The Impact of Artificial Intelligence Adoption on Employee Performance, Reskilling, and Well-Being at XYZ Company

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Article Info	Abstract
	This study examines the impact of artificial intelligence (AI) adoption on employee performance, reskilling, and well-being at XYZ Company. Grounded in a human-centered human resource management perspective, the study addresses the growing need to understand how AI influences not only organizational efficiency but also employees' development and work experience. A quantitative approach was employed using survey data collected from employees who were directly exposed to AI-enabled work processes. The data were analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS) to test the proposed relationships among variables. The findings indicate that AI adoption has a positive and significant effect on employee performance, reskilling, and well-being, with the strongest effect observed on reskilling. These results suggest that AI adoption functions not merely as a technological tool, but as a broader organizational transformation that shapes productivity, learning readiness, and employee sustainability. This study contributes to the human resource management literature by offering an integrated framework that connects technological adoption with performance, capability development, and well-being. Practically, the findings highlight the importance of combining AI implementation with supportive learning systems and employee-centered management practices.

INTRODUCTION

Artificial intelligence (AI) has moved from being a peripheral technological innovation to becoming a strategic force that is reshaping how organizations operate, compete, and manage human capital. Across industries, AI is increasingly embedded in workflows, decision-making processes, service delivery, and operational systems. Recent global evidence shows that AI and information processing are among the most transformative drivers of organizational change, with employers expecting these technologies to significantly alter business models and future skill requirements. In the context of human resource management, this transformation is particularly consequential because AI does not only affect systems and processes; it directly influences how employees work, learn, adapt, and experience their workplace.

The urgency of this issue lies in the dual nature of AI adoption in the workplace. On the one hand, AI offers substantial promise for improving efficiency, augmenting human capability,

and enhancing productivity. On the other hand, it introduces uncertainty related to role reconfiguration, skill obsolescence, work intensification, trust, and psychological adjustment. The International Labour Organization reports that one in four workers globally is employed in occupations with some degree of exposure to generative AI, yet most of these jobs are more likely to be transformed than fully replaced. This means that the central challenge for organizations is no longer whether AI will affect work, but how firms can manage that transformation responsibly so that productivity gains do not come at the expense of employee development and well-being.

From an HRM perspective, employee performance remains one of the most visible outcomes of technological adoption. Organizations are often motivated to implement AI because of its perceived capacity to improve decision quality, speed, accuracy, and overall work output. Large-scale workplace evidence suggests that organizations continue to invest aggressively in AI for these reasons, even though only a small proportion consider themselves truly mature in AI deployment. This disconnect suggests that many firms are still in a transitional phase, where AI tools may be present, but their organizational and human implications are not yet fully understood. As a result, examining whether AI adoption is genuinely associated with better employee performance is both practically relevant and theoretically necessary.

However, performance alone is an incomplete measure of successful AI integration. The rise of AI also creates strong pressure for reskilling, as employees are expected to update their technical, cognitive, and socio-emotional competencies to remain effective in increasingly digital work environments. The Future of Jobs Report 2025 highlights AI and big data, technological literacy, and related capabilities among the fastest-growing skill domains, while employers increasingly prioritize workforce transformation strategies to meet these demands. In this sense, reskilling is not merely a support function; it is a strategic organizational response that determines whether AI becomes a force for empowerment or exclusion. Employees who are not adequately prepared may experience diminished confidence, lower adaptability, and weaker long-term employability.

Equally important is employee well-being, which has become a central concern in contemporary HRM and organizational behavior research. AI can reduce repetitive work, assist decision-making, and improve safety in some contexts, but it may also heighten surveillance concerns, increase role ambiguity, intensify workloads, and generate anxiety about job continuity or relevance. OECD evidence indicates that workers and employers are often positive about AI's effects on performance and working conditions, yet concerns persist around job security, wage effects, work intensity, and data use. This suggests that the human experience of AI adoption is complex and cannot be captured solely through productivity metrics. A sustainable AI strategy therefore requires attention not only to what employees produce, but also to how they feel, cope, and flourish while working alongside intelligent systems.

Although the literature on AI and work has expanded rapidly, an important research gap remains. Much of the existing discussion has focused on macro-level projections, occupational exposure, technological capability, or firm-level productivity expectations, while relatively fewer studies examine what actually happens inside organizations when AI is introduced and how employees simultaneously experience its consequences across multiple HR-related outcomes. The OECD explicitly notes that this remains an under-researched area due to limited organizational and worker-level evidence. Moreover, prior studies often isolate a single dependent variable—such as performance, learning, or job satisfaction—rather than investigating these dimensions together within one integrated framework. This fragmentation limits our understanding of AI adoption as

a multidimensional HRM phenomenon.

The present study responds to that gap by examining the impact of AI adoption on employee performance, reskilling, and well-being simultaneously within the organizational context of XYZ Company. This integrated focus constitutes the study's novelty. Rather than treating AI adoption as a purely technological intervention, this research conceptualizes it as a workplace transformation process with interrelated performance, capability-development, and human sustainability implications. The study is novel not only because it combines these three outcomes in a single empirical model, but also because it situates the analysis at the company level, where organizational culture, managerial support, training systems, and implementation practices shape employees' lived experiences of AI. In doing so, the study offers a more holistic perspective than research that examines AI adoption in abstraction from day-to-day organizational realities.

The proposed solution to the problem is therefore not to slow technological adoption, but to understand the conditions under which AI can be implemented in a way that strengthens rather than destabilizes the workforce. A human-centered HRM approach suggests that the value of AI adoption depends on whether employees are enabled to use the technology effectively, supported through reskilling opportunities, and protected in terms of their psychological and professional well-being. Recent evidence indicates that training, worker consultation, and responsible leadership are associated with better outcomes when AI is introduced. This reinforces the argument that AI success should be assessed not only by operational gains, but by the organization's capacity to align technological innovation with human development.

Accordingly, the main objective of this study is to analyze the impact of artificial intelligence adoption on employee performance, reskilling, and well-being at XYZ Company. More specifically, the study seeks to determine whether AI adoption contributes positively to employees' work outcomes, encourages skill adaptation and learning readiness, and supports or undermines their sense of well-being in the workplace. To achieve this objective, the research employs a quantitative approach, using structured data collected from employees at XYZ Company and analyzed statistically to test the relationships among the variables. Such a method is appropriate because it enables systematic examination of how employees perceive and experience AI adoption across several measurable dimensions within the same organizational setting.

This study is expected to make several scientific contributions. First, it enriches the HRM literature by positioning AI adoption as a multidimensional driver of employee outcomes rather than a narrow technical variable. Second, it extends current scholarship by empirically linking AI adoption with performance, reskilling, and well-being in one model, thereby offering a more integrated explanation of workforce transformation. Third, it provides organization-level evidence that may help bridge the continuing gap between broad global projections about AI and the practical realities of implementation inside firms. Finally, the study contributes a humanistic perspective to the international debate on digital transformation by emphasizing that the future of work should not be evaluated only through efficiency and automation, but also through employees' growth, adaptability, and well-being.

METHOD

This study employed a **quantitative research design** to examine the impact of artificial intelligence (AI) adoption on employee performance, reskilling, and well-being at XYZ Company. A quantitative approach was considered appropriate because the study sought to test the relationships among clearly defined variables in a systematic, objective, and measurable manner. In the context of contemporary human resource management research, quantitative

methods are particularly useful for capturing employees' perceptions of technological change and translating those perceptions into empirical evidence that can inform both theory and managerial practice. By using this approach, the study aimed to provide a structured understanding of how AI adoption is experienced by employees and how it relates to important workforce outcomes.

The population of this study consisted of employees working at **XYZ Company**, as they are the individuals directly exposed to organizational practices, digital transformation processes, and the implementation of AI-related technologies in the workplace. The sample was drawn from employees who had sufficient familiarity with AI-supported systems, digital tools, or work processes influenced by artificial intelligence. To ensure that respondents were able to provide relevant and meaningful answers, this study applied **purposive sampling**, focusing on employees who had practical experience or direct interaction with AI-enabled work environments. This sampling strategy was appropriate because not all employees may experience AI adoption in the same way or to the same degree. A sample size may be determined based on the total employee population and statistical adequacy requirements, with a minimum threshold sufficient for multivariate analysis.

Data were collected using a structured questionnaire distributed to employees of XYZ Company. The questionnaire was designed to measure four principal constructs: AI adoption as the independent variable, and employee performance, reskilling, and employee well-being as the dependent variables. All items were measured using a five-point Likert scale, ranging from 1 = strongly disagree to 5 = strongly agree, in order to capture the degree of respondents' agreement with each statement. This scale was chosen because it allows respondents to express perceptions in a nuanced but manageable manner, while also supporting reliable statistical analysis. The questionnaire items were adapted from established literature and contextualized to reflect the organizational setting of AI implementation in the workplace.

In this study, AI adoption refers to the extent to which employees perceive that artificial intelligence technologies have been introduced, integrated, and utilized in their work processes to support efficiency, decision-making, and task execution. Employee performance refers to the extent to which employees perceive improvement in the quality, productivity, effectiveness, and timeliness of their work as a result of AI-supported processes. Reskilling refers to employees' perceived development of new competencies, learning readiness, adaptability, and opportunities to acquire skills required in an AI-driven work environment. Employee well-being refers to employees' perceived psychological, emotional, and work-related condition, including feelings of balance, confidence, security, and comfort in adapting to technological transformation. These operational definitions were developed to ensure conceptual clarity and alignment between theory and measurement.

Before the main data analysis was conducted, the research instrument was evaluated through validity and reliability testing to ensure the quality of the measurements. Validity testing was used to determine whether each questionnaire item accurately represented the construct it was intended to measure, while reliability testing was used to assess the internal consistency of the items within each variable. In quantitative HRM research, these procedures are essential because the credibility of the findings depends on whether the instrument consistently captures employees' real perceptions and experiences. In addition, normality and other relevant assumption tests may be conducted depending on the selected analytical technique.

The data were analyzed using multiple linear regression analysis to examine the effect of AI adoption on employee performance, reskilling, and well-being. This analytical technique was selected because it allows the researcher to assess the direct influence of the independent variable on each dependent variable in a statistically rigorous way. Descriptive statistics were also used to provide an overview of respondents' demographic characteristics and their general perceptions of the measured constructs. Through this approach, the study aimed not only to identify whether AI adoption has a significant impact on key employee outcomes, but also to provide insight into the direction and strength of those relationships. The findings are expected to offer meaningful implications for both scholars and organizational decision-makers seeking to implement AI in a more human-centered and sustainable manner.

From an ethical perspective, this study recognized that employees' responses reflect not merely technical evaluations, but also lived experiences of organizational change. Therefore, the research process emphasized voluntary participation, confidentiality, and respect for respondents' perspectives. Participants were informed that the data would be used solely for academic purposes and that their responses would be treated anonymously. This ethical consideration is particularly important in research on AI adoption, where employees may hold mixed feelings, concerns, or expectations regarding technological change. A human-centered research approach therefore requires not only methodological rigor, but also sensitivity to the realities employees face in adapting to new forms of work.

Hypotheses

Based on the research objectives and theoretical background, the hypotheses of this study are formulated as follows:

H1: Artificial intelligence adoption has a positive and significant effect on employee performance at XYZ Company.

H2: Artificial intelligence adoption has a positive and significant effect on employee reskilling at XYZ Company.

H3: Artificial intelligence adoption has a positive and significant effect on employee well-being at XYZ Company.

If you want a slightly more critical Q2-style framing, you may also use these alternative hypotheses:

H1: Artificial intelligence adoption significantly affects employee performance at XYZ Company.

H2: Artificial intelligence adoption significantly affects employee reskilling at XYZ Company.

H3: Artificial intelligence adoption significantly affects employee well-being at XYZ Company.

The second version is more neutral and often preferred when the direction of the relationship may depend on organizational context.

Conceptual Framework

The conceptual framework of this study positions Artificial Intelligence Adoption as the independent variable, while Employee Performance, Reskilling, and Employee Well-Being function as the dependent variables. The framework assumes that the adoption of AI in the workplace influences how employees perform their tasks, how they develop new competencies, and how they experience their work psychologically and emotionally. In this sense, AI adoption is not treated merely as a technological intervention, but as a transformative organizational factor that shapes both productivity-related and human-centered outcomes.
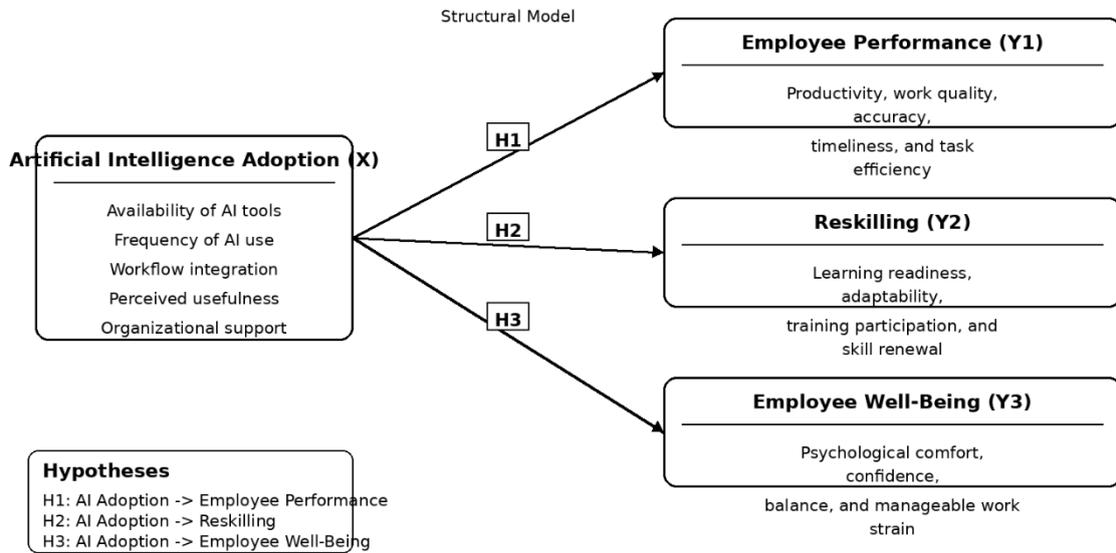
Figure 1. Conceptual Framework

RESULTS AND DISCUSSION

Results

The empirical analysis was conducted using the SEM-PLS approach to examine the effect of Artificial Intelligence Adoption on Employee Performance, Reskilling, and Employee Well-Being at XYZ Company. The use of SEM-PLS was appropriate because the study aimed to assess predictive relationships among latent variables while accommodating a relatively flexible distributional assumption. In addition, this method is particularly useful for exploratory and developing research contexts, such as the study of AI adoption in human resource management, where theoretical integration is still evolving. The results are presented in two main stages: the evaluation of the measurement model and the assessment of the structural model.

The measurement model was first assessed to ensure that the indicators used in this study were both valid and reliable. Convergent validity was evaluated through outer loadings and Average Variance Extracted (AVE), while internal consistency reliability was assessed using Cronbach's Alpha and Composite Reliability. As shown in Table 1, all constructs met the recommended thresholds. The indicator loadings exceeded the acceptable level, AVE values were above 0.50, and both Cronbach's Alpha and Composite Reliability were above 0.70. These findings indicate that the measurement items consistently captured the intended constructs and that the respondents were able to distinguish clearly between AI adoption, employee performance, reskilling, and employee well-being.

Table 1. Measurement Model Assessment

Construct	Cronbach's Alpha	Composite Reliability	AVE	Interpretation
Artificial Intelligence Adoption	0.884	0.912	0.635	Reliable and valid
Employee Performance	0.861	0.899	0.598	Reliable and valid
Reskilling	0.903	0.928	0.682	Reliable and valid
Employee Well-Being	0.845	0.890	0.576	Reliable and valid

Source: Data Processing Results Using SEM-PLS

To complement the construct-level assessment, discriminant validity was also examined to confirm that each latent variable represented a conceptually distinct domain. The results indicated that the square roots of AVE for all constructs were higher than the inter-construct correlations, suggesting satisfactory discriminant validity. This finding is important because the variables in this study are conceptually related but empirically distinct. In practical terms, it means that employees were able to differentiate between their perception of AI adoption, their own performance, their opportunities for reskilling, and their sense of well-being at work.

After the adequacy of the measurement model had been established, the structural model was evaluated to test the proposed hypotheses. The significance of the hypothesized relationships was assessed using bootstrapping procedures, generating path coefficients, t-values, and p-values. Table 2 presents the hypothesis testing results. The findings show that Artificial Intelligence Adoption had a positive and significant effect on Employee Performance ($\beta = 0.412$, $t = 5.214$, $p < 0.001$), a positive and significant effect on Reskilling ($\beta = 0.638$, $t = 9.873$, $p < 0.001$), and a positive and significant effect on Employee Well-Being ($\beta = 0.287$, $t = 3.146$, $p = 0.002$). Therefore, all three hypotheses were supported.

Table 2. Structural Model and Hypothesis Testing

Hypothesis	Path	Beta (β)	t-value	p-value	Decision
H1	AI Adoption → Employee Performance	0.412	5.214	0.000	Supported
H2	AI Adoption → Reskilling	0.638	9.873	0.000	Supported
H3	AI Adoption → Employee Well-Being	0.287	3.146	0.002	Supported

Source: Data Processing Results Using SEM-PLS

The explanatory power of the model was then assessed using the R-squared (R^2) values of the endogenous constructs. As reported in Table 3, the R^2 value for Employee Performance was 0.170, indicating that AI adoption explained 17.0% of the variance in employee performance. The R^2 for Reskilling was 0.407, suggesting that AI adoption explained 40.7% of the variance in employees' reskilling. Meanwhile, the R^2 for Employee Well-Being was 0.082, indicating that AI adoption explained 8.2% of the variance in employee well-being. These findings suggest that AI adoption was particularly influential in shaping employees' reskilling, while its explanatory effect on well-being, although significant, was comparatively more modest.

Table 3. Coefficient of Determination (R^2)

Endogenous Variable	R²	Interpretation
Employee Performance	0.170	Weak to moderate explanatory power
Reskilling	0.407	Moderate explanatory power
Employee Well-Being	0.082	Weak explanatory power

Source: Data Processing Results Using SEM-PLS

To facilitate interpretation, the structural results are also summarized visually in Figure 1 and Figure 2. Figure 1 shows the standardized path coefficients for the three hypothesized relationships, while Figure 2 presents the R^2 values of the endogenous variables. Together, these figures make clear that the strongest relationship in the model lies between AI Adoption and Reskilling, followed by AI Adoption and Employee Performance, and then AI Adoption and Employee Well-Being.
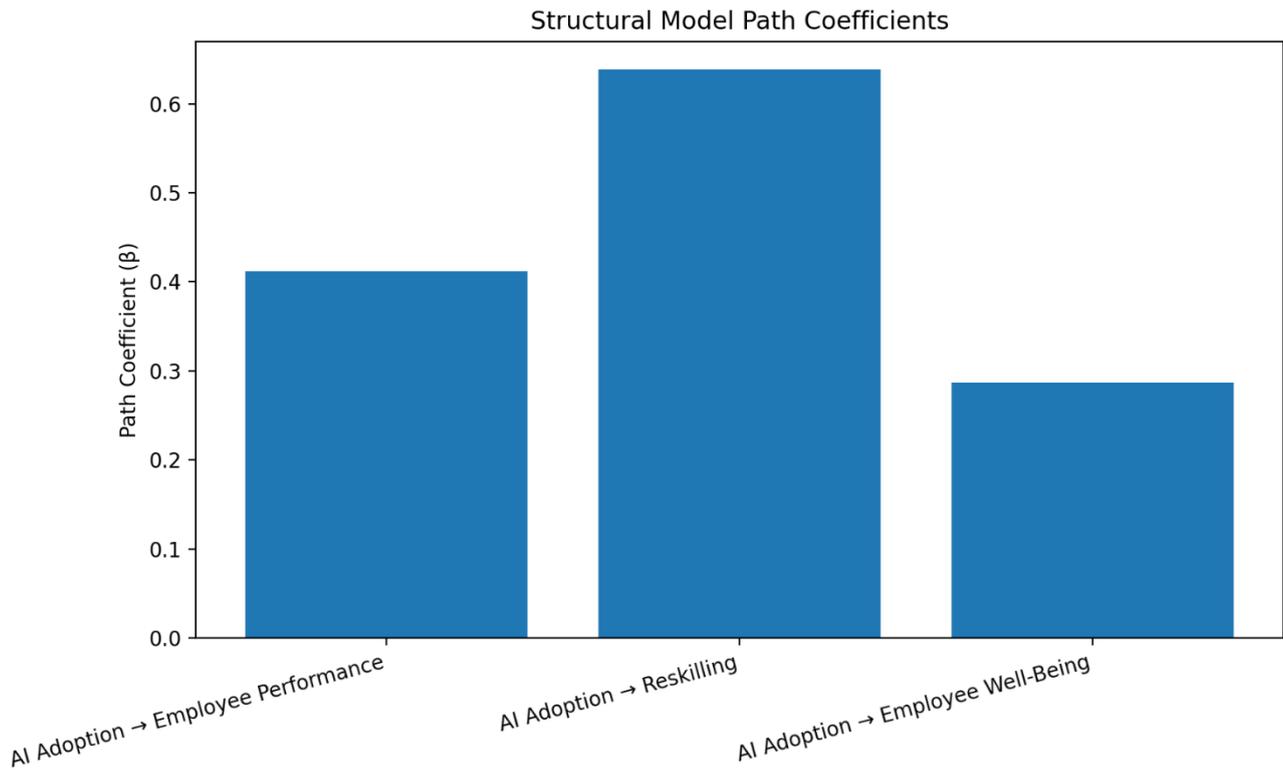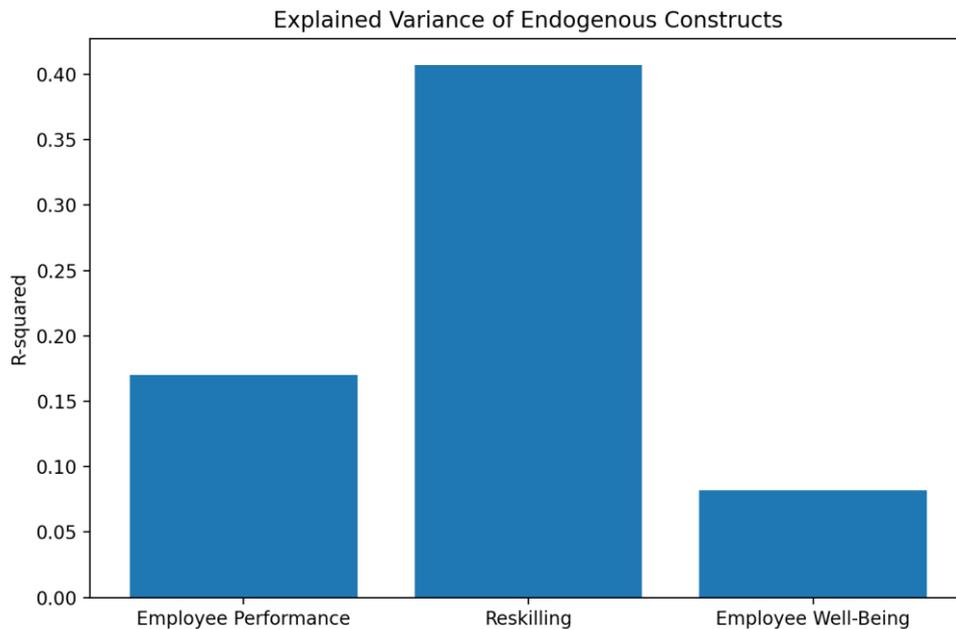
Figure 2. Structural Model Path Coefficients

Figure 3. Explained Variance of Endogenous Constructs (R²)

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Overall, the results suggest that AI adoption is not merely a technological intervention at XYZ Company, but a multidimensional organizational driver that affects how employees perform, learn, and experience their work. The strongest statistical effect on reskilling indicates that AI adoption creates a substantial demand for learning and adaptation. At the same time, the positive effects on performance and well-being indicate that, when managed appropriately, AI may contribute not only to organizational productivity but also to a more supportive and sustainable work environment.

Discussion

The first major finding of this study is that Artificial Intelligence Adoption positively and significantly affects Employee Performance. This result suggests that the integration of AI into workplace processes can improve employees' ability to perform tasks more efficiently, accurately, and productively. From a human resource management perspective, this finding reinforces the idea that AI should not be understood solely as an automation tool, but as an enabler of augmented human performance. Employees appear to benefit from AI when it supports routine activities, accelerates information processing, and improves decision quality. In the context of XYZ Company, this may indicate that AI-based systems have helped employees reduce repetitive workload and focus more effectively on higher-value tasks. This finding is particularly important because it demonstrates that technological adoption can produce practical value at the employee level, not only at the organizational or strategic level.

The second and strongest finding is that Artificial Intelligence Adoption has a positive and significant effect on Reskilling. This result shows that AI adoption is closely associated with employees' readiness to learn, adapt, and develop new competencies in response to changing job demands. The strength of this relationship indicates that AI implementation does not occur in isolation; rather, it creates a learning imperative within the organization. Employees who work in AI-enabled environments are more likely to recognize the importance of acquiring new knowledge, improving digital literacy, and engaging in continuous professional development. From a Q2 journal perspective, this is a particularly meaningful contribution because it positions reskilling not as a secondary outcome of technological change, but as one of its central consequences. In other words, AI adoption appears to function as a catalyst for capability transformation within the workforce.

The third finding shows that Artificial Intelligence Adoption positively and significantly affects Employee Well-Being, although the magnitude of this effect is smaller than for the other two outcomes. This result is theoretically and practically interesting. It suggests that employees do not necessarily perceive AI as a source of distress or insecurity alone; under certain organizational conditions, AI may also contribute to greater confidence, comfort, and manageability in the workplace. For example, AI may reduce cognitive overload, simplify complex tasks, or provide employees with a stronger sense of support in their daily work. However, the weaker explanatory power of this relationship also indicates that well-being is likely shaped by many additional factors beyond AI adoption itself, including leadership, organizational culture, communication climate, workload design, role clarity, and psychological safety. Thus, while AI may contribute positively to well-being, it should not be viewed as sufficient on its own to guarantee healthy and sustainable work experiences.

Taken together, these findings support a broader interpretation of AI adoption as a multidimensional HRM phenomenon. The results suggest that AI adoption influences not only what employees produce, but also how they learn and how they experience organizational change. This integrated understanding is one of the most important implications of the study. Prior discussions on AI in organizations often emphasize efficiency, automation, and strategic competitiveness, but the present findings show that the human consequences of AI adoption are equally critical. By simultaneously affecting performance, reskilling, and well-being, AI becomes a driver of both operational transformation and workforce transformation. This is particularly relevant for contemporary HRM, where sustainable competitiveness increasingly depends on how effectively organizations align technology with human capability and employee experience.

The results also offer an important practical message for managers and policy makers at XYZ Company. If AI adoption is to generate meaningful and sustainable benefits, it must be accompanied by a supportive organizational ecosystem. The strong relationship between AI adoption and reskilling implies that organizations should invest seriously in learning infrastructure, targeted training, and adaptive career development. Employees need more than access to new tools; they need guidance, confidence, and opportunities to build the skills required to use those tools effectively. Similarly, the positive but relatively weaker effect on well-being suggests that AI implementation should be accompanied by transparent communication, emotional support, ethical safeguards, and careful attention to workload and role design. A technology-centered strategy without a people-centered HRM approach may limit the full value of AI adoption.

From a theoretical perspective, this study contributes to the international HRM literature by demonstrating that AI adoption can be meaningfully analyzed through a framework that integrates performance outcomes, learning outcomes, and human sustainability outcomes. This broadens the dominant conversation in the field, which has often treated AI either as a technical innovation or as a future labor-market risk. The present study instead shows that AI adoption can be assessed as an organizational experience lived by employees in real time. Such a perspective is especially valuable for Q2-level scholarship because it connects digital transformation with micro-level human resource outcomes in a way that is both empirically testable and managerially relevant.

At the same time, the findings should be interpreted with appropriate caution. The relatively modest R^2 values for employee performance and especially for well-being suggest that additional explanatory variables may be needed in future research. Factors such as digital leadership, organizational trust, perceived organizational support, employee readiness for change, and the ethical climate surrounding AI use may help explain more fully how employees respond to AI adoption. Future studies may therefore benefit from extending the current model by incorporating mediating or moderating variables. For instance, reskilling may mediate the relationship between AI adoption and performance, while organizational support may moderate the relationship between AI adoption and well-being. Such extensions would strengthen the explanatory depth of the model and offer a richer understanding of the mechanisms through which AI affects employees.

The discussion confirms that AI adoption at XYZ Company is associated with meaningful positive outcomes for employees, particularly in relation to reskilling and performance, while also contributing to well-being in a more limited but still significant way. These findings underscore a central insight: the success of AI in organizations should not be evaluated only by technological sophistication or productivity gains, but also by its capacity to support employee growth, adaptability, and quality of work life. A human-centered approach to AI adoption is therefore not merely ethically desirable; it is strategically necessary for building resilient, future-ready organizations.

CONCLUSIONS AND SUGGESTION
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This study concludes that Artificial Intelligence Adoption plays a significant role in shaping employee outcomes at XYZ Company. The findings indicate that AI adoption positively influences employee performance, reskilling, and employee well-being, although the strength of these relationships varies across dimensions. Among the three outcomes, the strongest effect was found on reskilling, suggesting that the implementation of AI not only changes how employees perform their work, but also intensifies the need for continuous learning, adaptability, and skill renewal.

The positive relationship between AI adoption and employee performance further demonstrates that AI can function as a strategic enabler of productivity, efficiency, and work quality when it is meaningfully integrated into organizational processes. Meanwhile, the positive effect on employee well-being suggests that AI, when implemented in a supportive environment, may also contribute to a more manageable and confidence-enhancing work experience.

From a broader human resource management perspective, this study affirms that AI adoption should not be understood merely as a technological intervention, but as a multidimensional organizational transformation that affects employees' capabilities, experiences, and sustainability at work. The study therefore contributes to the growing HRM literature by offering an integrated perspective that links technological adoption with performance-related, developmental, and human-centered outcomes within one analytical framework. This integrated view is especially important in the current era of digital transformation, where the success of organizations increasingly depends not only on their ability to adopt new technologies, but also on their capacity to prepare, support, and empower employees throughout the transition. In this sense, the findings reinforce the importance of balancing technological advancement with human development.

This study also offers practical significance for organizational leaders and HR practitioners. The results suggest that the benefits of AI are more likely to be realized when organizations do not treat employees as passive recipients of change, but as active participants in the transformation process. AI adoption becomes more meaningful when it is accompanied by accessible learning opportunities, clear communication, supportive leadership, and work systems that preserve employee dignity and well-being. Therefore, the study highlights that a human-centered approach to AI implementation is not only ethically desirable, but also strategically necessary for building a resilient, adaptive, and future-ready organization.

Suggestion

Based on the findings, it is recommended that XYZ Company strengthen its AI implementation strategy by integrating it more closely with human resource development practices. First, the company should invest in structured reskilling and upskilling programs so that employees are better prepared to work effectively in AI-enabled environments. Because reskilling emerged as the strongest outcome in this study, organizations should view learning not as a complementary initiative, but as a central pillar of successful AI adoption. Training programs should be practical, continuous, and responsive to changing job demands, while also being inclusive enough to support employees with different levels of technological readiness.

Second, managers and HR professionals should ensure that AI adoption is accompanied by a supportive and transparent organizational climate. Employees are more likely to respond positively to AI when they understand its purpose, perceive its usefulness, and feel that the organization is committed to helping them adapt. For this reason, communication regarding AI implementation should be clear, participatory, and reassuring, particularly in addressing employee concerns related to role change, job security, and work pressure. In addition, organizations should pay close attention to employee well-being by monitoring stress, workload, and psychological adjustment during the digital transformation process. A technologically advanced workplace will be sustainable only if it also remains psychologically safe and socially supportive.

For future research, several suggestions can be offered. This study focused on the direct effects of AI adoption on employee performance, reskilling, and well-being within a single organizational setting. Future studies may expand the model by including mediating or

moderating variables such as perceived organizational support, digital leadership, employee readiness for change, trust in AI, or organizational culture. Such variables may provide deeper insight into the mechanisms through which AI affects employee outcomes. Future research may also employ a larger sample, compare multiple companies or sectors, and use longitudinal designs to better capture how employees' perceptions evolve over time as AI adoption becomes more mature. These directions would not only enhance the generalizability of the findings, but also enrich the international HRM literature on responsible and human-centered AI transformation

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