mirbabaie et al. 2022). The more employees recognize AI as part of their professional self negatively, the more AI harm will increase. Conversely, a strong positive identification with AI can decrease these threats. Few factors become main concerns of AI identity such as threat of job security, AI replacement with human work, undervalue of existing capabilities, weaken current job titles, loss of control and autonomy and AI new job roles conflict with established ones. Therefore, managing and mitigating AI identity threats is essential for the successful adoption of AI in organizations.

Results of an online survey in Rome 2021 with 150 employees from various levels of the organization show that most respondents are enthusiastic about implementing AI, however they are concerned about job losses and the significant difference between the salaries of IT workers and other departments or jobs not directly related to AI implementation (Moraru & Popa, 2021).

Wach et al. (2023) identified the Generative AI risks especially Chat-GPT in seven different categories. Lack of regulation is the first threat and raises ethical concerns. First, it is essential to think about establishing international standards and regulations. Second,

quality control and algorithmic bias contribute to unreliable output, wrong information or misinformation, even fake data and emphasizing social biases. Third, Job displacement have bad effects on employee's professional life and replacing human with machine due to automation. Forth, privacy challenges as it can collect and misuse personal data, leading to potential breaches and social surveillance. Fifth, AI-driven social manipulation enables misinformation campaigns, weakening ethical standards and promoting deceptive practices. Sixth, expanding socio-economic gap due to unequal AI access, preferring technologically advanced and large corporations over smaller firms. Seventh, AI-induced technostress adds workplace anxiety, forcing employees to constantly adapt to evolving AI technologies, raising concerns about job security and cognitive overload.

Organizational leaders, as key decision-makers, must be prepared to embrace and facilitate the adoption of AI by fostering an innovative culture that focuses on work productivity and rapid adaptation to change (Wang & Liu, 2024). Leaders should first develop the understanding of AI deeply before investing in its adoption and addressing resistance to its implementation.

Galgesi et al. (2025) identified a conceptual framework for employee resistance to AI in the workplace and identified employee fear, inefficacy, antipathy as the main roots of AI resistance and in result arises concerns about job displacement, technological complexity, mistrust, and ethical concerns. Employees confront AI due to distrust to AI and uncertainty about AI reliability, equality, or intentions. In addition, fear about future of work and understanding technology aspect of AI. So, AI resistance is not just simple technical issue, and it requires to consider both individual and organizational aspects to confront resistance, finding effective strategy to adapt with new environment, and investing on learning, collaboration, and transparency to overcome it (Figure 2.4).

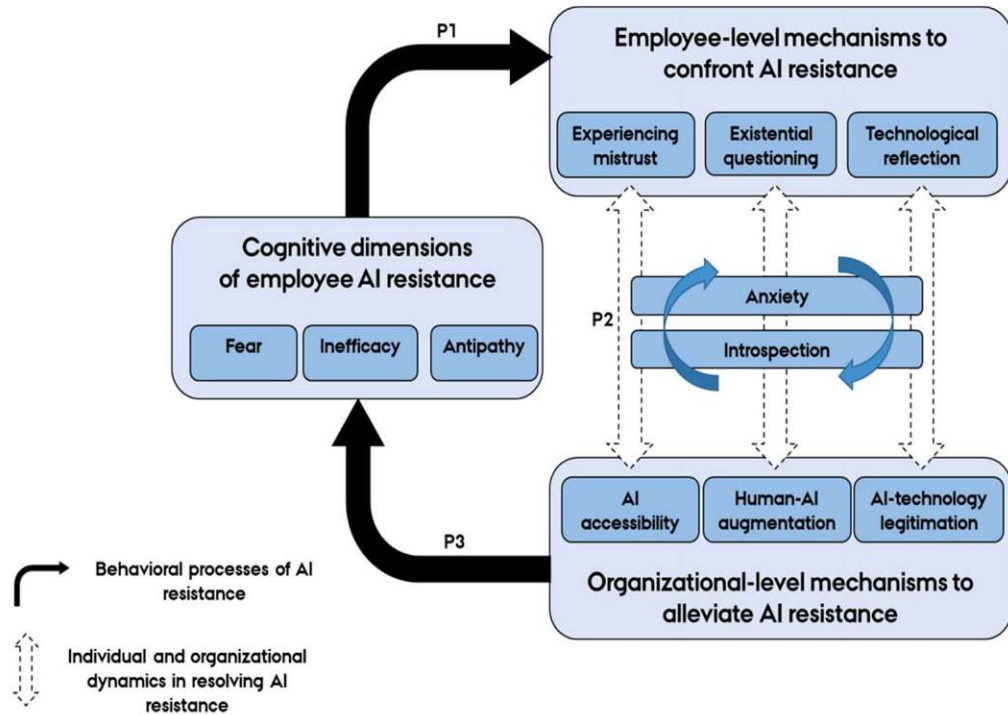


Figure 2.4: Conceptual Framework for AI resistance (Galgesi et al. (2025))

Despite psychological challenges, especially employee resistance, organizational and ethical challenges play a vital role in slowing down the adoption of artificial intelligence (Ivchyk, 2024). Organizational barriers such as rigid culture, leadership reluctance to invest in AI, poor alignment between AI strategies and organizational goals, and lack of sufficient knowledge to manage AI implementation. On the other hand, ethical concerns reduce interest in rapid implementation of AI, data privacy and AI bias, especially in decision-making processes, create different challenges and make employees more resistant to AI (Ivchyk,2024).

One of the key organizational aspects undergoing transformation is organizational culture. AI is leading this shift by developing a more innovative and collaborative work environment. Additionally, organizations are becoming increasingly data-driven, leveraging advanced technologies to enhance decision-making and operational efficiency (Murire, 2024). Regardless of the benefits of AI, it is crucial to consider the strategic relationship between AI initiatives and culture. Productive implementation of AI needs a

strategic approach that considers both the technological and human factors and ensures that AI grows rather than interrupts current culture (Murire, 2024).

Furthermore, implementing AI requires technical and interpersonal skills, such as understanding AI tools and how to use them, but at the same time, these skills require organizational investment in training programs, ethical AI governance, and creating the operative environment for human and AI collaboration (Babashahi et al. 2024). Since most employees do not have sufficient AI skills and need training, training programs for this purpose have not yet been identified, making it difficult for organizations to find AI skills and expertise. Additionally, many small and medium enterprises struggle to AI adoption due to strict resources and budget.

Organizational barriers to AI implementation stem from factors such as the organization size and scale, employee resistance to change, insufficient AI perception, competing priorities, conflicted objectives, and high initial costs. These challenges make it difficult for organizations to effectively integrate AI into their operations (Shrivastav,2024).

Bankis et al. (2023) studied the impact of AI in organizations at various levels and themes, including human-AI collaboration, understanding of algorithms and human competencies, employee attitudes toward AI, AI as a control mechanism, and the impact of AI on the labor market at various individual, group, and organizational levels. The results of the study show that there is a strategic relationship between organizational culture and employee behaviors in using AI. Innovative culture, supportive leadership, continuous learning system facilitate adaptation to AI and transform employee fear into encouragement and motivation to use AI. It is crucial that leaders and organizations at the senior management level shift their perspectives from AI as a replacement for human resources to complementary resources to increase productivity and improve employee performance.

The world is struggling to balance AI monitoring and workplace safety after the COVID-19 pandemic, with companies using AI monitoring to monitor and track employee attitudes, communicate with each other, protect against health risks, and increase

productivity (Chamorro-Premuzic, 2020). However, employees suffer from privacy and ethical concerns such as loss of autonomy and fear of data bias in AI decision-making regarding AI monitoring and tracking by employers, creating a trust gap between them.

AI surveillance using predictive analytics and real-time tracking tools can collect data from biometric and facial recognition scanning tools, emails, physical movements, and even productivity levels and live locations via GPS. Despite the benefits of these tools for workplace well-being and safety, they make it difficult for employees to control data and privacy (Carter, 2024). The General Data Protection Regulation (GDPR) sets out rules to protect the rights of employees and employers, but due to the complexity of AI, it requires more work and regulation.

Many organizations face challenges in observing and following AI-related laws due to evolving and non-standardized regulations, particularly in healthcare, banking, and insurance. In healthcare, strict data privacy laws like HIPAA (U.S.) and GDPR (Europe) limit data sharing, impacting AI training. In finance, AI-driven credit scoring and fraud detection must adhere to anti-discrimination laws, yet regulators have not established clear AI auditing guidelines, creating uncertainty for businesses (Radhakrishnan et al, 2022).

Ulnicane (2024) focused on the influence of AI and highlighted the challenges and risks of AI bias, lack of diversity and discrimination in AI systems. This study was considered socioeconomic biases in AI system due to dominant AI market by male developers and insufficient woman presence in this market. Women and minorities are ignored in the roles of AI leadership and make it harder to reform. Therefore, Leaders need to be concentrated to find appropriate solutions to reduce these risks and biases especially about discrimination.

Winecof & Watkins (2022) conducts qualitative interviews with 23 artificial intelligence startups and form various sectors such as health care, commerce and agriculture. The results of this qualitative analysis show that startups should consider the balance between the development of artificial intelligence technology and commercial artificial intelligence to achieve competitive advantage and survival in the market. On the other hand, startups

are trying to balance these factors, especially when they want to attract investors. In addition, consider both aspects of technology development and ethical values to implement artificial intelligence and put a lot of pressure on startups.

Many implementations of AI in organizations have failed for several reasons, especially employee's resistance. Organization strategies have an important role to make this transaction successful. Hasija and Esper (2022) noted that by take into consideration the unified theory of acceptance and use of technology focusing on organizational and social factors that influence AI implementation, we can confront AI implementation barriers in both timing of before and after implementing and creating trust to AI.

Rudko et al. (2021) studied the impact of artificial intelligence (AI) on organizational structure at both Micro and Meso scales, focusing on employee behaviour towards AI implementation. Changes at the micro or individual level will reduce job diversity due to automation of repetitive tasks, but there is the possibility of richer jobs with greater autonomy and the need to adapt to the new nature of the job. Also, in Meso Level or organizational structure, increasing tendency to shift from hierarchical to flat structures and decentralization instead of rigid and bureaucracies' models. Also, the study identified employee attitudes towards AI implementation into four different groups: very optimistic, somewhat optimistic, somewhat negative, and extremely negative based on resistance levels that shows toward AI.

2.3.2 Individual sources of resistance against AI Adoption

Popescu et al. (2024) gathered data from an empirical survey of 259 employees, evaluating their attitudes, challenges, and levels of involvement in AI-driven changes. The outcomes of this survey showed that AI adoption requires to reshape job roles, new digital technologies skills, critical thinking, and problem-solving capabilities. The 80% of employees are interested to adapt with AI and eager to learn new skills, but continuous learning and skills improvement are essential to stay applicable to an AI-driven work environment. The biggest challenges of AI in the workplace are communication challenge (59%) and staff rearrangements (37%), as well as worries about job security, fair decision-

making, and the lack of clear rules and transparency, which can increase uncertainty and resistance.

Employees may resist change due to uncertainty, fear of failure, and disruption to known norms (Peus et al. 2009). Job security is first and foremost a threat that employees face when interacting with change and feel anxious about the unknown situation. Fear of inability and failure when it comes to adapting to new technologies or processes, and on the other hand, the employee may resist due to a lack of full understanding of the purpose or benefits of the change. Successful change management requires strong leadership, clear communication, equality, and employee engagement. Organizations that foster trust, inclusion, and transparency are more likely to implement successful and sustainable change plans (Peus et al. 2009).

Vezeteu & Nastac (2024) explained the relationship between AI integration and employee capabilities. It claims that while AI has had an impact on increasing operational efficiency, this benefit is achieved by investing in continuous training and developing employee skills. These competencies include digital and technical skills, problem solving, and interpersonal skills based on the organizational level of the employee, for example, senior management needs to develop theoretical knowledge of the strategic implications of AI. Mid-level managers and operational teams need a combination of practical and strategic expertise to effectively implement AI programs.

Freitas et al. (2023) categorized the psychological factors that increase AI resistance into five groups which are vagueness, emotionlessness, rigidity, autonomy, and group membership. Opacity is one of the barriers that users face against AI, because humans feel confident and trusting when they can predict results, but AI results are unpredictable, and fear of transparency in the use of AI creates resistance. Also, Users often distrust AI systems due to a lack of understanding of how they work. Apathy or lack of emotion is the second challenge, AI has no feelings like humans, making it impossible to rely on AI for subjective judgment or empathy. Rigidity or inflexible, AI system is not able to learn from mistakes or modify bases on distinctive user needs. Autonomy is the fourth psychological barrier that increases the feeling of loss of control and leads to resistance,

especially in decision-making areas, and combining human and AI decision making approach decrease this fear. last one is group membership; user is more interested to prefer human decision-making process rather than AI due to biases despite of performance.

Freedom is a key aspect of being human, and when individuals feel that something restricts or threatens freedom, all efforts are made to restore freedom, a phenomenon called psychological reaction (Sheng and Chen, 2020). They divided psychological reaction to AI into two types of cognitive and emotional. The cognitive reaction is about people making negative comments about the source of the threat to their freedom and trying to discredit it and destroy the credibility of the source of information. Emotional reaction is negative emotions appears to the feel of freedom threaten like anger.

Golgeci et al (2025) identified AI resistance as a sophisticated challenge that affects employees in three different dimensions fear, inefficacy, and antipathy. First, fear is concerns about job security, safety, and the possibility that AI might replace human roles. Second, inefficacy refers to the feelings of incompetence or inadequacy when employees confront sophisticated AI systems. Third, antipathy is characterized by negative attitudes distrust privacy issues, and challenges to personal identity.

According to various studies, it is predicted that most jobs are at high risk of displacement and substitution, especially those that have repetitive, routine, and predictable tasks (Wang & Siau, 2019). In contrast, roles that require creativity, empathy, and complex intelligence are less likely to be affected. However, concerns about fear of job loss are a major factor contributing to resistance against AI implementation.

Another major barrier to AI implementation among employees is an insufficient and unclear understanding of the benefits and capabilities of AI (Ransbothman et al., 2017). They also show that most senior management levels (85%) believe that they will gain a competitive advantage by implementing AI, while there is a lack of sufficient and clear vision about the capabilities of AI.

2.3.3 Ethical Source of Resistance Against AI Adoption

Ethical resistance arises from concerns based on moral, legal, or societal values. Rather than opposing AI for personal reasons, employees and stakeholders may resist its adoption because they believe it could breach ethical norms, cause harm to others, or result in negative consequences for society.

Based on the SHERPA project and using a Delphi study with experts who categorized the main ethical challenges in different sectors such as government, energy, agriculture, and as a result 39 different ethical concerns, Stahl (2021) pointed out the advantages and disadvantages of ethical issues. The ethical benefits of AI include the ability of AI to analyse large data sets very quickly and repeatedly, while humans are unable to do so in a timely manner. It also increases productivity and efficiency by understanding data more deeply and making life easier, such as identifying spam emails. In addition, it is beneficial to use AI to improve and develop AI with a focus on reducing ethical harms. However, negative ethical issues of AI include uncertainty about data quality and data accuracy, privacy and trust in AI, security issues, lack of transparency, bias and discrimination, unfairness, misuse of personal information, fear of loss of freedom, fear of loss of control and autonomy, threats to human rights, data ownership issues, loss of human decision-making.

AI technology presents both opportunities and risks—it has the potential to support and uphold human rights, but it can also lead to significant violations of those rights (Yadav,2023). Dual nature of AI harm human rights such as bias and discrimination, where AI have reproduced racial and gender prejudices. In addition, ability to produce fake audio and videos and generation fake information pose threats to personal privacy. AI-driven systems replace human workers and threaten the right to employment. Privacy is also at risk, with AI-powered data harvesting and profiling, undermining individuals' ability to control their personal information. Lastly, the use of facial recognition for movement tracking—especially during the COVID-19 pandemic—has been criticized as a restriction on freedom of movement (Yadav, 2023).

Varona and Suárez (2022) provide a critical overview of the intertwined concepts of discrimination, bias, fairness, and trustworthiness in the context of AI systems. They explain that AI often repeats unfair patterns from the past, especially if the data or design includes hidden biases in decision making process. Bias can come from various factors such as the data used, the way the system is built or the people who create it. Fairness, which means treating similar people equally and avoiding harm, depends on the cultural and social context. The authors also discussed about what makes AI trustworthy, including fairness, safety, transparency, and human control. They argue that many existing ethical guidelines for AI are too general and hard to apply in real situations. To solve this, they suggest creating tools and models that help teams build more responsible and trustworthy AI systems from the beginning of a project to the end with considering all legal, technical, and technical dimensions.

According to The Oxford Handbook of Ethics of AI, AI systems raise several important ethical concerns. One major issue is bias and unfair treatment, where AI can repeat and even worsen past inequalities, leading to discrimination in areas like hiring, policing, and lending—especially based on race, gender, or income. Another concern is the lack of transparency, as some AI systems are so complex that it's hard to understand how they make decisions. This makes it difficult to hold someone responsible when things go wrong, particularly in important areas like healthcare or the justice system. There's also the problem of accountability, since AI itself can't be blamed or punished, so humans must take full responsibility for its actions. Finally, AI can threaten privacy, especially when it's used for facial recognition, tracking people's behavior, or collecting large amounts of personal data—raising concerns about individual freedom and control over personal information (Dubber et al, 2020).

In AI ethics, disability is often overlooked, especially in the hiring process and technologies such as facial and speech recognition (Tilms, 2022). While gender and race bias are considered, the needs of disability are ignored in AI design models.

AI can affect the way people make moral decisions, especially in serious situations. Also, the decisions tented to be aggressive or cautious depend on what AI suggested (Salatino

et al. 2025). Furthermore, when AI was involved, people felt less responsible for their actions, and less accountable when guided by AI. The use of AI in areas such as healthcare, law, and the military, where there is a need to make very careful ethical decisions and accept full responsibility for ethical choices, raises concerns that need to be carefully considered.

The ethical challenges involved in adopting AI in business demand attention to several key areas, including bias and integrity, transparency, privacy concerns, accountability, job loss and economic inequality, autonomy in decision-making, security risks, potential misuse, global and cultural standards, and long-term consequences (Maiti et al., 2025). Additionally, due to the complexity of these ethical concerns, their impact can differ depending on factors such as age, gender, nationality, skill level, and the organization's background. Challenges related to bias and fairness often result in unequal conduct based on factors such as gender, race, and socio-economic status. The lack of transparency in AI decision-making processes leads to decreased trust in the outcomes. In addition, the absence of well-defined global regulations and standards makes it difficult to consider long-term implications without facing legal and ethical uncertainties. Furthermore, there is still no clear understanding of the extent of AI's accountability and responsibility, nor the role and autonomy of humans in relation to AI-driven decisions.

2.4 Strategies to overcome AI Resistance

The adoption of Artificial Intelligence (AI) in various industries is often met with resistance due to concerns about job displacement, ethical considerations, and trust in AI-driven decisions. Overcoming this resistance requires a strategic approach that includes clear communication, stakeholder engagement, and the implementation of policies that promote transparency and collaboration toward maximizing the benefits of AI integration.

Riel et al. (2024) described some challenges should be focused on it as effective strategies for enhancing AI – Human collaboration, the fast-paced advancement of technology makes it challenging for leaders to continuously upgrade their skills, with AI literacy being a crucial leadership competency. Additionally, establishing a clear and shared vision that

defines employee roles and motivates them to work toward organizational goals is a fundamental strategy for successfully integrating AI. This study also focuses on importance of human resources departments policies, new regulations of recruitment and training, investing on transparent data management system, and collaborative communication effectively.

Tenakwah & Watson (2025) identified six key important concepts for AI workforce integration, First, aligning AI with business strategy ensures achieving organizational objectives. Second, fostering a culture that encourages employees to embrace AI shifts and decrease employee's resistance. Third, promoting continuous learning and emphasizes on upgrading skills to prepare employees for AI-driven roles. Fourth, AI-centric jobs need to be designed, such as AI trainers, automation architects, and specialists in human-AI collaboration. Fifth, scaling human-AI collaboration needs restructuring work processes to improve human decision-making with AI assistance. Finally, AI-driven HR strategies focus on using AI in responsible way, preventing bias, and making sure AI follows ethical guidelines to support long-term workforce success.

An intelligent organization utilizes human-AI integration to enhance human capabilities, enable employees to focus on higher value activities while AI manages reparative tasks, effective problem solving, improving efficiency and productivity, and ensure ethical use of AI by maintaining transparency and accountability (Kolbjornsrud, 2024).

Successful adoption of artificial intelligence requires consideration of various areas in organizations. Al-Kafari (2025) classified these areas into three areas: resource management, regulatory and ethical management, and organizational change management and strategic investment. Resource management includes all the financial and technical resources necessary to invest in AI adoption, such as providing the required hardware or software, staffing and training, and the ability to adapt to future development. Ethical management should focus on considering all biases and working to address them and complying with all legal frameworks. Also, the ability to update with new AI improvements. Last one, strategic change management, successful AI integration needs to create collaborative environment in organization and involves teamwork between

human resources, IT and Legal departments. However, organizations, regardless of size or industry, need AI adoption strategies that are tailored to their environment.

Based on the nature of artificial intelligence and the impact on structure and goals of organizations, the integration of AI, considering all aspects of organizational aspects such as strategic Objectives, vision, mission, culture, operations and regulatory aspects, requires Holistic method (Abonamah & Abdelhamid, 2023). In addition, continue learning in all organization levels especially leaders and top management. Identifying KPI and success measurement system to understand and analysis successful Ai adoption frequently.

Most research and studies focus on creating AI-human collaboration as key success to AI adoption in organizations, emphasizing the human-in-the-loop approach, but organizations in the loop as humans in the loop is vital to ensure successful integration (Herrmann & Pfeifer, 2022). Organization in loop ensures that AI is not only organized by human but also embedded within organizational structure, plans and governance frameworks. It highlighted AI governance, cross functional collaboration, and continue learning to align AI decisions with business goals.

Holmström & Hällgren, (2021) proposed three tactical strategies to integrates AI successfully in organizations, First, businesses need to define the role of AI and ensure that AI supports the organization objectives, despite knowing the benefits to the organization such as automation, enhancement of human tasks, or decision-making. Second, companies must establish the right balance between transparency and algorithmic control, determining how much autonomy AI should have while ensuring its decision-making process remains understandable. Systems with low transparency, may create worker dissatisfaction. Finally, organizations should acknowledge AI's reliance on context, as its impact alters across different industries, regulatory frameworks, and corporate cultures. Instead of applying a general approach, businesses should assess AI's effects exclusively to enhance its benefits and decreasing potential challenges.

Seufert and Spirgi (2024) worked on various case studies and focused on human resource development strategies to successfully integrate artificial intelligence. The study

emphasized the importance of human resource sector policies for artificial intelligence in the workplace, and regarding the fact that most employees use artificial intelligence to carry out their daily activities without informing their supervisors. These strategies include quick upskilling, transformation -oriented culture, data -based agility, personal learning, comprehensive and emotional learning in the workplace. Intensive training programs to improve employee skills to deal with rapid digital transformation such as Volkswagen and Levi Strauss companies. harmonize culture with AI adoption, investing on developing soft skills, and ability to use AI tools effectively, especially in the public service sector such as Swiss post that utilized this strategy. Applying AI analytics tools to identify skill gaps and personalize learning experiences, ensuring that employees obtain the most relevant capabilities such as Swisscom and Novartis cases.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter will discuss the methodological approach to address the research questions and achieve the desired purposes. Research is a methodical process of studying, discovering, and improving knowledge, which begins with asking deep questions and finding responses through gathering and analyzing information (Booth et.al., 2008). The main research aim is not just collecting facts but enhancing current knowledge value and creating new insights and understanding.

The methodology is strategy and fundamental of research study which include the philosophical approach, research design, data collection methods, and analysis techniques (Creswell, 2009).

Methodology explains the reasons for choosing specified methods and how they match with research problem, ensuring reliable outcomes. In addition, there is not unique and standard methodology framework that fit with all type of research. Based on research nature, researchers should find appropriate methodology before starting data collection and analysis (Somekh and Lewin, 2005).

The discussion of this section is about the methodology adopted for the research study to assess the organizational resistance to artificial intelligence.

3.2 Research Philosophy

Identifying an accurate research philosophy is one of the key aspects of research methodology. The philosophical paradigm affects the whole research process because assumptions and essential philosophies about knowledge are produced by philosophy paradigms (Guba and Lincoln, 1982).

The research philosophy chosen by the researcher involved essential assumptions which will support the research strategy and methods applied in the research (Saunders et al. 2009). Also, this book classified research philosophies into four types: positivism, interpretivism, pragmatism and realism. Positivism has relied on objective reality, which exists independently of human perception, using scientific approaches and quantitative data. Interpretivism emphasizes subjective meaning, human experiences, and qualitative

methods. Pragmatism is a combination of both methods, depending on research questions and objectives. Realism accepts the existence of an external reality but emphasizes the role of human perceptions in understanding it. Furthermore, research approaches are divided into deductive and inductive approaches. The deductive approach focusses on a theory or hypothesis and tests it through research, but the inductive approach focuses on patterns and develops the hypothesis based on findings. Selecting the accurate philosophical approach is so important for the researchers.

This study focuses on understanding employees and organizations perceptions, experiences and cultural factors influencing resistance to AI implementation. Thus, interpretivism would be proper philosophy approach for this research. Resistance to AI is affected by employees' behaviors, workplace culture, and organizational dynamics, making a qualitative, context-driven approach essential. While positivism assumes a single objective reality, interpretivism recognizes that different individuals may perceive AI adoption differently—some as a threat, others as an opportunity. By utilizing methods like interviews and case studies, interpretivism allows for a deeper exploration of the social and cultural factors influencing resistance, making it a valuable perspective for finding the real motivations of organizational behaviors.

3.3 Research Design

The research design links the conceptual research questions to the right empirical research methods. It acts as a framework that begins with assessing the research goals, and based on their relevance, defines the appropriate sampling methods.

Research design determine data collection plans and analysis processes, guidelines of which aspects of project should be prioritize which involve identifying relationships between variables, finding appropriate population, understanding behaviours within its social context, and examining how social experiences shifts by time (Bryman and Bell, 2011). Furthermore, research design approves accuracy of study and achieve research objectives. In another hand, one of advantage of having appropriate research design enhance accuracy of study, and reduce researchers' mistakes and efforts (Creswell, 2009).

The aim of the research is to understand organizational resistance to the implementation of artificial intelligence and focuses on finding the roots of resistance precisely and finding solutions to manage these changes in the organization. Based on the nature of the research and the data, it shows that the descriptive design is much more consistent with the research objectives compared to other approaches. Also, a qualitative approach is considered more suitable for this study.

3.4 Research Approach

A research approach provides a structured strategy for researchers in evaluating information through applicable analysis. It involves data collection, analysis, and interpretation (Creswell,2009). Research approaches are broadly categorized into two types of inductive, and deductive. Marczyk et al. (2005) explained the inductive approach is about collecting data, and as result of data analysis theory will be developed. Also, deductive approach advancing theory and hypotheses and establish research design based on testing hypotheses and finally, some research needs were mentioned considering the combination of both approaches based on the research questions.

Creswell (2009) explained main factors influencing the choice of research approach such as the nature of the problem and question, the audience's beliefs, and their theoretical perspective. In this study, the main objective is to understand the reasons for organizational resistance to AI, including cultural, psychological, and social factors. Therefore, a qualitative approach will be effective because it helps the researcher to have a clear and deep understanding of the roots of fears and behaviors towards AI. In addition, organizational culture and leadership styles strongly influenced AI resistance, so a qualitative approach helps the researcher to develop the perspective on AI resistance and learn from the interviewees. Qualitative research is a suitable approach to explore the feelings, behaviors, and culture of the human workplace and gain real-world insights from employees and managers towards AI resistance. Interviewing employees and managers, especially in the IT department, helps the researcher determine the participants' level of understanding of AI resistance and their awareness of AI resistance.

3.5 Target Area and Target Population

The sampling method relies on both the Target Area and Target Population to collect precise data and attain accurate assumptions. Selecting the target population and target area is a crucial aspect of the study, and the researcher must consider several factors, including the research questions, the research method used, and the availability of an appropriate number of participants (Marczyk et al., 2005). These factors ensure that the study creates reliable, and generalizable findings regarding the research question (Somekh and Lewin, 2005).

Since this study focuses on organizational resistance to AI, it is essential to select research sites that are actively adopting AI technologies while experiencing challenges in this transition. Therefore, the target area will include innovative firms from various industry sectors, such as information technology, communication, construction, banking, healthcare, and finance. These industries are rapidly integrating AI into their workflows, making them ideal for assessing resistance factors and adaptation strategies.

The target population consists of employees and managers within these organizations who are directly impacted by AI adoption. This includes those responsible for using AI systems, managing AI-driven projects, or making strategic decisions related to AI implementation. Additionally, key stakeholders such as IT specialists, human resources departments, and change management teams will be considered, as they play a critical role in AI adoption and workforce adaptation. By incorporating perspectives from different organizational levels, this study aims to provide a comprehensive understanding of the barriers, concerns, and resistance strategies surrounding AI integration.

3.6 Sampling

Bryman and Bell (2011) identified sample as portion of population that is selected for research and analysis and followed by probability or non-probability approaches. Also, sampling frame is the list of all unites in the population which will sample be selected form them.

The organizational resistance to AI implementation study sampling method should be based on research design, target population and data collection method. So non-probability sampling will match with this research. Purposive method is most appropriate method for this research because This method allows you to select participants methodically based on specific criteria, such as employees and managers in organizations implementing AI.

The purposive method is not based on random basis and research try to select participants in strategic way to ensure of accuracy of research finding (Bryman and Bell, 2011). In this study ensure that the selected participants have significant experiences with AI implementation and resistance. This method helps the researcher to focus on participants who have experiences with AI implementation directly and have a better understanding of AI implementation advantages and challenges.

3.7 Data Collection Methods

Data collection as crucial step of research involves obtaining information from relevant sources, to analyze research problems, test hypotheses, and assess outcomes (Olsen, 2012).

Booth et al. (2008) divided sources into three groups: primary, secondary, and tertiary sources. Primary sources include raw data as the primary source for research, such as historical documents and articles that help researchers test hypotheses. Secondary sources explore and analyse primary data, and most of the secondary sources are intended for academic and professional audiences. Secondary sources also enable the researcher to refine their research questions and update their information in depth. Tertiary sources are used by general readers and summarize secondary sources and are not reliable for academic arguments.

The primary data collected by researcher from survey, interview with participants but secondary data are collected from existing sources which are documentary, multiple sources, and surveys (Saunders et al. 2009). Documentary includes organization websites and database, journals, and interview transcripts and medias. Multiple sources contain area based and time-series based sources like industry statistics, European union

publication and books. Survey involves all types of survey such as government continuous survey about labor market or index of employee's attitudes survey.

Combination of both primary and secondary sources help the researchers to find reliable and truthful information and collecting data. As primary sources for this research, survey will be appropriate method to collect data because survey help capture employees and managers experiences, concerns, and resistance factors deeply.

3.8 Research Instrument

Research instruments are one of the important parts of research because they directly affect the research results, especially the reliability of the research. Research instruments refer to the tools used to collect, access, and analyse data in research such as questionnaires, surveys and interviews. Based on the research topic, quantitative tools such as interviews (semi-structured interviews) will be the appropriate research tools and instruments as well as considering the time and cost of the research. Asking open-ended questions from the participants helps the researcher to understand the perception towards AI resistance.

3.9 Data analysis tools and techniques

The main goal of qualitative research is to understand and improve perception, which due to insufficient insight into the purpose and subject of the research, qualitative study provides deeper insight, and the researcher can test hypotheses in depth and ultimately explore the theory (Ghori et al. 2020). The goal of analysis is to understand and gain insight from the collected data.

Ghauri et al. (2020) defined data analysis in qualitative research as the process of structuring and giving meaning to the collected data, as most researchers struggle with complex and messy data in qualitative research.

Data analysis is the methods and techniques used to collecting data, structuring data toward gaining information about main research targets. In this study, the qualitative method was employed to reach a reliable conclusion and the factors contributing to the

organizational resistance to implementing AI. The data were collected through interviews and analysed using the thematic analysis method.

Thematic analysis approach is focused on finding, evaluating, and reporting patterns within data (Braun and Clarke,2006). Conducting thematic analysis should follow six steps, which are familiarization with data, creating codes, examining for themes, assessing themes, and defining themes.

All interview transcripts were read several times to discovering recurring patterns. Then, key phrases and concepts related to resistance factors were coded systematically and codes were grouped into themes that show different aspects of resistance. After that, themes were processed and validated by cross-checking with interview extracts and participant responses. Next step, Themes were clearly defined to capture the essence of the resistance factors. Also, finally, the results were structured to highlight the key resistance themes with supporting quotes from participants. The purpose of using thematic analysis as a data analysis method is to apply this method to various research questions and to achieve complex and comprehensive analysis.

3.10 Reliability and Validity

The term reliability refers to achieving the same results when we repeat similar research using the same data collection and analysis method, or when other researchers achieve similar results with same measurement of data collection and analysis (Saunders et al., 2009). In addition, validity is defined as relationship between finding and what the researcher is trying to study and ensure that finding really reflect research study. Research validity increased by level of data accuracy and reliable results over time. It also involves clearly showing how results were reached using the raw data, allowing other researchers to repeat the study using the same methods and get similar outcomes (Saunders et al. 2009).

Marczyc et al. (2005) mentioned validity definition as how accurately a method or measurement method captures what it is intended to assess. It focuses on whether the tool truly measures the concept it claims to measure.

This study focusses on organizational resistance to AI implementation, qualitative method as proper method for this study, accessing factors that affected by AI implementation. The surveys 'outcomes will help researchers gain reliability. To increase the reliability of the research, coding of interview data is carried out as the first step, followed by re-examining the codes (Cohen at al. 2007).

3.11 Ethical Considerations

Each research study should deliberate ethical considerations related to both businesses and individuals in the community, ensuring the protection of their rights and interests. Whether the interaction occurs through interviews, questionnaires, or surveys, researchers must address ethical issues such as maintaining participants' privacy, ensuring confidentiality, and protect their privacy.

Ethical considerations in interviewing focus on informed consent, confidentiality, and the potential impact of participation (Cohen et al. 2007). Researchers are responsible for ensuring that participants fully comprehend the study, provide informed consent, and are protected from harm. Important issues include data privacy, anonymity, the ownership of data, and managing sensitive subjects. Ethical concerns should be addressed prior to conducting interviews, and researchers must also prioritize their own safety and the respectful treatment of participants throughout the process.

CHAPTER FOUR: DATA ANALYSIS

4.1 Introduction

This chapter presents the findings of the qualitative data analysis. Thematic analysis is a qualitative research method used to identify, analyze, and interpret themes within interviews, open ended responses. Thematic analysis was used by carefully reading the interview responses to understand the data, then creating codes, finding common themes, and clearly explaining them (Braun & Clarke,2006). These themes reflect the main barriers, perceptions, and factors influencing organizational resistance to AI implementation.

4.2 Method of Analysis

Thematic analysis was used to analyze qualitative data from interviews. Interviews were conducted with 25 employees from diverse professional backgrounds including IT specialists, operations professionals, engineers, administrative staff, and human resources personnel representing various organizations across sectors such as high-tech, banking, education, and healthcare. While the researcher invited 50 employees to participate in the research but only 25 accepted to participate. The data collected from these interviews were analyzed using an inductive coding approach, as all interview questions were open-ended, allowing themes to emerge directly from participants' responses. Themes were identified through a process of open coding, grouping similar codes, and interpreting patterns across responses. Also, Inductive coding is a method used in qualitative research where codes and themes are developed directly from the data, rather than based on pre-existing theories or expectations.

4.3 Presentation of Themes

Theme 1: Perception & Impact on Job Roles

This theme explores how employees perceive the influence of AI technologies on their current roles and future career prospects within the organization. Many participants described both opportunities and challenges brought by AI implementation. Some viewed AI as a tool that automates repetitive tasks, enabling them to focus on higher-value activities such as strategic planning, problem-solving, and interpersonal tasks. This shift

was often associated with a sense of professional growth and increased efficiency. However, others expressed concerns about job displacement, role redundancy, or the pressure to continuously upskill to remain relevant. The responses reflect a duality while AI is seen as a substance for innovation and productivity, it also introduces uncertainty and fear about long-term job security. In addition, A common code that came up was a mix of excitement and uncertainty. Employees weren't completely against AI, but many felt cautious. They were interested in the idea of AI taking over repetitive tasks, which could make their work more interesting. At the same time, they were worried some feared their jobs might become less relevant or that they'd fall behind if they didn't keep learning new skills. This shows that some resistance may come more from fear of losing their place or not feeling prepared, rather than rejecting AI itself. This theme is significant as it highlights the emotional and professional impact of AI, which can directly influence levels of acceptance or resistance among staff.

Example Quotes of theme 1:

“AI helps me work smarter, not harder... let's me focus on strategic work... motivates me to learn new skills.” (Interview 14).

“The introduction of AI has made me feel both curious and uncertain. On one hand, I see potential for AI to automate repetitive tasks, which could allow me to focus on more strategic and creative work. On the other hand, I worry that some aspects of my job might become redundant, and that I may need to continually update my skills to stay relevant.” (Interview 9).

“AI has expanded my skills... makes me feel confident... opportunity for growth.” (Interview 4).

“It's a bit of a mixed bag... excited about AI... uncertainty... need to grow and stay relevant.” (Interview 2).

“Initially scared due to lack of information, later found AI to be helpful and supportive in daily work.” (Interview 18).

“AI hasn't yet influenced job roles noticeably, but in the soon future change most of jobs and industries.” (interview 15).

Theme	Subthemes	Codes
Perceptions of AI and Role Impact	Perceived Benefits and Opportunities	<ul style="list-style-type: none"> • Increased efficiency and productivity • Save time. • Strategic task focus • Better understanding of tasks • Shift toward higher value or strategic work • Automate repetitive tasks. • Improve decision making. • Increase capacity
	Adaptability and Skill Development	<ul style="list-style-type: none"> • Adaptability and upskilling motivation • Optimism about strategic roles • Skill development and growth mindset • Pressure to upskill/reskill. • Need to adapt. • Role evolution
	Mixed Emotions and Initial Reactions	<ul style="list-style-type: none"> • Mixed emotional response • Curiosity and fear of task replacement • Initial fear • positive perception through use • Lack of AI knowledge at the start • Positive perception of AI alongside uncertainty Growth mindset mixed with fear of over. • Cautious optimism
	Concerns and Insecurities	<ul style="list-style-type: none"> • Job security concerns • Concern about job displacement • No direct impact yet • Lack of sufficient information about AI

Table 4.1: Theme 2, Sources of Resistance to AI Implementation

Theme 2: Sources of Resistance to AI Implementation

This theme identifies the key reasons of employees' resistance to AI adoption within organizations. The sources of resistance are varied and multifaceted, ranging from fear of job loss and lack of AI literacy to deeper issues of trust, emotional discomfort, and organizational readiness. Understanding these sources is crucial for identifying the barriers that hinder successful AI implementation. Understanding these patterns help to find solutions to overcome the resistance in better way such as better training, clearer communication, or ethical protections could reduce resistance and foster a more

supportive environment for technological change. In addition, these challenges are not only technical, but they reflect emotional, cognitive, and cultural barriers that shape how individuals perceive and react to AI technologies. Many participants expressed anxiety about the potential for AI to replace their roles or make certain tasks obsolete. This fear of job loss or redundancy often creates a defensive attitude toward new technologies. Also, A common source of resistance was insufficient AI literacy. Participants described feeling unprepared or unaware of how AI works, which made them hesitant to engage with it. This knowledge gap is particularly showing that training is necessary to reduce this concern. Beyond technical concerns, emotional responses such as fear of the unknown, cultural discomfort, and peer hesitation also surfaced. These factors highlight the human side of resistance, where change brings uncertainty and discomfort. Furthermore, several participants raised issues around how AI handles personal and work-related data, reflecting anxiety over surveillance, data misuse, and ethical violations. Resistance also stemmed from existing organizational routines, lack of adaptability, and reliance on outdated infrastructure. When systems are not prepared to support change, employees often mirror that hesitation.

Theme	Subthemes	Codes
Source of Resistance to AI Implementation	Fear of Job Replacement	<ul style="list-style-type: none"> • Fear of job loss • Fear of displacement • Job security fears
	Lack of Knowledge & Exposure	<ul style="list-style-type: none"> • Lack of AI literacy • Knowledge gaps • Limited AI exposure • A knowledge gap may cause hesitation
	Trust and Confidence in AI	<ul style="list-style-type: none"> • Trust in AI decisions • Trust issues with AI output and data accuracy • Loss of Human judgment
	Emotional and Behavioral Resistance	<ul style="list-style-type: none"> • Fear of the unknown • Peer hesitation • Cultural resistance • Resistance to change. • Surveillance anxiety • Performance anxiety
	Organizational and Structural Barriers	<ul style="list-style-type: none"> • Strategic shift in working style. • Reliance on existing infrastructure • Inadequate communication between management and employees
	Privacy and Ethical Concerns	<ul style="list-style-type: none"> • Data privacy concerns • Privacy challenges • Ethical challenges
	Training and Support Gaps	<ul style="list-style-type: none"> • Trust built through training. • Insufficient Early Engagement • Lack of Pilot programs • Communication of purpose • Not Addressing fears • Lack of AI Champion • Lack of hands-on training sessions and real-world use cases

Table 4.2: Theme 2, Source of Resistance to AI Implementation

Example Quotes of theme 2:

“Some colleagues hesitated to use AI due to fear of job loss and unfamiliarity. But with training, they became more comfortable and open to it and most of them use AI on daily basis” (Interview 20).

“AI feels more complex than past technologies because it makes decisions using data. I sometimes find it harder to trust without clear explanations but with more explanation it makes the duties easier” (Interview 16).

“AI as ‘black box’... transparency issue... data concerns.”, “Colleagues worried AI wouldn’t capture nuance... trust is key” (Interview 9).

“We are still using AI, but no formal training received, AI is a new technology, unknown is scary” (Interview 2).

“Hesitation due to job security concerns; mistrust in AI output accuracy; fears of automation replacing roles” (Interview 8).

Theme 3: AI knowledge, Training and Support

The theme captures a wide range of insights into how individuals experience AI-related learning in the workplace. A prominent issue raised was the lack of access to formal training, with many participants reporting daily use of AI tools without sufficient preparation, reflecting training gaps, uneven AI literacy, and departmental disparities in support. In addition to the need for structured and role-specific training, participants emphasized the importance of continuous learning programs, training on AI tools, and confidence-building through education to reveal AI. Despite limited access to formal training, many employees demonstrated a strong readiness for self-directed learning, relying on peer support and expressing a desire for continued learning opportunities. Several participants also highlighted their conceptual understanding of AI and awareness of its use cases, though varying levels of clarity and confidence were observed. Perceptions of AI were often tied to its efficiency benefits and productivity gains, with some respondents recommending AI training and expressing future confidence based on the effectiveness of support and learning experiences. Collectively, these findings

illustrate a complex but highly engaged learning environment where both formal and informal training approaches are critical to enhancing AI readiness and reducing resistance.

Theme	Subthemes	Codes
AI knowledge, Training and Support	Training Access and Availability	<ul style="list-style-type: none"> No formal training Daily use without training Uneven AI literacy Training gaps Departmental disparity Lack of formal training
	Training Content and Structure	<ul style="list-style-type: none"> Structured learning Role-specific training Continuous learning programs Training on AI tools Demystifying AI
	Self-Directed and Informal Learning	<ul style="list-style-type: none"> Self-directed learning readiness Self-learning, Peer support Recommends training. Desire for continued support
	Knowledge and Conceptual Understanding	<ul style="list-style-type: none"> Conceptual understanding Conceptual clarity Awareness of AI use cases
	Confidence and Perceptions	<ul style="list-style-type: none"> Domain-specific confidence Some confidence Future confidence Confidence through support Training effectiveness Efficiency perception Productivity gains AI as efficiency tool

Table 4.3: Theme 3, AI knowledge, Training and Support

Example Quotes of theme 3:

"I have not received any training. We are still using AI in the daily workplace. We need to improve on training" (interview 1).

"I see AI as a helpful tool to automate tasks and improve decisions. I feel comfortable using it after receiving training and support from my team" (interview 24).

“I didn’t receive any training. however, I believe all organization should start train their staff about AI. Automation of daily work is one of the best examples of using artificial intelligence which can increase efficiency of the work” (interview 5).

“I understand AI as a tool that supports tasks like data analysis, reporting, and forecasting. I'm fairly comfortable using it now, though that comfort came after some hands-on exposure. The support was mostly informal—colleague guidance and self-learning—rather than structured training” (Interview 13).

Theme 4: Complexity and Trust to AI technology

The theme highlights the concerns and challenges users face when interacting with AI systems. Many participants found AI to be complex and difficult to understand, which contributes to hesitation and reduced trust. This sense of opacity, often described as the “black box” problem, leaves users uncertain about how AI systems generate their outputs. As a result, trust in AI decision-making is limited, with users expressing skepticism about relying on AI-generated data without human oversight. The lack of transparency and clarity creates a confidence gap, especially when decisions carry significant consequences. Participants also emphasized the need for AI systems to be transparent, explainable, and compliant with ethical and legal standards to ensure accountability. While AI is recognized for its ability to enhance efficiency and speed, this often comes at the perceived cost of reduced control and decision accuracy, creating a trade-off that many are not yet comfortable with. Overall, the theme reveals a tension between AI’s capabilities and users’ readiness to trust and adopt it without greater clarity, transparency, and human involvement.

Theme	Subthemes	Codes
Complexity and Trust in AI Technology	Perceived Complexity and Opacity	<ul style="list-style-type: none"> • Complexity of AI • Opacity of AI • Black-box caution • Lack of transparency • Autonomy of AI systems • Black-box problem • Difficulty in understanding AI logic
	Trust Barriers and Confidence Deficit	<ul style="list-style-type: none"> • Trust deficit in AI decision-making • Hesitation about AI-generated data. • Reduced human error as a trust driver. • Balanced trust • Risk of misinterpretation • Dependence on user expertise • Limited confidence in AI outputs
	Transparency, Accountability, and Compliance	<ul style="list-style-type: none"> • Transparency and compliance needs • Desire for explainable AI • Need for regulatory alignment. • Ethical standards in AI deployment
	Decision-Making and Efficiency Trade-offs	<ul style="list-style-type: none"> • AI complicates decision-making. • Speed vs confidence trade-off. • Trade-off between trust and efficiency. • Uncertainty in AI decision accuracy. • Need for human-AI collaboration in decision-making.

Table 4.4: Theme 4, Complexity and Trust in AI Technology

Example Quotes of theme 4:

“Compared to previous technology or system changes, the introduction of AI feels more transformative and complex. While past changes often involved adopting new tools or platforms with clearly defined workflows, AI introduces more dynamic and sometimes less transparent processes, especially in areas like decision-making and data analysis.

One aspect I find more challenging is understanding how AI arrives at certain decisions or recommendations. The “black box” nature of some AI models can make it harder to fully trust outcomes without clear explanations or transparency.

Additionally, the heavy reliance on data raises concerns about data quality, privacy, and bias all of which need careful oversight to ensure the AI is both accurate and fair. That said, with proper governance, explain ability, and training, I believe these challenges can be addressed effectively” (Interview 8).

“AI feels more complex than past technologies because it makes decisions using data. I sometimes find it harder to trust without clear explanations but with more explanation it makes the duties easier” (Interview 22).

“Compared to earlier tech shifts, AI is definitely more disruptive and less straightforward. It brings autonomy into decision-making, which makes it harder to fully trust—especially since the logic behind it isn’t always clear. These days, everyone seems to be using AI, but the human layer behind it still matters. People might sound sharp in emails thanks to AI, but when it comes to real conversations, the gaps show. That’s why transparency and explain ability remain essential to truly build trust and credibility” (Interview 6).

Theme 5: Data Privacy and Governance

The theme captures widespread concerns among participants regarding how data is collected, used, and protected within AI systems. Many respondents expressed anxiety about the ethical implications of data use, particularly relating to privacy breaches, bias, and unclear responsibilities for protecting personal information. A significant portion emphasized the need for greater transparency and accountability, citing vague or insufficient explanations of data practices and weak governance structures. Distrust in institutions and platforms was also common, with participants showing reluctance to fully engage with AI due to prior experiences or perceived misuse of data. Additionally, there were clear signs of employee unease over workplace surveillance, where monitoring technologies were seen as intrusive and poorly regulated. Finally, the discussion highlighted the legal and regulatory gaps that make it difficult for organizations and users

to feel fully protected, with many pointing to the burdens of navigating evolving data policies and the lack of robust compliance mechanisms. Overall, this theme underscores the critical need for transparent, ethical, and well-governed data practices to build user confidence in AI systems.

Theme	Subthemes	Codes
Data Privacy and Governance	Privacy Concerns and Ethical Use of Data	<ul style="list-style-type: none"> Concerns over data privacy breaches Ethical implications of AI-driven data use Bias in data handling Misuse of personal information Ambiguity in ethical responsibility for data practices
	Transparency and Governance Expectations	<ul style="list-style-type: none"> Demand for clear data policies Transparency in data collection and usage Inadequate communication about governance practices Lack of legal standards Lack of clarity around consent mechanisms
	Trust and Systemic Distrust	<ul style="list-style-type: none"> Conditional acceptance of AI despite skepticism Reluctance to share data due to previous misuse. Lack of faith in data controllers and AI governance structures
	Surveillance and Workplace Anxiety	<ul style="list-style-type: none"> Employee concerns over constant monitoring Perceived overreach in data collection Anxiety about surveillance technologies Lack of control over personal and professional data
	Legal, Regulatory, and Transitional Issues	<ul style="list-style-type: none"> Unrestricted data collection without safeguards Lack of adequate regulatory frameworks Transitional burden when adapting to new data policies. Uncertainty about legal protections for users and employees

Table 4.5: Theme 5, Data Privacy and Governance

Example Quotes of theme 5:

“I think in today’s environment, there is almost nothing to trust 100% but yet there are gaps that need to be filled by these machines and their deployment will continue regardless of personal perceptions and human trusts because their gain is more than what we think as individuals” (Interview 2).

“Absolutely. With AI systems processing vast amounts of data, there's a heightened concern about data privacy and security. Employees worry about how their personal and professional information is collected, stored, and used, especially if there's a lack of transparency. Implementing robust data governance policies and ensuring compliance with data protection regulations are crucial to address these concerns” (Interview 3).

“Yes, I am concerned about data privacy and security. I am not always sure what data is collected by AI tools, how it's stored, or who has access. There is also uncertainty about whether the data could be used for purposes beyond what was initially explained” (Interview 13).

“Yes, I do have some concerns—mainly about how securely the data is stored and whether it could be accessed or misused. Transparency around data usage policies would help ease those concerns” (Interview 10).

Yes, I'm concerned about how my data is collected and protected. I want to be sure the organization uses AI responsibly and keeps information secure and safe” (Interview 19).

Theme 6: Organizational Culture

The them highlights how structural, cultural, and strategic factors across various industries shape the success or failure of AI implementation. A central issue raised by interview respondents is a general dissatisfaction with their organizations' strategies toward adopting AI. Many participants expressed concerns over the lack of a coherent AI vision or long-term roadmap, pointing to uneven efforts, inconsistent leadership messaging, and unclear departments plans that hinder organized implementation. Under the subtheme of readiness for change, organizations varied in their ability to adapt—some demonstrated openness and minimal disruption, while others showed resistance or were slowed by regional and departmental disparities. The role of leadership emerged as critical, with successful change linked to visible executive support, proactive resource allocation, and a readiness to engage with employees. However, in many cases, leadership was perceived as detached or overly top-down, with minimal opportunities for staff input, leading to feelings of exclusion and imposed change. Communication gaps and a lack of clarity

around AI's role added to confusion and resistance, as did inconsistent updates. In contrast, participants highlighted that employee involvement, such as peer support and informal learning, improved acceptance, and engagement. Overall, the findings suggest that without a clearly articulated and inclusive organizational strategy, supported by transparent leadership and open communication, the cultural environment becomes a major barrier to effective and sustainable AI adoption across industries.

Theme	Subthemes	Codes
Organizational Culture	Readiness for Change	<ul style="list-style-type: none"> Organizational openness to change. Regional lag in AI implementation Minimal workforce impact Adaptive organization Pockets of resistance
	Change Management and Leadership	<ul style="list-style-type: none"> Leadership vision and support Resource allocation Leadership importance Change management. Effect of involvement on acceptance
	Communication and Clarity	<ul style="list-style-type: none"> Mixed change readiness Departmental variance Communication deficiencies Inconsistent messaging Lack of clarity Need for ongoing updates and responsiveness
	Employee Involvement	<ul style="list-style-type: none"> Limited employee participation Low inclusion Imposed change feeling. Employees participation
	Organizational Structure and Culture	<ul style="list-style-type: none"> Top-down approach Informal learning Peer support Leadership engagement

Table 4.6: Theme 6, Organizational culture

Example Quotes of theme 6:

“Leadership played a crucial role in driving the AI adoption process by setting a clear vision and encouraging a culture of innovation. They actively communicated the benefits and supported training initiatives, which helped ease employee concerns. However,

employee involvement in planning and decision-making was somewhat limited, which at times led to slower acceptance. Greater employee participation could improve buy-in and make the transition smoother (interview 6).

“Focus on transparent communication and active employee involvement. Explaining clearly how AI will impact roles, addressing concerns openly, and involving employees in testing and feedback loops would help build trust and reduce resistance” (interview 18). The initial communication was very vague. They mentioned AI was coming but didn't explain how it would affect our work or why it was being introduced. It left many of us guessing. Later, there were some info sessions, but they felt too high-level and not tailored to our roles.”(Interview 24).

“Leadership made all the decisions and just informed us later. We didn't feel included at all. Because of that, many colleagues were skeptical, even resistant, just because they didn't feel heard.”(Interview 13).

We did run some focus groups before rolling out AI tools, and I think that helped with acceptance. People appreciated being asked for their opinions, even if not all suggestions were implemented. That small act of inclusion mattered” (Interview 11).

Theme 7: Communication and Engagement

The theme highlights how the effectiveness of organizational communication significantly influences employee perception, readiness, and acceptance of AI adoption. Many participants reported a lack of transparent, timely, and two-way communication, which led to confusion, resistance, and disengagement. The absence of structured feedback mechanisms and participatory planning processes created a disconnect between leadership and staff, often resulting in a top-down approach that excluded frontline employees from critical decision-making. While some efforts were made through email updates or awareness training, these were frequently perceived as insufficient or misaligned with strategic goals. Respondents emphasized the importance of open dialogue, inclusive leadership, and peer-based support to build trust and reduce fear, noting that hands-on training, pilot programs, and gradual exposure were particularly helpful. Overall, the

findings underscore that meaningful engagement and clear, inclusive communication are essential to foster collaboration, ease transitions, and ensure the successful integration of AI within organizations.

Theme	Subthemes	Codes
Communication and Engagement	Lack of Effective Communication	<ul style="list-style-type: none"> • Lack of communication • Lack of organizational communication • Limited transparency • Communication gaps
	Feedback and Dialogue Deficiency	<ul style="list-style-type: none"> • Absence of feedback mechanisms • Limited two-way communication • Lack of open dialogue • Minimal discussion platforms
	Leadership and Strategic Alignment	<ul style="list-style-type: none"> • Top-down approach • Strategic misalignment • Inclusive leadership absent • Leadership not encouraging open exchange
	Employee Participation & Inclusion	<ul style="list-style-type: none"> • Limited employee involvement • Low engagement in planning phases • Participatory vs top-down tension • Resistance due to exclusion
	Communication Channels and Clarity	<ul style="list-style-type: none"> • Communication primarily via email • Unclear messaging • No context provided for change. • Misalignment in business strategy communication
	Training and Capacity Building	<ul style="list-style-type: none"> • Lack of formal training • Insufficient training sessions • Practical training missing • No skill development support
	Gradual Integration and Support	<ul style="list-style-type: none"> • Gradual exposure • Hands-on pilot programs • Human-AI collaboration in early stages • Peer-led workshops to reduce intimidation
	Peer Engagement and Learning	<ul style="list-style-type: none"> • Peer advocates • Informal mentoring • Practical demos • Collaborative learning culture
	Change Communication Readiness	<ul style="list-style-type: none"> • Awareness and training integration • Gradual transition support • Communication prior to major tech shifts

Table 4.7: Theme 7, Communication and Engagement

Example Quotes of theme 7:

“The Company/Departments has made efforts to communicate the purpose and benefits of adopting AI, particularly in terms of improving operational efficiency and decision-making. Initial presentations and internal communications helped raise awareness and generate interest. However, there’s room for improvement in explaining the long-term impact on specific roles and how AI tools integrate into daily workflows. Some employees still have questions about how AI will affect their responsibilities and whether it will complement or replace parts of their work. What worked well was sharing real examples and success stories within the organization those helped make AI’s potential more tangible. Going forward, more interactive sessions, hands-on training, and open forums for Q&A would enhance understanding and build more trust and engagement (Interview 18).

“Leadership was actively involved in guiding the AI adoption and provided support throughout. Employees had some input, which helped increase acceptance, but more involvement could have made the process smoother” (Interview 14).

“Having awareness and training before transition, step by step transition and involved team to make it successful” (Interview 5).

Theme 8: Effective Change Management

This theme highlights that successful AI adoption depends deeply on change strategies that are informed, inclusive, and transparent. Many participants stressed how important early awareness and structured onboarding are in making the transition smoother. They emphasized the need for clear, role-specific training to build confidence and reduce resistance. Respondents reported that top-down, leadership-driven initiatives often led to low employee involvement, which hindered acceptance and engagement. Instead, they called for collaborative learning environments, peer-led workshops, and the presence of AI champions to foster empowerment and shared ownership. Trust-building efforts, continuous communication, and open dialogue were highlighted as essential components to maintain momentum and morale throughout the process. Overall, the data reveals that

better information sharing and proactive training—rooted in employee participation and transparency—are key to unlocking the full problem-solving potential and expanded use of AI tools across organizations.

Theme	Subthemes	Codes
Effective Change Management	Awareness and Early Preparation	<ul style="list-style-type: none"> • Early Awareness Building • Team Involvement in AI Training • Empowerment Through Teaching AI • Training AI as Ownership
	Training and Learning Approaches	<ul style="list-style-type: none"> • Structured Onboarding • Peer-led Learning • AI Champions • Collaborative Learning Environment
	Leadership and Employee Involvement	<ul style="list-style-type: none"> • Leadership-driven change • Low employee involvement • Early and broad employee involvement; Resistance reduction • Empowerment and co-creation
	Communication and Transparency	<ul style="list-style-type: none"> • Need for communication and education. • Need for transparency. • Importance of ongoing communication • Open dialogue • Role-specific examples
	Support and Strategic Implementation	<ul style="list-style-type: none"> • Ongoing support • Trust building • Effective strategies • Collaborative change
	Recommendations for Future Action	<ul style="list-style-type: none"> • Recommendation for awareness and training

Table 4.8: Theme 8, Effective Change Management

Example Quotes of theme 8:

“Awareness program to be prepared and train people how to deal with digital transformation including AI” (Interview 7).

“I would advise the organization to invest more in transparent and ongoing communication that explains how AI works, its benefits, and addresses employee concerns

openly. This would build trust, reduce fear, and encourage more positive engagement with AI adoption” (Interview 6).

“If I could advise the organization on one key action, it would be to involve employees early in the AI adoption process not just in training, but in the evaluation, planning, and testing phases. When people understand the purpose, see how the tools will help them, and feel their input is valued, resistance decreases, and engagement increases. Empowering teams as co-creators of the change not just recipients can significantly improve adoption outcomes” (Interview 5).

Conclusion: The thematic analysis revealed understanding of organizational resistance to AI implementation, shaped by emotional, cognitive, structural, and cultural factors. Through inductive coding of interviews with employees across various sectors, eight key themes emerged that together illustrate the intricate relationship between employee’s resistance or acceptance and AI technologies in the workplace.

First, the Perception and Impact on Job Roles theme highlighted a dual description. While many participants recognized AI’s potential to enhance efficiency and shift their focus toward more strategic and creative tasks, these benefits are accompanied by anxiety about job displacement and the constant pressure to upskill. This combination of hope and hesitation underlines that fear of job loss, lack of AI literacy, trust deficits, and emotional discomfort are main barriers. These challenges are not only technical but need for empathetic and solid change strategies. Resistance often stemmed from uncertainty, poor communication, and a lack of visible employee involvement in AI planning and process.

The third theme, AI Knowledge, Training, and Support emphasized that many employees lacked formal training but demonstrated a strong willingness to learn. Peer support, informal mentorship, and hands-on exposure were found to be crucial in increasing comfort and confidence. Structured and role-specific learning pathways are essential to fill knowledge gaps and ensure equitable AI adoption across departments.

The Complexity and Trust in AI Technology theme showed that many users struggle with the perceived opacity of AI systems—the “black box” issue—leading to a lack of trust in

automated decisions. Participants called for more transparency, and ethical alignment to build confidence and decrease fears of misinterpretation or data misuse.

In addition, Data Privacy and Governance occurred as a critical challenge. Employees expressed unease about how AI systems collect, store, and utilize personal or work-related data, particularly in the absence of clear governance structures and legal protections. Transparency, ethical responsibility, and regulatory compliance are consistently identified as foundation for trust and engagement.

The role of Organizational Culture is also vital. The findings suggest that inconsistent leadership, lack of a unified AI vision, and limited opportunities for employee participation in AI-related decisions contributed significantly to resistance. Successful organizations were those that fostered inclusion, visibility, and proactive communication.

Additionally, Communication and Engagement shows significantly influence employee perception. Top-down declarations without context or feedback mechanisms drove misunderstanding and resistance, whereas interactive sessions, open opportunities, and pilot programs promoted clarity and confidence.

Finally, the theme of Effective Change Management emphasized that comprehensive, transparent, and participatory change strategies are key to successful AI integration. Empowering employees through early involvement, practical training, and peer-led support mechanisms helps reduce fear, increase ownership, and align technological change with human needs.

Overall, this chapter demonstrates that resistance to AI is not simply a matter of reluctance or technological illiteracy; it is deeply rooted in perceptions of fairness, trust, relevance, and involvement. Addressing these human concerns through thoughtful, inclusive, and ethically sound strategies will be essential for organizations seeking to adopt AI technologies sustainably and successfully.

CHAPTER FIVE: CONCLUSION

5.1 Introduction

This chapter highlights the Key findings from the research, connecting them to the research questions and hypotheses. It also reflects on what the results mean in both theory and practice, points out some of the study's limitations, and offers suggestions for future research. The study explored the perceptions, awareness, and attitudes of employees toward the AI implementation. This research aimed to discover the sources of organizational resistance to artificial intelligence (AI) implementation and to propose effective strategies to moderate this resistance in the workplace.

5.2 Summary of Key Findings

The study aimed to investigate the source of resistance against AI adoption among employees in organizations. Based on the research questions and a qualitative approach as a guide, this study uncovered several connected factors that lead to resistance toward AI adoption within organizations. The findings were organized according to three main research questions:

RQ1: What are the sources of resistance against AI adoption among employees?

The findings indicate that employee resistance mainly arises from fear of job displacement, job insecurity, insufficient knowledge about AI, inadequate training, and the necessity to upskill. Ethical concerns regarding data privacy and fairness, along with organizational cultural rigidity and readiness for this change, are also common factors. Emotional and psychological reactions such as anxiety and skepticism increase resistance, particularly in environments that lack transparent communication and support from top management. Furthermore, limited exposure to AI, trust in AI decisions, particularly AI outputs, surveillance anxiety, and privacy concerns play essential roles in AI resistance. However, employees are not entirely resistant to AI; rather, they exhibit mixed feelings of both acceptance and hesitation, influenced by their current circumstances due to insufficient AI literacy and unclear organizational strategy toward AI implementation.

RQ2: What distinguishes AI adoption from other forms of technological or organizational change?

Due to complex nature of AI compared to other technological disruptions and changes, unclear decision-making process, high level of autonomy, and ethical challenges that associated with automation make AI adoption much more difficult than other technologies.

Compared to previous technologies, AI directly influences job identity, decision authority, and trust in automated systems, bringing new challenges for both leaders and employees. Furthermore, AI systems, especially machine learning models, often operate as "black boxes"; their logic and decision processes are not easily understandable. This creates uncertainty and a lack of confidence, contrasting more transparent tools like databases or workflow systems. Also, AI increases ethical issues, such as data privacy, surveillance, algorithmic bias, and fairness. AI adoption is not just related to IT or operations; it affects all departments at the same time, HR, change management, and customer service, making it broader and more disruptive than limited changes like new software or hardware.

RQ3: How can organizations effectively manage AI adoption processes?

Findings suggest that successful AI adoption requires a comprehensive, human-centered approach that focus on technical, cultural, and strategic aspects together. The data shows the importance of strategic leadership, inclusive communication, employee engagement, and mandatory training programs. Organizations should start with creating sense of AI awareness and potential impact at all levels through pilot programs, focus groups and other methods based on organizational needs. Clear and inclusive communication is vital for building trust, addressing concerns, and reducing resistance. Leadership must actively support the change by creating a clear vision, assigning resources, and encouraging cross organizational levels. Organizations should also confront ethical and data privacy concerns by implementing robust governance and standards. Effective change management frameworks, such as Kotter's 8-Step Model, play a critical role in the successful adoption of AI due to the complex, disruptive, and uncertain nature of AI

technologies. These methods help organizations create urgency, communicate a clear vision, and empower their employees, which is especially important when addressing fear, trust issues, and skill gaps associated with AI. Using these change methods enables organizations to effectively manage resistance and ensure that AI integration is aligned with employee and organizational goals.

5.3 Theoretical Contributions

This study focuses on the wider research on organizational change, resistance to new technology, and AI adoption in several important ways:

- This study helps explain why employees resist AI by considering psychological, cultural, and ethical factors that are often ignored in traditional change models.
- It shows how well-known change management approaches can be adjusted to better fit the unique challenges of AI, with more focus on employees' experiences.
- It also demonstrates that conventional change management techniques should be adjusted to fit with AI adoption and challenges, also concentrate on employees' emotions and feeling toward AI.
- Research suggests finding a new model that connects organizational culture, leadership, communication, Ethical concerns and governance and employee involvement as key factors that affect AI resistance.

5.4 Practical Implications

The insights from this research offer practical guidance for employers, particularly those working in HR, leadership and change management:

Leadership and Vision: It's essential for executive leaders to set a clear and comprehensive vision for AI adoption that aligns with the organization's values and long-term goals.

Communication: Transparent, continuous communication through the AI implementation process is crucial for building trust and reducing uncertainty.

Employee Involvement: Involving employees in the planning, design, and implementing of AI adoption actively can improve a sense of ownership and reduce resistance.

Capacity Building: Investing in learning, upskilling, and AI literacy is vital to prepare the employees to embrace new responsibilities and roles.

Ethical Frameworks: Establishing strong ethical guidelines and clear data governance policies helps address concerns about fairness, bias, and accountability, ensuring that AI is used in a responsible way.

5.5 Limitations of the Study

While the study offers valuable insights, some limitations must be acknowledged:

The participants were purposefully selected, which is appropriate for qualitative research, but it limits the ability to generalize the findings across all industries or geographic regions. The data was collected over a specific period, so individuals' views may have been influenced by other factors, such as the advancement of AI and media coverage of AI. The study was based on interviews and personal interpretations, and the results are subjective, although the analysis was carefully conducted. Finally, this research was limited in terms of time and resources. More extensive research is needed in each industry.

5.6 Recommendations for Future Research

Based on the study's findings and limitations, several ideas for future research are suggested:

Research on Different Sectors: Study and focus on different industries like healthcare, finance, and manufacturing could disclose unique challenges and solutions related to AI resistance in each field.

Long-term research: Research that follows organizations over a longer period can more accurately show how people's attitudes toward AI change at different stages of adoption, compared to short-term studies.

Larger surveys: Using larger surveys or more participants to test this study's model could help confirm the findings and make them more broadly relevant.

Leadership and Ethics: A deeper look at how ethical leadership and liable innovation impact AI adoption and also it can help create more effective strategies.

5.7 Final Reflections

This research shows that resistance to AI isn't just about fear of new technology it's also shaped by workplace culture, personal values, and ethical concerns. To manage this resistance successfully, organizations need to use a mature approach that includes strong, effective leadership, open and honest communication, and active employee involvement. It's also important to have clear rules for how AI is used, especially around fairness and data privacy.

As organizations embrace digital transformation, they need to view AI resilience as a key part of their long-term strategy, not a short-term challenge. The findings of this study emphasize the need to focus on people, not just technology, during AI adoption. It is critical to engage, inform, and support employees to create a strong foundation for innovation, adapt more easily to change, and ensure AI is used in an ethical and appropriate manner. This human-centric approach is critical to creating success with AI in today's rapidly changing world.

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APPENDIX:



THE ORGANIZATIONAL RESISTANCE TO ARTIFICIAL INTELLIGENCE QUESTIONNAIRE

Artificial Intelligence (AI) is no longer a futuristic concept—it is a transformative force already reshaping the foundations of industries worldwide. From healthcare and education to agriculture, telecommunications, transportation, and manufacturing, AI technologies are playing an increasingly vital role in driving innovation, improving efficiency, and enabling data-driven decision-making.

Despite its potential benefits, the **implementation of AI technologies within organizations often faces significant resistance**. These challenges may stem from various sources, including fear of job displacement, lack of understanding or training, ethical concerns, organizational culture, legacy systems, or unclear strategic alignment.

This questionnaire is designed to explore and understand the **underlying causes and dimensions of resistance to AI adoption** at the organizational level. Your responses will contribute to a research study focused on identifying barriers, perceptions, and organizational dynamics that influence AI implementation. The goal is to develop insights that can support more effective change management strategies and help institutions better prepare for successful AI integration.

We greatly value your participation. Your responses will remain confidential and will be used solely for academic research purposes. There are no right or wrong answers—please share your honest perspectives and experiences.

I am a master's student at the University of Technology of Vienna, studying Master of Business Management, and this research is part of my dissertation. Participation in this

research is voluntary; if you don't like to answer any questions, you can withdraw from the questionnaire at any point. I want to assure you that your answers will be allocated with the highest confidentiality, and the result will be used only for this thesis. If you have questions about the questionnaire, you may contact Hoshiyar Aziz Baker

Phone Number: +964 750 455 0026 and by email at the address specified below (Hoshiyar.aziz@gmail.com).

1. How has the introduction of AI technologies affected your perception of your job role or future within organization?
2. Can you describe any situations (either your own or those of colleagues), where there was hesitation or resistance to using AI at work? What were the main concerns or feelings do you think cause this uncertainty?
3. Can you describe your understanding of AI in your workplace and how comfortable you feel using it? What kind of training or support have you received?
4. Thinking about previous technology or system changes at work, how does the introduction of AI compare? Are there aspects of AI—such as decision-making processes or data use—that you find more complex or harder to trust?
5. Do you have any concerns about how your personal or work-related data is collected, used, or protected by AI systems in your organization?
6. Would you describe your organization as open or resistant to change, especially regarding digital technologies like AI? Can you explain why?
7. How effectively did your organization communicate the purpose, benefits, and impact of adopting AI? What worked well or could have been improved in that communication?
8. What role did leadership play during the AI adoption process? How involved were employees in planning or decision-making, and how did this affect acceptance?
9. Reflecting on your experience, what could have made the transition to using AI tools easier for you or your team? Have you seen any strategies that worked well to encourage acceptance?
10. If you could advise your organization on one key action to improve AI adoption and reduce resistance, what would it be?