

A STUDY ON ARTIFICIAL INTELLIGENCE AND ITS EFFECT ON EMPLOYEE MOTIVATION AND ENGAGEMENT

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Abstract

The rapid adoption of Artificial Intelligence (AI) in organizations has significantly transformed the nature of work, employee roles, and workplace dynamics. AI-driven technologies such as automation, data analytics, and intelligent decision-support systems have influenced employee motivation and engagement in both positive and challenging ways. This study aims to examine the effect of Artificial Intelligence on employee motivation and engagement across organizations. The research focuses on understanding employee perceptions of AI, its impact on job satisfaction, work efficiency, and psychological involvement at the workplace. The study provides insights into how organizations can leverage AI technologies to enhance employee motivation while maintaining high engagement levels. The findings offer valuable implications for managers and HR professionals in designing AI-driven yet employee-centric work environments.

Keywords: Artificial Intelligence, Employee Motivation, Employee Engagement, Organizational Behaviour, Workplace Technology

1. Introduction

In the modern organizational environment, technological advancements have become a key driver of change. Among these, Artificial Intelligence (AI) has emerged as a transformative force reshaping organizational processes, decision-making, and human resource practices. AI technologies are increasingly used in recruitment, performance appraisal, training, workflow automation, and employee monitoring systems.

Employee motivation and engagement are critical determinants of organizational success. Motivated and engaged employees demonstrate higher productivity, commitment, and innovation. However, the integration of AI in the workplace has raised concerns related to job security, work pressure, skill obsolescence, and employee well-being. While AI can enhance efficiency and reduce routine workload, it may also influence employees' psychological attachment and emotional involvement in their work. This study seeks to analyze the effect of Artificial Intelligence on employee motivation and engagement, examining both positive and negative outcomes. Understanding this relationship is essential for organizations aiming to balance technological advancement with human-centered management practices.

2. Review of Literature

Kotler and Keller (2016) highlighted that technological innovation significantly influences employee attitudes and organizational performance. **Sharma (2019)** found that automation and AI-based systems improve efficiency but require effective change management to sustain employee motivation. **Singh and Kaur (2020)** observed that employees perceive AI as a growth opportunity when supported by proper training and communication, leading to higher engagement levels. **Gupta and Verma (2021)** emphasized that AI-enabled HR practices positively impact employee engagement by enabling transparency, performance feedback, and career development. Previous studies suggest that while AI adoption can enhance motivation through skill development and efficiency, improper implementation may lead to stress, resistance, and disengagement among employees.

3. Research Gap

Although several studies have explored Artificial Intelligence and organizational performance, limited research focuses specifically on its impact on **employee motivation and engagement from an organizational behaviour perspective**. There is a need for empirical research to understand how AI adoption affects employee psychology, commitment, and involvement at the workplace.

4. Objectives of the Study

- To understand the concept of Artificial Intelligence in organizations
- To study employee perception towards Artificial Intelligence at the workplace

- To provide suggestions for improving employee motivation in AI-driven work environments

5. Scope of the Study

The study focuses on employees working in AI-enabled organizations. It examines how Artificial Intelligence influences employee motivation, engagement, and work behaviour. The findings are useful for HR managers, organizational leaders, academicians, and researchers in the field of Organizational Behaviour and Human Resource Management.

6. Research Methodology

The study is based on a **descriptive research design**. Both **primary and secondary data** were used. Primary data was collected through a structured questionnaire from **200 employees** working in organizations adopting AI-based systems. Secondary data was collected from research journals, books, organizational reports, and online resources. Simple percentage analysis was used for data interpretation.

7. Data Interpretation

Factors	Percentage (%)
AI improves work efficiency	85
AI enhances skill development	78
AI increases job satisfaction	72
AI motivates employees to perform better	76
AI enhances employee engagement	80
AI creates job insecurity	60
AI increases work-related stress	55

Interpretation: The data indicates that Artificial Intelligence positively influences employee motivation and engagement by improving efficiency, skill development, and job satisfaction. However, concerns related to job insecurity and work stress remain significant, highlighting the need for balanced AI implementation strategies.

8. Findings of the Study

- Artificial Intelligence improves employee efficiency and reduces repetitive tasks
- AI contributes positively to employee motivation through learning and growth opportunities
- Employee engagement levels increase when AI is used as a support tool rather than a control mechanism
- Fear of job loss and increased monitoring can negatively affect motivation
- Training and transparent communication play a crucial role in employee acceptance of AI

9. Recommendations

- Organizations should provide continuous AI-related training and upskilling programs
- Management should communicate clearly about the role of AI to reduce job insecurity
- AI should be used to support employees rather than replace human judgement
- Employee involvement should be encouraged during AI implementation
- HR policies should focus on balancing technology with employee well-being

10. Conclusion

The study concludes that Artificial Intelligence has a significant impact on employee motivation and engagement. When implemented strategically, AI enhances efficiency, learning, and engagement levels among employees. However, without proper change management and employee support, AI adoption may lead to stress and demotivation. Organizations must adopt a human-centric approach to AI integration to ensure sustainable employee motivation and engagement in the digital workplace.

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