

Transforming Organizational Development with AI: Navigating Change and Innovation for Success

Lalithendra Chowdari Mandava



Abstract: *Effective change management emerges as a deciding element for an organization's survival and success in the changing terrain of today's fiercely competitive business climate. The variety of change management theories and approaches that are currently available, however, paints a complicated picture that is plagued by inconsistencies, a lack of strong empirical support, and unproven assumptions about contemporary organizational dynamics. This essay seeks to set the basis for a fresh paradigm for effective change administration by critically analyzing popular change management ideas. The gap between theory and practice is addressed in the paper, which concludes with suggestions for more research. In parallel, artificial intelligence (AI) has made incredible progress, giving rise to computers that mimic human autonomy and cognition. Industry-wide excitement has been sparked by the enthusiasm among academics, executives, and the general public, which has resulted in significant investments in utilizing AI's potential through creative business models. However, the lack of thorough academic guidance forces managers to struggle with AI integration issues, increasing the risk of project failure. An in-depth analysis of AI's complexities and its function as a spark for revolutionary business model innovation is provided in this article. A thorough literature assessment, which involves sifting through a sizable library of published works, combines up-to-date information on how AI is affecting the development of new business models. The findings come together to form a roadmap for seamless AI integration that includes four steps: understanding the fundamentals of AI and the skills needed for digital transformation, understanding current business models and their innovation potential, nurturing key proficiencies for AI assimilation, and gaining organizational acceptance while developing internal competencies. This article combines the fields of organizational change management and AI-driven business model innovation with ease, providing a thorough explanation to assist businesses in undergoing a successful transformation and innovation. These disciplines' confluence offers a practical vantage point for successfully adapting to, thriving in, and profiting within a dynamic business environment. Artificial intelligence (AI), a massively disruptive force that is altering international businesses, is at the vanguard of this revolution. The ability of AI to make decisions automatically, based on data analysis and observation, opens up hitherto untapped possibilities for value creation and competitive dominance, with broad consequences spanning several industries. With its quick scaling, ongoing improvement, and self-learning capabilities, this evolutionary invention functions as an agile capital-labor hybrid. Significantly, AI's architecture serves as the cornerstone for data-driven decision support by deftly sifting through large and complicated datasets to extract insights.*

Thus, the symbiotic marriage of organizational change management and AI-driven business model innovation gives a thorough narrative, directing businesses towards not just surviving, but thriving in an ever-evolving business environment. It is underlined how business models (BMs) interact with technology to affect how well business's function, underlining the need of taking BMs into account while using AI. Business model innovation (BMI) that AI unlocks may improve goods, streamline processes, and save costs. However, there is a void between technological improvements and their operationalization via BMs. Successful AI integration depends on a well-structured BM, which promotes agility and makes the most of technological resources. BMI is accelerated by AI, which reshapes sectors via innovation. Although interest in AI is high, strategic, cultural, and technological constraints sometimes prevent large investments from producing positive economic results. To fully utilize AI's capabilities, structured BMs are required. Despite an increase in research, there is still little cohesive information about the business uses of AI. In an effort to close this gap, we examine implementation-related AI problems. Analyzing AI-driven BM transformation and risk management is aided by a study on BMI and digital transformation at the same time. The purpose of this study is to further our understanding of AI-driven business model innovation and to provide a useful framework to help practitioners navigate the potential and difficulties of AI implementation. The suggested roadmap aims to identify current knowledge gaps and future research initiatives.

Keywords: *Transforming, Navigating, Innovation, AI's Analyzing AI-driven*

I. INTRODUCTION

The focus of this theoretical investigation is "Transforming Organizational Development with AI: Navigating Change and Innovation for Success," a dynamic investigation that combines the fields of organizational change management with AI-driven business model innovation. This study's main objective is to meticulously analyse the seamless fusion of these two crucial paradigms, providing a thorough comprehension of their harmonic convergence. Effective organizational change management and creative business models powered by artificial intelligence (AI) have emerged as major factors of sustained success in the quickly changing corporate landscape of today (Fountain et al., 2019 [27]). This investigation sets out on a quest to examine how businesses might negotiate the complex terrain of change and innovation, utilizing the powers of AI to not only survive but also thrive in this paradigm-shifting environment. This study reveals the symbiotic link between organizational transformation and AI-driven innovation, which is grounded in theoretical underpinnings.

Manuscript received on 15 August 2023 | Revised Manuscript received on 28 August 2023 | Manuscript Accepted on 15 October 2023 | Manuscript published on 30 October 2023.

*Correspondence Author(s)

Lalithendra Chowdari Mandava*, Department of Human Resource Development, The University of Texas at Tyler, Tyler, TX, USA. E-mail: lmandava.ba@gmail.com, ORCID ID: [0009-0004-9881-7429](https://orcid.org/0009-0004-9881-7429)

© The Authors. Published by Blue Eyes Intelligence Engineering and Sciences Publication (BEIESP). This is an [open access](https://creativecommons.org/licenses/by-nc-nd/4.0/) article under the CC-BY-NC-ND license <http://creativecommons.org/licenses/by-nc-nd/4.0/>

This research underlines the unmatched value creation and competitive advantage that AI can provide to many businesses through a careful investigation of AI's potential for automated decision-making, gathered from data analysis and observation. This research frames AI as a catalyst for reinventing decision support frameworks, particularly in data-intensive situations, by classifying it as a quick, self-learning capital-labour hybrid. In order to help businesses manage change and innovation with unparalleled success, this theoretical project intends to offer strategic insights into using AI's potential for revolutionary organizational growth (Bhavsar et al., 2019 [13]).

II. BACKGROUND OF THE STUDY

The study explores the mutually beneficial interaction between organizational change management and business model innovation powered by artificial intelligence (AI). There is a noticeable movement toward incorporating AI capabilities as firms increasingly take advantage of AI and machine learning. However, the study notes that this change does not signify a complete cessation of human participation. The primary goal of integrating AI is to increase decision-making effectiveness, depending on AI's capacity to rapidly evaluate data and patterns. The research emphasizes the necessity of a cooperative approach inside firms, emphasizing that AI is most effective when it is included in a holistic business plan that is consistent with the organizational culture (Bharadiya, 2022 [12]). A collaboration between business and IT reveals AI's transformational potential. A comprehensive digital transformation is required for successful AI adoption, and when done well, it may completely disrupt company procedures. This innovative strategy depends on pinpointing specific problems or procedures that may be made more efficient using AI while yet retaining the crucial human component needed for thoughtful judgment and openness (Pasmore et al., 2019 [47]).

A. Research Aim

The aim of the research is to examine the seamless coupling of organizational change management and AI-driven business model innovation, elucidating their combined impact on facilitating successful transformation and innovation within modern enterprises, which is critically essential for competitive advantage and business growth as well (Tiron-Tudor et al., 2021 [54]).

B. Research objectives

- To look at how AI-driven data analysis may improve decision-making in business model innovation and organizational change management.
- To give priority to identifying how AI affects developing and accessing innovative ideas in the context of organizational change.
- To evaluate the contribution of predictive analysis performed by AI systems to risk assessment and well-informed decision-making during the change management and business model innovation processes (Lee et al., 2019 [39]).
- To investigate the ways in which AI-driven technology accelerates the innovation process during prototyping,

resulting in quicker creation and testing of novel ideas inside altered organizational structures.

- To examine how customization features of AI may be used to optimize goods and services in line with organizational transformation, satiating changing customer expectations while assuring effective resource use (Raisch & Krakowski, 2021[48]).

C. Research questions

- What role does AI play in automating data analysis, and how does it support well-informed decision-making in the contexts of business model innovation and organizational change management?
- What concrete effects do artificial intelligence (AI) have on the development and assessment of creative ideas, and how does AI support effective idea selection that results in game-changing organizational changes?
- In what particular ways do AI's predictive analytic tools improve risk assessment and decision-making accuracy during the dynamic processes of change management and business model innovation?
- What part does artificial intelligence (AI) play in accelerating the innovation prototype phase, and how does this facilitate the rapid creation and testing of fresh ideas within the context of changing organizational frameworks?
- What ground-breaking techniques does AI use to tailor goods and services in line with organizational changes, guaranteeing conformity to changing consumer preferences while maximizing resource allocation?
- What key elements, in line with the overarching objectives of encouraging organizational change and innovation, play a decisive role in the effective integration of AI in supporting processes, business models, domains, and cultural transformations?

D. Research significance

This study's ability to advance both the commercial environment and the academic world is what makes it significant. This study contains the key to uncovering revolutionary insights that can promote significant development in a variety of industries by examining the seamless integration of organizational change management and AI-driven business model innovation. The results of this study have the potential to spur the development of growth plans for firms that make use of AI. The research assists in creating successful strategies for long-term corporate growth by thoroughly examining how AI automates data processing, improves decision-making, and speeds up innovation. The first step toward improving user experiences while optimizing efficiency is to comprehend how AI has the potential to change resource optimization and product personalization. The study's ability to influence future possibilities emphasizes its importance in academia. Researchers, academics, and students may better understand how AI might change the corporate landscape by doing a study on this topic.

This information is essential for keeping up with the dynamic changes in contemporary industries. By examining how AI is being embraced by both major organizations and smaller businesses to provide competitive advantages, this research aims to provide a comprehensive view of the current state of business. In addition to shedding insight into how adaptable firms are, the examination of this phenomenon shows how AI democratizes access to cutting-edge technologies for companies of all sizes. In essence, the value of this research extends beyond its immediate conclusions and has the potential to influence academic research, commercial practices, and technology development (Wamba-Taguimdje et al., 2020 [58]). This study lays the groundwork for informed decision-making by closely examining the intricate interplay of AI, change management, and innovation. It also paves the way for more adaptable, resilient, and forward-thinking businesses by offering insights that will direct future research in both academia and industry (Betz et al., 2019 [11]).

III. LITERATURE REVIEW

A. AI-Driven Change Management Practices Adopted by Modern Business

Modern business has undergone a transformation as a result of the introduction of artificial intelligence (AI), which has redefined organizational operations and strategy. In its capacity as a flexible general-purpose technology, artificial intelligence (AI) possesses a unique learning power that opens up a variety of advancements and fresh economic opportunities. With consequences that go far beyond simple technological adoption, this has encouraged enterprises to maximize its potential. Modern firms looking to traverse the intricacies of this technological growth are increasingly focusing on AI-driven change management strategies. At the task, process, and business model levels, AI has recently shown that it is capable of revolutionizing a number of organizational aspects (Di Vaio et al., 2020 [45]). the business potential for innovation and competitive advantage are made possible by the substantial influence AI has. Due to its versatility, which is fuelled by sophisticated learning algorithms and a variety of use cases, AI has been widely adopted across sectors. Although AI has a lot of potential, its practical integration is frequently limited to experimental projects. Only 8% of businesses have successfully integrated AI into their fundamental procedures, indicating that there are implementation issues that go beyond technological ones. This is where change management plays a crucial part in the AI environment. As a Generative Pre-trained Transformer, AI has a special position that presents both potential and difficulties that call for proactive control (Adner et al., 2019 [1]). The complicated interaction of technology, culture, and strategy is something that businesses must negotiate due to the delicate nature of AI adoption, which necessitates a thorough understanding of its complexities. The ability of firms to embrace change in this environment becomes crucial. AI-driven changes may be seen through the perspective of organizational preparation for change theory. According to this hypothesis, an organization's readiness for change has a significant impact on the acceptance of innovations and the successful management of related risks. However, given the

unique characteristics of this technological revolution, implementing this theory in the context of AI calls for a specialized strategy. AI preparation is a broad foundation that includes organizational resources, skills, and commitment. Assets are the material and immaterial resources that support an organization's activities, while capabilities are the tools for utilizing and modifying those resources. An organization's readiness to welcome innovation and support revolutionary efforts is embodied by its commitment (Dora, et al., 2022 [23]). To achieve complete AI readiness, the complexities of AI adoption necessitate constant growth across several dimensions. Prioritizing AI readiness evaluation before deployment is shown as a key tactic. Such analyses reduce ambiguity over the adoption's effects by illuminating possible gaps and facilitating informed decision-making. In addition, it is crucial to make sure that an organization's AI strategy is in line with its current procedures. This compatibility depends on an established process landscape that can handle changes brought on by AI (Schneider, et al., 2023 [51]). Parallel to this, developing new behaviour becomes crucial. Organizations and people must be flexible, willing to experiment, and have nimble problem-solving abilities due to the dynamic nature of AI. A crucial channel for this process is change management, which helps employees adjust to the paradigm shift and dispels myths that can prevent the adoption of AI. Professionals in change management are at the forefront of managing this disruptive environment as AI becomes more pervasive in organizations. With the use of AI-powered tools, they are able to create scenarios, plan for changes, and assess employee satisfaction. evolve management techniques may evolve as a result of this convergence of human intuition and AI's analytical skills. Professionals in change management will continue to play a crucial part in shaping a more adaptable and inventive future as the organizational landscape changes. They will be crucial in both embracing change and using it (Beerbaum, 2022 [9]).

B. Challenges and Opportunities of Integrating AI For Organizational Transformation

The incorporation of artificial intelligence (AI) is experiencing a significant transition in the landscape of business models today. The need to handle issues, grab opportunities, and create conditions for effective AI adoption in the context of Business Model Innovation as well as digital transformation is highlighted by a recent study. As a result, a thorough four-step roadmap has been developed as a foundation for ensuring successful AI integration. This roadmap's first stage emphasizes the need to understand AI at its core while defining the organizational skills required for a seamless digital transition. Therefore, it is necessary to integrate these results into strategic organizational competencies that serve as facilitators, successfully reducing risks and supporting the implementation process. Numerous difficulties arise in the context of implementing AI (Gill, 2022 [30]). The pursuit of AI's potential frequently takes the shape of autonomous operations that are able to handle large amounts of information much more quickly than humans.

However, this very quality creates difficulties for openness and trust. Deep learning and neural networks, among other different AI technologies, are intricately combined, creating complications that obfuscate transparency. The so-called "black-box" problem makes it difficult to understand how AI makes decisions and how it functions inside, which might result in incorrect results. The trust problem makes the problem much more difficult since staff members can be reluctant to use AI apps if they don't fully comprehend how they work. Another challenge is the switch from analog to digital operations (Garbuio & Lin, 2019 [28]). The transition of analog operations to enable digital data capture is necessary because AI algorithms require vast amounts of high-quality data to function effectively. Inadequate data sets occur from failure to accomplish this, which lowers the calibre of AI's output. Misunderstandings about AI's complex makeup, particularly its mysterious operation, provide another difficult problem. As it immediately affects collaboration and alignment throughout the transformation, stakeholder awareness is essential for the success of AI integration. A set of crucial organizational competencies become crucial to addressing these issues and using AI's promise. These competencies cover security, data, technology, and strategic aspects (Kaplan & Haenlein, 2020 [35]). Successful AI implementations, also known as leaders in digital transformation, frequently have clearly defined digital strategies. These methods not only include digital processes but also call for organizational flexibility to quickly scale up or down operations in response to changes in demand. Data capabilities provide an emphasis on a solid framework for gathering, managing, and analysing data. Organizations must successfully overcome the challenges of network transformation and gain access to unprocessed data if they are to create sustainable data architectures. Security skills are crucial since they act as the cornerstone of the AI integration process. Organizations' worries about data security grow when they have access to large databases. The issue of handling sensitive data is made more difficult by the use of AI, especially in situations with little transparency. Therefore, it becomes clear that cybersecurity expertise is a crucial necessity for effective AI applications. In order to achieve seamless digital transformation, it is crucial to grasp the intricacies of AI, promote organizational capacities, and handle difficulties. This is why the roadmap for AI integration into business models emphasizes the need of doing all three. As the digital world changes, firms that embrace AI's potential and master its difficulties will be at the forefront of innovation and sustainable success (Dwivedi, 2021[26]).

C. Business Model Innovation with AI

There is a growing increase in research interest in the area of artificial intelligence (AI) in commercial situations. There is an evident need for thorough and pertinent investigations because the body of knowledge on this topic is still rather limited. Managers that are debating whether to integrate AI into organizational operations sometimes lack strong academic backing. This knowledge gap increases the likelihood of project failure and unfavorable results. Although significant investments have been made across a variety of industries as a result of the prevalent hype

surrounding AI's enormous potential, it is still unclear how well these efforts will correspond with actual commercial results. Additionally, there is a lack of current theoretical understanding in this field (Shrestha et al., 2019 [53]). Business Model Innovation (BMI) and digital transformation have become the two most important areas to research in this environment. While there are some general applications of this research, it provides lessons that apply to all technological advancements, including AI. While studies on BMI and digital transformation focus on how business models may be changed by AI while minimizing related risks, the study stream of AI inquiry aims to identify obstacles to AI deployment. Business model innovation essentially comprises the ongoing improvement and development of current business models. It functions as a system that converts digital applications into products that are profitable (Cam et al., 2019 [14]). This intermediary concept establishes a key link between technological advancement and economic value, enabling the operationalization of plans through flexible capacities. Value creation, value delivery, and value capture are the three cornerstones of a business model, which serves as a framework for implementing long-, medium-, and short-term goals. Increased interest has been generated across sectors and businesses due to the intersection of AI developments with commercial interests. However, there is a noticeable knowledge gap when it comes to the use of AI applications, which ultimately prevents the realization of significant economic benefits. The current project aims to improve this understanding by combining knowledge from studies on AI, BMI, and digital transformation. A greater understanding of the difficulties associated with implementing AI has been created through a synthesis of relevant research (Kumar et al., 2019 [36]). Additionally, research on digital transformation and BMI helps us to better understand the various approaches to risk mitigation. Four important conclusions can be drawn from these research projects that may be used as a framework for assessing potential applications of AI. While organizational traits and favourable circumstances may differ greatly amongst businesses, AI's potential for transformation stays constant. The paradigm that has been described has a broad range of applications that cut across different corporate features including size, industry affiliations, and positions in business ecosystems. However, it's critical to recognize the need for more study in a number of important areas. First, empirical investigation is necessary for AI readiness and requirements. Future research must focus on developing quantitative rules to evaluate a company's digital maturity, handle unanticipated difficulties, and reduce risks related to AI (Ansari et al., 2022 [6]). Second, although industry hurdles and the value of partnerships have been discussed in studies on digital transformation, work on transformations particular to AI would be helpful. Thirdly, greater investigation should be made into determining the competencies connected to each player within the industrial ecosystem and evaluating how mature their AI projects are.



Finally, a thorough analysis is required to understand the shift from conventional sales models to AI-driven service contracts and its consequences for AI business models. AI, a sort of sophisticated digitization, holds the prospect of completely changing business paradigms. The integration of AI and corporate strategy highlights the necessity for in-depth analysis and useful insights. A solid basis for tracing the trajectory of successful AI deployment inside modern business landscapes is provided by the synthesis of knowledge from AI, BMI, and digital transformation as companies prepare for AI integration (Ahmad et al., 2021 [2]).

D. Impacts of AI-Generated Decision-Making Process on the Organization Success

The landscape of corporate operations and decision-making has changed as a result of artificial intelligence (AI), which has emerged as a transformational force across several industries. Due to its ability to mimic human intellect and carry out difficult tasks, this disruptive technology has the potential to completely alter company strategy and decision-making procedures. The enormous influence that AI has had on these crucial aspects of organizational functioning is explored in this research article. Organizations always look for innovative business strategy solutions to get a competitive edge in the dynamic and intensely competitive modern business environment. A powerful method for improving capacities, optimizing processes, and adjusting to the ephemeral nature of market dynamics is the use of AI in corporate plans. By using AI, businesses are better able to maintain a competitive edge, find new development opportunities, and skilfully handle changing market conditions. AI emerges as a crucial ally in strategic decision-making by promoting innovation, identifying market trends, optimizing resource allocation, and providing insightful data. The disruptive potential of AI goes beyond operational improvements, offering chances to promote novel business models and improve user experiences. However, the adoption of AI also brings with it some risks that need careful management in addition to its potential advantages. When AI systems are used to make crucial decisions, ethical issues like accountability, transparency, and fairness become crucial. In order to address concerns about data privacy and security, enterprises must strike a careful balance between using data to generate AI-driven insights and protecting sensitive information. The substantial effects of AI go right to the core of corporate practices and strategic planning. Businesses are now able to make knowledgeable, data-driven, and predictive choices thanks to artificial intelligence (AI), which excels at processing large datasets, seeing patterns, and replicating human intellect. This results in improved results and competitive advantage. The revolutionary potential of AI extends beyond functional effectiveness; it creates opportunities for new commercial ventures, inventive company structures, and improved consumer interactions. Nevertheless, careful consideration of AI's possible downsides is necessary for its inclusion. A crucial ethical issue is how to ensure justice and openness in AI-driven choices (Trad, 2021 [55]). When AI systems play crucial roles in decision-making, organizations must also deal with concerns about data security and privacy. Finding a balance between using AI's potential and protecting private information becomes crucial. The impact of AI on company strategy and decision-making is therefore profound. Its ability

to comprehend, analyse enormous datasets, spot trends, and imitate human cognitive capacities highlights its importance in promoting well-informed decision-making. Organizations may fully utilize artificial intelligence's potential to spur success by understanding how it affects business strategy and aligning with ethical issues. AI-driven decision-making boosts productivity while simultaneously igniting creativity, giving businesses the flexibility, they need to adapt to changing market conditions and thrive in them.

E. AI In Different Company Sizes and Diverse Industries

Unicorns of artificial intelligence, like Sense Time, and Google Deep Mind, have spurred expansion at a breakneck pace. By enabling digital scale, breadth, and learning, they have used AI to transform the operational environment of enterprises and overcome conventional growth limits. This artificial intelligence businesses have distinctive growth patterns, frequently transferring potent machine learning models across diverse corporate use cases or providing services that surpass human perception and cognition. AI startups may encounter unique difficulties in expanding their businesses, in contrast to typical software and Software-as-a-Service businesses. Although AI has a great deal of potential to provide value, development can be stifled by obstacles including murky business cases, a lack of leadership support, technological limitations, a lack of expertise, access to data, and value capture (Grab, 2019 [31]). The development paths of AI firms, particularly in their early years, may resemble those of traditional service companies rather than those of software or platform companies. Rapid scaling is frequently delayed since it takes a lot of time to optimize AI models and gather pertinent data. For instance, before making the switch to more scalable strategies, AI firms in the digital health space frequently emphasize service-oriented business models. Comparing AI businesses to non-AI firms, particularly those with non-AI-centric platforms or service models, reveals potential distinctions in growth dynamics. While AI businesses might benefit from data network effects, they must also deal with obstacles like the cost of cloud infrastructure and poor data quality. The deployment of AI is changing business tactics across a range of sectors (Munoko et al., 2020 [44]). Though their scaling patterns are different from those of conventional technology-driven businesses, AI startups have the potential to reinvent growth trajectories. In order to shed light on the complex scaling dynamics that distinguish AI companies from non-AI businesses, this empirical investigation aims to comprehend the differences between AI and non-AI firms. Performance and robustness of the supply chain have become crucial factors, particularly in the face of global shocks. The integration of AI into the supply chain, in line with the idea of organizational information processing, has the potential to improve the performance and responsiveness of the supply chain. Despite obstacles, businesses are rapidly realizing how AI may improve the resilience and efficiency of their supply chains (Verganti et al., 2020 [56]). The revolutionary potential of AI in the field of human resource management (HRM) is particularly evident.

While other technologies have posed a threat to established ways of doing things, AI stands out thanks to its learning and cognitive capabilities. Implementing AI in HRM has proven to have several advantages, from performance improvement to cost savings. However, implementing AI in HRM involves careful planning and removing obstacles like knowledge gaps. The use of AI in manufacturing industries is expanding. However, SMEs encounter particular difficulties in comprehending the implications and needs of AI integration. The potential benefits and competitive advantages are clear, despite impediments to adoption such as a lack of strategy, capabilities, and limiting AI solutions. SMEs account for a sizeable sector of the economy and are essential to innovation, job development, and economic growth. As a result, AI is having a disruptive influence on a range of sectors and business sizes. Organizations are becoming aware of the potential of AI in changing supply chain dynamics, improving HRM, and increasing industrial efficiency, even if AI startups show diverse scaling trends. Although there are still issues, AI's advantages in terms of development, effectiveness, and creativity are apparent, paving the way for a future dominated by technology (Lanzolla et al., 2020 [38]).

IV. RESEARCH METHODOLOGY

The examination of the study subject, "Transforming Organizational Development with AI: Navigating Change and Innovation for Success," is greatly influenced by the research approach. It offers an organized method for researchers to accomplish the particular goals of their research by methodically outlining how information will be gathered and used. The methodology serves as a framework for this research, including the approaches, strategies, and procedures for obtaining data on the transformative effect of AI on organizational growth. It outlines the procedures for gathering, analysing, and interpreting data in order to comprehend the nuances of adopting AI-driven innovation and transformation within enterprises (Medeiros et al., 2020 [40]). The study guarantees a thorough and coordinated inquiry into how AI affects organizational behavior by following a well-defined research approach. It makes sure that the study is logical and cohesive, which improves the reliability and validity of its conclusions. This approach acts as a compass, guiding academics through the complex landscape of AI-driven transformations in organizational contexts, eventually advancing our understanding of how to successfully navigate change and innovation (Misra et al., 2020 [43]).

A. Research Onion Model

The well-known "research onion model," created by Saunders, serves as the foundation for the research technique used in this study. The completeness and efficiency of the study process are ensured by this model's comprehensive framework, which directs researchers in a methodical and structured manner. The research onion model's use in the context of investigating AI applications for business model innovation emphasizes how important it is for giving the investigation process a clear direction. The research onion model is divided into layers, each of which represents a significant step in the research procedure. It starts with the philosophical foundation at the topmost layer, moves through methods, tactics, options, and time horizons, and then comes

to an end with techniques and processes (Küpper et al., 2019 [37]). The use of the model in the context of this study is essential for upholding a scientific and thorough approach. By adhering to the layered structure, the researchers make sure that no vital component is missed, making it easier to get pertinent data from dependable sources. The implementation of the research onion model ensures that the investigation of AI's influence on business model innovation is carried out with accuracy and thoroughness. In terms of the revolutionary potential of AI for corporate success, it helps to develop a clear roadmap for data gathering, analysis, and interpretation. This technique promotes a comprehensive comprehension of the subject and aids in drawing illuminating inferences from the research's findings (Yigitcanlar & Cugurullo, 2020 [59]).

B. Research Philosophy

In this study project, a fundamental value is preserved to guarantee that the participants and stakeholders are handled with respect and consideration. This factor indicates the research's ethical attitude, which aims to minimize any harm or insult to individuals engaged. There are several viewpoints accessible in the field of research philosophy, and each one influences the researcher's methodology and worldview. The philosophy of realism has been adopted for this study in accordance with the research goals of AI application in various commercial areas and the desire for an authentic picture of reality (Hanelt et al., 2021 [32]). In order to find objective facts that are consistent with the objectives of the research, realism stresses a knowledge of the world that conforms to the actual conditions and occurrences. The research aims to retain an objective posture while reflecting the genuine core of the topic at hand by embracing the realism philosophy. The use of realism as the overarching philosophical framework guarantees a strong connection between the research's objectives and the selected point of view, encouraging a thorough and authentic examination of the subject while staying morally accountable to all concerned parties (Gebauer et al., 2020 [29]).

C. Research Approaches

The choice of research methodology is of utmost importance when considering AI's contribution to business modernization. Deductive and inductive research methodologies are often categorized into two groups. The inductive technique is thought to be the most appropriate for this project since it is consistent with the topic matter. The observation and analysis of particular examples or circumstances is the starting point of the inductive method, which progressively leads to the formation of more general theoretical structures. This strategy is especially appropriate when discussing the role AI plays in company modernisation (Aker et al., 2022 [4]). The inductive method fits well with the requirement to generate broad insights and theories that capture the complex effects of AI on contemporary business practices since it starts with the examination of real-world examples and actual implementations of AI within various business contexts. The inductive methodology used in this study aims to develop a thorough grasp of the ways in which AI helps to corporate modernisation.



This method makes it easier to develop theories and frameworks that effectively describe the core of AI-driven changes across a range of sectors by methodically watching and studying real-world AI applications, trends, and consequences. In the end, the inductive methodology provides a methodological platform for discovering fresh insights and developing theories that capture the changing context of AI's incorporation into modern business operations.

D. Strategies

The use of appropriate research methodologies takes critical relevance in the quest of gathering crucial data for this study on the transformational impact of AI applications in modern enterprises. There are several research methods accessible, each suited to certain study situations and purposes. The experiment technique, survey, case study, action research, grounded theory, ethnography, and archival research are all included in these methods. The survey technique was chosen as the research project's approach since it perfectly satisfies the goals of the study. The survey approach is methodically compiling information from a predetermined sample of individuals in order to gain an understanding of their experiences, viewpoints, and behaviours (Ribeiro et al., 2021 [49]). The survey technique is a reliable way for investigating the technical environment of contemporary firms and integrating AI for development and competitive advantage. This technique facilitates the gathering of quantitative and qualitative data regarding the use of AI technology by distributing surveys to corporate stakeholders, decision-makers, and practitioners. Survey-based questions can dive into a variety of topics, such as AI implementation tactics, difficulties encountered, gains attained, and prospects for the future. This approach makes it easier to examine technological adoption patterns and to comprehend the subtleties of how AI is used in contemporary corporate settings to foster success, innovation, and competitive advantage. The goal of this research is to gather data through a survey technique that will help researchers gain a thorough understanding of how AI is altering corporate operations and strategies and, ultimately, determining success trajectories in today's competitive and technologically driven market environment (Johnson et al., 2021 [34]).

E. Choices

The study topic of "Transforming Organizational Development with AI by Navigating Change and Innovation for Success" is aligned with the mono method approach that has been used. The approach that was selected specifically has a quantitative bent. This approach is focused on gathering and analyzing numerical data to find patterns, trends, and insights pertaining to the incorporation of AI in organizational growth. The research intends to offer a systematic and empirical knowledge of how AI-driven changes contribute to innovation and success within corporate contexts by using the quantitative mono technique (Obschonka & Audretsch, 2020 [35]).

F. Data Collection and Data Analysis

Data analysis for the study on "AI Transforming Organizational Modernization and Success" uses a quantitative research methodology. In this method, numerical

data gathered from numerous sources is systematically compiled and examined. The research's objective is to identify significant trends and insights via the use of quantitative analysis that shed light on how AI-driven changes influence organizational modernization and promote success (Shneiderman, 2020 [52]). Utilizing statistical techniques and tools to analyse and analyse the acquired data is a part of quantitative analysis. Researchers can measure relationships, find correlations, and derive unbiased conclusions from the data they have gathered using this method. Statistical testing, regression analysis, and data visualization are examples of quantitative approaches that may be used in research to identify patterns and gauge the effects of AI implementations. This aids in analysing many facets of organizational growth and offers insightful information about successful tactics. By using a quantitative research approach, the study provides a rigorous and organized examination of the data, providing a thorough knowledge of the ways in which AI technologies help to organizational modernization and generate beneficial results. This strategy is in line with the goals of the study and allows for a detailed examination of the subtleties and ramifications of the subject for bringing about innovation and disruptive change in companies.

G. Sampling

The sampling approach is used in the study concentrating on changing business model innovation towards success by integrating AI in order to acquire pertinent insights and data. Sampling is the process of carefully choosing a subset of people or things from the larger population of interest. These specifically chosen individuals, or samples, offer insightful information that helps researchers to make informed judgments on the study's subject. To manage time and resources efficiently, sampling is essential. Researchers choose to work with a smaller but representative sample rather than trying to connect with the complete community, which can be unworkable and resource-intensive. The research process is made more productive overall thanks to this strategy, which also helps to simplify data gathering activities. The project managers can acquire targeted and important information that is relevant to the goals of the research by speaking with a controllable sample. It's crucial to recognize any potential restrictions imposed by sample techniques. The data may not accurately reflect the diversity and complexity of the total population since samples only represent a small part of the population. Drawing generalizations simply based on the collected data may carry some level of risk or imprecision. The sampling strategy used in this study is called systematic sampling, and it entails picking every n th participant from a list. Through this strategy, the sample is more evenly distributed and random. The sampling size, which consists of 23 contemporary business owners from a variety of business sectors, was chosen to strike a compromise between the accuracy of the estimations and the study's capacity to produce insightful results.



Transforming Organizational Development with AI: Navigating Change and Innovation for Success

This study aims to investigate how AI-driven business model innovation contributes to organizational success using a systematic sampling approach with a sample size of 23 participants, offering insightful information while taking into account the practical limitations of interacting with a larger population (Dubey, 2022 [25]).

V. FINDINGS AND DISCUSSION

The incorporation of artificial intelligence (AI) has shown to be a revolutionary force for modern enterprises in the quickly changing business landscape of today. Business owners now understand the advantages AI has for innovation while also addressing some of the leadership issues that come with this technological advancement. As evidenced by businesses like Apple, embracing AI and changing organizational paradigms in line with it may result in exceptional success in the face of upheaval. Apple's path serves as an example of how dedication to a functional organization need not result in inaction. Apple's structural development has been crucial with the rise of AI and other developing technologies (Hazen, 2020). For others navigating a similar landscape, Apple's dynamic organizational architecture serves as a map for the rewards of innovation and the leadership difficulties it presents. In the corporate world, where flexibility and foresight are essential, this expertise is priceless. Apple's functional organization changed as it widened its boundaries by foraying into new industries and technologies. The need to organize areas of expertise to improve cooperation and hasten decision-making served as the driving force behind this shift. Tim Cook's leadership changes serve as an example of this development. Among the strategic adjustments made was the division of the hardware function into hardware engineering and hardware technologies, the addition of artificial intelligence and machine learning as functional domains, and the fusion of industrial design and human interface to form a comprehensive design function (Bag et al., 2021 [7]). Business executives may greatly benefit from artificial intelligence's involvement in data analysis. prediction analytics driven by AI accelerate data processing by finding patterns that may be difficult for humans to notice and progressively enhancing their prediction powers over time. Leaders are freed from tedious manual data analysis thanks to this change, which also reduces mistakes and frees up time for strategic decision-making. As a consequence, the individualized customer experience is improved, resulting in deeper connections and engagement. AI has the ability to save expenses and increase operational efficiency. A surprising 28% of corporate executives claim that AI has reduced costs. AI-driven solutions enable the automation of formerly time-consuming and manual operations, such as customer care answers. Time is more freely allocated, which not only improves productivity but also encourages closer ties between companies and their clients, placing an emphasis on the human touchpoints that set various brands apart (Chakraborti et al., 2020 [15]). The use of AI-powered predictive maintenance is another revolutionary application. Before serious problems happen, businesses may plan maintenance and foresee equipment failure. This proactive strategy not only reduces maintenance costs but also guarantees smooth operations. The efficiency of AI-powered chatbots in providing customer service is acknowledged by 91% of representatives, demonstrating the technology's strength in this area as well. The use of AI in fraud detection

and prevention is essential. Advanced techniques are needed to spot abnormalities and anticipate probable fraud since fraudulent operations are growing more complex. Artificial intelligence (AI) systems examine trends, behaviours, and transactions and flag suspect activity for human review (Metcalf, et al., 2019 [42]). The ability of AI to learn will develop over time, building a strong defense against fictitious dangers. The future of product innovation will be radically altered by AI. Businesses may use AI to sort through consumer involvement, and feedback, and use data to find areas for improvement and unmet requirements. Algorithms that offer design possibilities and speed up prototyping are ready to enable AI-driven acceleration of the design process itself. Due to their increased productivity, companies are now able to promote cutting-edge items that are focused on customers' needs. In summary, Apple's story demonstrates how integrating AI and modifying organizational structures may promote resilience and success. As contemporary company leaders have accepted AI's promise, they have used its strength to promote success, transform consumer experiences, improve operations, and even influence product innovation. Similar to Apple's own trajectory in the business world, the adoption of AI is not merely a technology leap but also a strategic necessity to ensure that companies stay at the forefront of innovation and development.

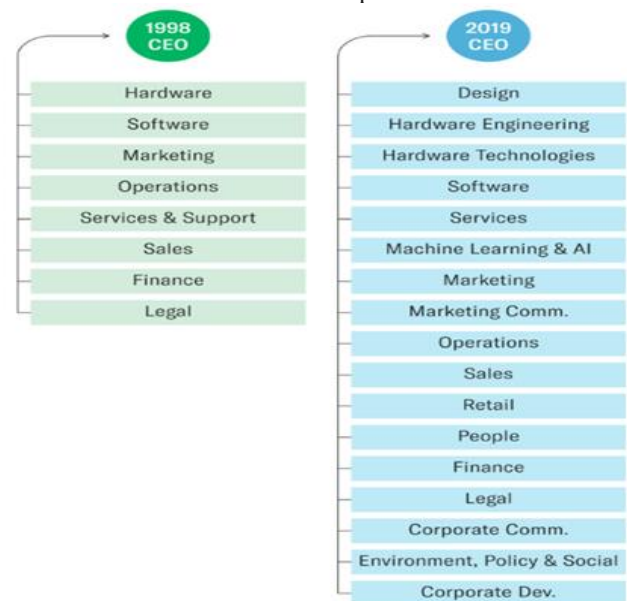


Figure 1: Apple 's digital transformation

[Source: <https://hbr.org/2020/11/how-apple-is-organized-for-innovation>]

A new era of consumer involvement and brand promotion has begun as a result of the fusion of conventional marketing and digital marketing, which has profoundly changed the corporate environment. The perspectives of conventional and digital marketers help to shed light on the dynamics of this transforming journey, where the marriage of traditional marketing tactics with cutting-edge digital platforms has become essential for success. Traditional marketers highlight the importance of offline techniques since their strategies are based on tried-and-true methods.



They continue to find that conventional marketing strategies like print, radio, direct mail, and telephone contact are essential for building brand awareness and attracting a large audience (Bag et al., 2021 [8]). These marketers contend that because old tactics are real, customers feel more authentic and credible, which helps organizations build a strong reputation in the marketplace. Traditionalists assert that offline techniques reach a group that might not be completely acclimated to the digital environment and reach every possible client. The effectiveness of technology-driven marketing endeavours, however, is championed by digital marketers. In their eyes, effective digital marketing combines objectives with quantifiable messages in an effort to draw in and keep clients in the midst of a digital environment that is continually changing. Digital marketers claim that the responsiveness of online channels like social media, websites, and email campaigns provides unmatched personalization and reach. They claim that being able to monitor user interactions, analyze data, and adapt marketing techniques to specific consumer preferences gives them an advantage when it comes to producing audience-relevant content (Dauvergne, 2020 [18]). A paradigm change that goes beyond simple digitalization is brought about by the transition to a digital-first strategy. Process reengineering, changing business logic, and developing new value propositions are all part of it. Traditional marketers are aware that they must embrace digital channels in order to remain relevant, and that doing so may improve both operational effectiveness and consumer experience. They emphasize that digitization involves process enhancements that can raise the general level of customer interactions' quality, in addition to cost savings. Through data collecting, analysis, and optimization, digital marketers stress the quantifiable effects of their work. Businesses may improve their marketing strategy, optimize ROI, and better understand customer behaviour by using insights from marketing analytics, whether they are descriptive, diagnostic, predictive, or prescriptive. Because of the agility of the digital sphere, marketers may quickly modify campaigns depending on audience feedback, which increases the possibility that the campaign will be successful (Correani et al., 2020 [17]). internet marketers contend that those who can successfully traverse the internet terrain will be the winners in the future, despite conventional marketers' assurances of the long-term viability of offline techniques. They emphasize the seamless interaction opportunities provided by digital marketing, enabling firms to communicate with customers through various touchpoints and customize information in line with user behaviour. Therefore, the blending of conventional marketing with digital marketing is not a conflict of beliefs but rather a synthesis of methods. Traditional and digital marketers' perspectives highlight the importance of an integrated approach that makes use of the best aspects of both industries. Marketers generally agree that finding the appropriate balance between recognizing the long-lasting effects of conventional tactics and utilizing the potential of digital platforms to increase engagement, customer happiness, and business growth is the key to good marketing. The innovative leader Amazon is a prime example of how conventional and digital marketing can successfully coexist. Although the brand is known for its famous TV ads and billboards, it also excels at digital marketing because to its clever use of social media, slick website, and app-based interaction. Due to its ability to effortlessly combine these

techniques, the brand has achieved tremendous success, consumer loyalty, and awareness on a worldwide scale. The combination of conventional and digital marketing ultimately demonstrates a revolutionary path where organizations must negotiate a complex environment to remain competitive. The conclusion is that a comprehensive strategy that makes the most of both worlds is essential for successfully managing the digital revolution of marketing, even as conventional and digital marketers converge on this road (Roselli, et al., 2019 [50]).



Figure 2: Methodology of digital marketing

The arrival of the Fourth Industrial Revolution in 2016 marked the beginning of a new phase in the debate of digital technology. However, it was the worldwide spread of the epidemic that sped up the uptake of ground-breaking technologies like artificial intelligence, big data, robotic process automation, machine learning, and augmented reality/virtual reality. In the midst of these transformations, industry experts cautioned that businesses that resisted using cutting-edge digital technology risked extinction within ten years. As they competed to develop new business models and values, firms were forced to reorganize, adapt, and integrate quickly expanding digital technologies into their operations as a result of this change. In the midst of these changes, the idea of "digital transformation" has evolved as the rearrangement of the industrial ecosystem using digital technologies. In this paradigm, inventiveness, flexibility, and flexible response-ability are essential skills. To drive organizational changes, businesses must digitize assets, improve stakeholder, customer, and employee experiences, and use technology. In order to facilitate technological innovation across ecosystems and enable seamless integration between businesses, platforms are also anticipated to play a crucial role. It is essential for small and medium-sized businesses to develop and digitize high-value solutions that are in line with the changing industrial landscape. Surviving in a global corporate context now requires platform-based cooperation and improving competitive advantage along the whole value chain, from design and manufacturing to logistics and sales.



SMEs, on the other hand, have lower adoption rates for digital transformation technology than bigger enterprises. The use of open companies and big data platforms inside the SME digital ecosystem is still relatively restricted, despite the growing prevalence of the Internet of Things, cloud computing, big data, AI, and 3D printing. The purpose of this study is to provide insight into the relationship between SMEs' platform empowerment elements and digital transformation capabilities. As mediating impact factors, it focuses especially on distinguishing the distinctions between platform development and envelopment techniques. The study aims to offer insights into the considerations and implementations of digital transformation capabilities and platform empowerment tactics for SMEs by empirically examining these factors. This study emphasizes how important it is for SMEs, especially those operating in the venture capital and startup sectors, to create new platforms and digital strategies that are adapted to their particular business models. In addition, SMEs are urged to establish their own platforms independently, particularly in the areas of production optimization and real-time activity reporting, using equipment like the manufacturing execution system. Important operational platforms should be reconfigurable to fit the roles, kinds, levels, and functions of any organization. The maturity level of information usage throughout the whole firm should be taken into account in implementation strategies. The need for digital transformation has become critical for the survival and development of SMEs, which are at a crossroads. Adopting AI and other cutting-edge technology improves productivity, competitiveness, and agility while also ensuring company relevance. The incorporation of digital transformation capabilities and strategic platform empowerment may pave the path for a future marked by growth, innovation, and resilience as SMEs traverse this revolutionary terrain (Benzidia et al., 2021 [10]).

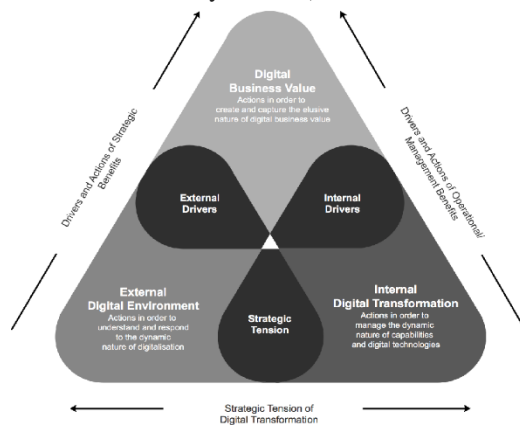


Figure 3: SME digital transformation competencies

[Source : <https://www.semanticscholar.org/paper/Digital-Transformation-of-SMEs>]

The resurgence of interest in artificial intelligence (AI) during the past fifty years has prompted a thorough reevaluation of the technology's influence on contemporary culture. The initial definition of AI by the Dartmouth Research Project, which was the imitation of intelligent human behaviour, has changed into a more complete idea that includes a system's capacity to analyse external data, learn from it, and make wise judgments. This evolution has prepared the way for AI's integration with a variety of industries, most notably the Internet of Things (IoT) and Big Data, producing a synergy

that goes beyond traditional constraints. It has become clearer that business models, AI, and the accomplishment of the Sustainable Development Goals (SDGs) are intrinsically linked. The global economic environment has undergone a tsunami of change as businesses from many industries use AI to transform their operations. Beyond conventional decision-making procedures, AI has a substantial impact that simplifies difficult managerial duties and, in certain cases, even outperforms human judgment. But the path to sustainable growth with AI is a complicated one. In order to better understand this shift, let's look at how Knowledge Management Systems have become a crucial tool (Chatterjee et al., 2021[16]). KMS fosters the production, exchange, and application of knowledge by leveraging human, organizational, and technology resources. In doing so, it fosters a corporate culture that effortlessly incorporates AI for operational improvement. Businesses may improve their operations, spur innovation, and solve social and environmental issues thanks to the symbiotic link between humans and machines. The UN's Sustainable Development Goals (SDGs) for 2030 are ideally aligned with this convergence of AI with sustainable business strategies. Given its impact on economic development and innovation, the corporate sector is acknowledged as being a driving factor in the achievement of these objectives. Businesses of all sizes and industries may connect their strategy with the SDGs by making investments in technology breakthroughs and working together. AI-powered decision-making combined with ethical corporate conduct can result in consumption and production patterns that are sustainable, mirroring the goals of SDG target 12 (Melnychenko, 2020 [41]). As a flexible instrument, AI has an impact outside of the realm of business. It is essential for tackling social and environmental problems and for fostering a comprehensive transition across all industries. Artificial intelligence (AI)-driven deep learning algorithms enable data analysis and reasoned decision-making, effectively enhancing human skills. The application of machine learning, machine vision, robotic automation, and other technologies to SDG targets, which require less human work and increase the chance of success, is an example of this transition. However, ethical issues must support AI's potential to support SDGs. The importance of ensuring transparency, equity, sustainability, and security, in AI applications grows. To help accomplish the SDGs, it is crucial to find a balance between human involvement and AI augmentation (Huynh et al., 2020 [33]). Instead of replacing human labour, it is important to use AI's capabilities to magnify it in order to create a more just and sustainable future. Businesses have the chance to properly use AI's capacity to promote SDGs as it continues to transform business practices. This revolutionary journey necessitates a multifaceted strategy that includes technology standardization, global cooperation, and strict ethical norms. Businesses may realize their position as important agents of sustainable development by embracing AI's promise as a catalyst for change. The fusion of AI with business models seems as a viable path to unlock answers and open the door for a future that is wealthier and more equitable as the globe navigates complicated issues (Vlačić et al., 2019 [57]).



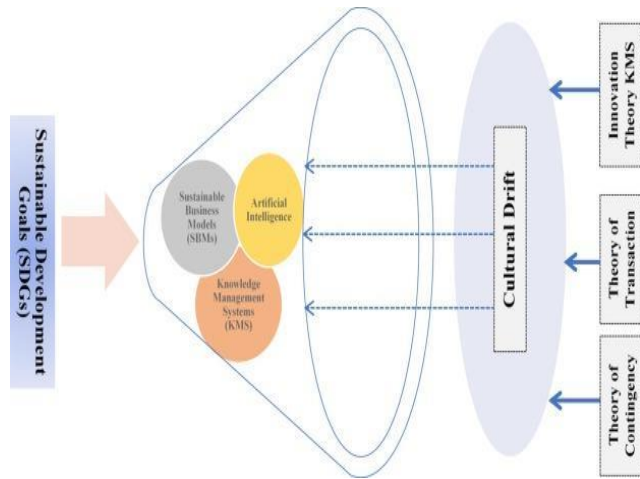


Figure 4: Business digital transformation through SDGs
[Source:

<https://www.sciencedirect.com/science/article/abs/pii/S0148296320305191>]

Regardless of the size of their organization, modern business owners use AI as the foundation of their operations. Automation, Big Data Analytics, and Natural Language Processing are three examples of AI techniques that are being used across sectors to increase effectiveness and relevance. Process efficiency is increased by automation, which also streamlines work and reduces mistakes. Businesses profit from services that are quick and reliable, guaranteeing better client experiences. Decision-making is aided by useful insights obtained through AI-driven data analysis, which enables firms to successfully change their strategy. Amazon, for instance, uses AI to forecast user behaviour and manage inventories. Even smaller businesses are starting to see the promise of AI, generating learning applications using AI thanks to partnerships like Sesame Street and IBM. Robots and AI-enabled technologies in manufacturing make difficult jobs easier, such as managing orders and controlling inventories. By enabling businesses to adapt to changing customer expectations, simplify processes, and get insights from data, AI is increasingly playing a crucial part in the success of contemporary enterprises (De Bruyn, 2019 [19]).

VI. CONCLUSION

The conversation surrounding "Transforming Organizational Development with AI: Navigating Change and Innovation for Success" emphasizes how important artificial intelligence (AI) is to contemporary corporations. Organizations are now faced with previously unheard-of potential for growth and innovation due to the quick development of AI technology. This change involves more than just automation; it involves a thorough reorganization of how firms run, interact with consumers, and make choices. Market research, client interaction, decision-making, and efficiency improvement are just a few of the organizational activities that AI has impacted. Recognizing how AI has the ability to completely change organizational growth is at the heart of this paradigm shift (Dhamija & Bag, 2021 [21]). AI acts as a catalyst for change, pushing companies to innovate and adapt in order to stay competitive. It makes it easier for data-driven insights to influence strategic choices, allowing firms to react to market changes more successfully. Organizations may improve operational efficiency, simplify processes, and build more flexible frameworks to manage constantly changing business

environments by integrating AI. The "research onion model" is a guiding framework for obtaining pertinent information in the field of research techniques. This model stresses a systematic approach covering philosophy, methodologies, tactics, choices, time horizons, and procedures when applied to the study issue of AI application for business model innovation. The philosophy of choice, realism, emphasizes how crucial it is to match research goals with the situation's reality. The inductive method is compatible with AI's iterative learning process and mirrors the development of AI systems based on observation. The use of techniques, such as surveys to learn more about AI applications in contemporary business models, emphasizes how well the approach fits with AI's data-driven nature (Yigitcanlar et al., 2020 [59]). The study issue is well-suited to the emphasis on quantitative methodologies, which captures the quantifiable influence of AI adoption on corporate performance. These approaches aid in the extraction of useful insights from large, complicated datasets, which is a core competency of AI systems. The importance of sampling techniques in research methodology is comparable to the part AI plays in identifying significant patterns from huge datasets. Researchers mimic the way AI systems digest information to produce accurate predictions by choosing particular data pieces. The trade-off between thorough investigation and focused analysis is shown by the balance between effective data collecting and potential errors. When we switch to the perspectives of contemporary business owners, the significant influence of AI is clear. Predictive analytics and automation, two AI-driven technologies, have transformed company processes and freed up resources for strategic decision-making. AI-derived customer insights improve engagement tactics by enabling the creation of individualized experiences that boost brand performance (Pandian, 2019 [46]). The incorporation of AI into corporate procedures stimulates efficiency gains, resulting in a positive feedback loop for development and innovation. The consequences of AI's capacity to examine massive datasets go far beyond corporate operations. The debate about AI's place in reaching the Sustainable Development Goals highlights the possibility of beneficial societal influence. The power of AI to analyse and understand data enables sustainability-focused decision-making. Ultimately, the development of "Transforming Organizational Development with AI: Navigating Change and Innovation for Success" sheds light on AI's critical role in transforming enterprises across industries. AI has shown its potential for transformation in everything from research methodology and strategies to real-world applications.

The value of using AI in organizational growth is highlighted by its compatibility with contemporary business models and support to the achievement of SDGs. Adopting AI's capabilities is essential for firms hoping to succeed in a time of change and innovation as the business landscape continues to shift (Duan et al., 2019 [24]).

A. Recommendation For Future Research Scope

The study "Transforming Organizational Development with AI: Navigating Change and Innovation for Success" has outlined a viable course for the development of new business models and successful organizations. A substantial amount of opportunity exists for the integration of AI-driven innovation across a variety of sectors to change established business paradigms, increase efficiency, and open up fresh development opportunities. While this study has shed light on the effects of AI on corporate growth, it has also uncovered new directions for future study that may deepen our understanding and solve new problems. Investigating the difficulties of adopting AI more thoroughly is one intriguing area for future study. Although the current study has mostly concentrated on the advantages of AI, it is crucial to acknowledge and solve the possible obstacles, such as ethical issues, data privacy worries, and unforeseen effects of AI deployment (Delanoy & Kasztelnik, 2020 [20]). A thorough investigation of these issues will give a full picture of how AI is affecting business models and assist firms in navigating the difficulties of AI integration. Furthermore, there is a fascinating area for research in researching potential business models as AI technology continue to advance quickly. Future studies might look into novel ways that AI can upend and alter established markets, empowering businesses to develop fresh value propositions, expedite processes, and improve consumer experiences. Researchers can offer insights into the upcoming industrial revolution by evaluating newly developed AI-driven business models in a variety of industries. The contribution of human resources to promoting AI adoption and success inside enterprises is another crucial factor that calls for more research (Akpan et al., 2021 [3]). Preparing the workforce to use AI's capabilities becomes essential as it becomes a necessary component of company operations. Future studies might concentrate on creating efficient training curricula that provide staff members the knowledge and abilities they need to confidently use AI technology. For a company to succeed in the AI-driven environment, it will be crucial to understand how to build a tech-savvy workforce where people embrace AI technologies and participate to the innovation process (Allal-Chérif et al., 2021 [5]).

DECLARATION STATEMENT

Funding/ Grants/ Financial Support	No, I did not receive.
Conflicts of Interest/ Competing Interests	No conflicts of interest to the best of our knowledge.
Ethical Approval and Consent to Participate	No, the article does not require ethical approval and consent to participate with evidence.
Availability of Data and Material/ Data Access Statement	Not relevant.
Authors Contributions	I am only the sole author of the article

REFERENCES

1. Adner, R., Puranam, P., & Zhu, F. (2019). What is different about digital strategy? From quantitative to qualitative change. *Strategy Science*, 4(4), 253-261. <https://doi.org/10.1287/stsc.2019.0099>
2. Ahmad, T., Zhang, D., Huang, C., Zhang, H., Dai, N., Song, Y., & Chen, H. (2021). Artificial intelligence in sustainable energy industry: Status Quo, challenges and opportunities. *Journal of Cleaner Production*, 289, 125834. <https://doi.org/10.1016/j.jclepro.2021.125834>
3. Akpan, I. J., Soopramanien, D., & Kwak, D. H. (2021). Cutting-edge technologies for small business and innovation in the era of COVID-19 global health pandemic. *Journal of Small Business & Entrepreneurship*, 33(6), 607-617. <https://doi.org/10.1080/08276331.2020.1799294>
4. Akter, S., Michael, K., Uddin, M. R., McCarthy, G., & Rahman, M. (2022). Transforming business using digital innovations: The application of AI, blockchain, cloud and data analytics. *Annals of Operations Research*, 1-33. <https://doi.org/10.1007/s10479-020-03620-w>
5. Allal-Chérif, O., Simón-Moya, V., & Ballester, A. C. C. (2021). Intelligent purchasing: How artificial intelligence can redefine the purchasing function. *Journal of Business Research*, 124, 69-76. <https://doi.org/10.1016/j.jbusres.2020.11.050>
6. Ansari, M. F., Dash, B., Sharma, P., & Yathiraju, N. (2022). The Impact and Limitations of Artificial Intelligence in Cybersecurity: A Literature Review. *International Journal of Advanced Research in Computer and Communication Engineering*. <https://doi.org/10.17148/IJARCC.2022.11912>
7. Bag, S., Gupta, S., Kumar, A., & Sivarajah, U. (2021). An integrated artificial intelligence framework for knowledge creation and B2B marketing rational decision making for improving firm performance. *Industrial marketing management*, 92, 178-189. <https://doi.org/10.1016/j.indmarman.2020.12.001>
8. Bag, S., Pretorius, J. H. C., Gupta, S., & Dwivedi, Y. K. (2021). Role of institutional pressures and resources in the adoption of big data analytics powered artificial intelligence, sustainable manufacturing practices and circular economy capabilities. *Technological Forecasting and Social Change*, 163, 120420. <https://doi.org/10.1016/j.techfore.2020.120420>
9. Beerbaum, D. O. (2022). Artificial intelligence ethics taxonomy-robotic process automation (RPA) as business case. Available at SSRN 4165048. <https://doi.org/10.2139/ssrn.4165048>
10. Benzidia, S., Makaoui, N., & Bentahar, O. (2021). The impact of big data analytics and artificial intelligence on green supply chain process integration and hospital environmental performance. *Technological forecasting and social change*, 165, 120557. <https://doi.org/10.1016/j.techfore.2020.120557>
11. Betz, U. A., Betz, F., Kim, R., Monks, B., & Phillips, F. (2019). Surveying the future of science, technology and business—A 35 year perspective. *Technological Forecasting and Social Change*, 144, 137-147. <https://doi.org/10.1016/j.techfore.2019.04.005>
12. Bharadiya, J. P. (2022). Driving Business Growth with Artificial Intelligence and Business Intelligence. *INTERNATIONAL JOURNAL OF COMPUTER SCIENCE AND TECHNOLOGY*, 6(4), 28-44.
13. Bhavsar, K., Shah, V., & Gopalan, S. (2019). Business Process Reengineering: A Scope of Automation in Software Project Management Using Artificial Intelligence. *International Journal of Engineering and Advanced Technology (IJEAT)*, 9(2), 3589-3595. <https://doi.org/10.35940/ijeat.B2640.129219>
14. Cam, A., Chui, M., & Hall, B. (2019). Global AI Survey: AI proves its worth, but few scale impact.
15. Chakraborti, T., Agarwal, S., Khazaeni, Y., Rizk, Y., & Isahagian, V. (2020). D3BA: a tool for optimizing business processes using non-deterministic planning. In *Business Process Management Workshops: BPM 2020 International Workshops, Seville, Spain, September 13–18, 2020, Revised Selected Papers 18* (pp. 181-193). Springer International Publishing. https://doi.org/10.1007/978-3-030-66498-5_14
16. Chatterjee, S., Rana, N. P., Dwivedi, Y. K., & Baabdullah, A. M. (2021). Understanding AI adoption in manufacturing and production firms using an integrated TAM-TOE model. *Technological Forecasting and Social Change*, 170, 120880. <https://doi.org/10.1016/j.techfore.2021.120880>
17. Correani, A., De Massis, A., Frattini, F., Petruzzelli, A. M., & Natalicchio, A. (2020). Implementing a digital strategy: Learning from the experience of three digital transformation projects. *California*

- Management Review*, 62(4), 37-56. <https://doi.org/10.1177/0008125620934864>
18. Dauvergne, P. (2020). *AI in the Wild: Sustainability in the Age of Artificial Intelligence*. MIT Press. <https://doi.org/10.7551/mitpress/12350.001.0001>
 19. De Bruyn, A., Viswanathan, V., Beh, Y. S., Brock, J. K. U., & Von Wangenheim, F. (2020). Artificial intelligence and marketing: Pitfalls and opportunities. *Journal of Interactive Marketing*, 51(1), 91-105. <https://doi.org/10.1016/j.intmar.2020.04.007>
 20. Delanoy, N., & Kasztelnik, K. (2020). Business Open Big Data Analytics to Support Innovative Leadership Decision in Canada. [https://doi.org/10.21272/bel.4\(2\).56-74.2020](https://doi.org/10.21272/bel.4(2).56-74.2020)
 21. Dhamija, P., & Bag, S. (2020). Role of artificial intelligence in operations environment: a review and bibliometric analysis. *The TQM Journal*, 32(4), 869-896. <https://doi.org/10.1108/TQM-10-2019-0243>
 22. Di Vaio, A., Boccia, F., Landriani, L., & Palladino, R. (2020). Artificial intelligence in the agri-food system: Rethinking sustainable business models in the COVID-19 scenario. *Sustainability*, 12(12), 4851. <https://doi.org/10.3390/su12124851>
 23. Dora, M., Kumar, A., Mangla, S. K., Pant, A., & Kamal, M. M. (2022). Critical success factors influencing artificial intelligence adoption in food supply chains. *International Journal of Production Research*, 60(14), 4621-4640. <https://doi.org/10.1080/00207543.2021.1959665>
 24. Duan, Y., Edwards, J. S., & Dwivedi, Y. K. (2019). Artificial intelligence for decision making in the era of Big Data—evolution, challenges and research agenda. *International journal of information management*, 48, 63-71. <https://doi.org/10.1016/j.ijinfomgt.2019.01.021>
 25. Dubey, R., Gunasekaran, A., Childe, S. J., Bryde, D. J., Giannakis, M., Fropon, C., ... & Hazen, B. T. (2020). Big data analytics and artificial intelligence pathway to operational performance under the effects of entrepreneurial orientation and environmental dynamism: A study of manufacturing organisations. *International journal of production economics*, 226, 107599. <https://doi.org/10.1016/j.ijpe.2019.107599>
 26. Dwivedi, Y. K., Hughes, L., Ismagilova, E., Aarts, G., Coombs, C., Crick, T., ... & Williams, M. D. (2021). Artificial Intelligence (AI): Multidisciplinary perspectives on emerging challenges, opportunities, and agenda for research, practice and policy. *International Journal of Information Management*, 57, 101994. <https://doi.org/10.1016/j.ijinfomgt.2019.08.002>
 27. Fountaine, T., McCarthy, B., & Saleh, T. (2019). Building the AI-powered organization. *Harvard Business Review*, 97(4), 62-73.
 28. Garbuio, M., & Lin, N. (2019). Artificial intelligence as a growth engine for health care startups: Emerging business models. *California Management Review*, 61(2), 59-83. <https://doi.org/10.1177/0008125618811931>
 29. Gebauer, H., Arzt, A., Kohtamäki, M., Lamprecht, C., Parida, V., Witell, L., & Wortmann, F. (2020). How to convert digital offerings into revenue enhancement—Conceptualizing business model dynamics through explorative case studies. *Industrial Marketing Management*, 91, 429-441. <https://doi.org/10.1016/j.indmarman.2020.10.006>
 30. Gill, S. S., Xu, M., Ottaviani, C., Patros, P., Bahsoon, R., Shaghghi, A., ... & Uhlig, S. (2022). AI for next generation computing: Emerging trends and future directions. *Internet of Things*, 19, 100514. <https://doi.org/10.1016/j.iot.2022.100514>
 31. Grab, B., Olaru, M., & Gavril, R. M. (2019). The impact of digital transformation on strategic business management. *Ecoforum Journal*, 8(1).
 32. Hanelt, A., Bohnsack, R., Marz, D., & Antunes Marante, C. (2021). A systematic review of the literature on digital transformation: Insights and implications for strategy and organizational change. *Journal of Management Studies*, 58(5), 1159-1197. <https://doi.org/10.1111/joms.12639>
 33. Huynh, T. L. D., Hille, E., & Nasir, M. A. (2020). Diversification in the age of the 4th industrial revolution: The role of artificial intelligence, green bonds and cryptocurrencies. *Technological Forecasting and Social Change*, 159, 120188. <https://doi.org/10.1016/j.techfore.2020.120188>
 34. Johnson, K. B., Wei, W. Q., Weeraratne, D., Frisse, M. E., Misulis, K., Rhee, K., ... & Snowdon, J. L. (2021). Precision medicine, AI, and the future of personalized health care. *Clinical and translational science*, 14(1), 86-93. <https://doi.org/10.1111/cts.12884>
 35. Kaplan, A., & Haenlein, M. (2020). Rulers of the world, unite! The challenges and opportunities of artificial intelligence. *Business Horizons*, 63(1), 37-50. <https://doi.org/10.1016/j.bushor.2019.09.003>
 36. Kumar, V., Rajan, B., Venkatesan, R., & Lecinski, J. (2019). Understanding the role of artificial intelligence in personalized engagement marketing. *California Management Review*, 61(4), 135-155. <https://doi.org/10.1177/0008125619859317>
 37. Küpper, D., Knizek, C., Ryeson, D., & Noecker, J. (2019). Quality 4.0 takes more than technology. *Boston Consulting Group (BCG)*, 1-14.
 38. Lanzolla, G., Lorenz, A., Miron-Spektor, E., Schilling, M., Solinas, G., & Tucci, C. L. (2020). Digital transformation: What is new if anything? Emerging patterns and management research. *Academy of Management Discoveries*, 6(3), 341-350.
 39. Lee, J., Suh, T., Roy, D., & Baucus, M. (2019). Emerging technology and business model innovation: the case of artificial intelligence. *Journal of Open Innovation: Technology, Market, and Complexity*, 5(3), 44. <https://doi.org/10.3390/joitmc5030044>
 40. Medeiros, M. M. D., Hoppen, N., & Maçada, A. C. G. (2020). Data science for business: Benefits, challenges and opportunities. *The Bottom Line*, 33(2), 149-163. <https://doi.org/10.1108/BL-12-2019-0132>
 41. Melnychenko, O. (2020). Is artificial intelligence ready to assess an enterprise's financial security?. *Journal of Risk and Financial Management*, 13(9), 191. <https://doi.org/10.3390/jrfm13090191>
 42. Metcalfe, L., Askay, D. A., & Rosenberg, L. B. (2019). Keeping humans in the loop: pooling knowledge through artificial swarm intelligence to improve business decision making. *California management review*, 61(4), 84-109. <https://doi.org/10.1177/0008125619862256>
 43. Misra, N. N., Dixit, Y., Al-Mallahi, A., Bhullar, M. S., Upadhyay, R., & Martynenko, A. (2020). IoT, big data, and artificial intelligence in agriculture and food industry. *IEEE Internet of things Journal*, 9(9), 6305-6324. <https://doi.org/10.1109/JIOT.2020.2998584>
 44. Munoko, I., Brown-Libur, H. L., & Vasarhelyi, M. (2020). The ethical implications of using artificial intelligence in auditing. *Journal of Business Ethics*, 167, 209-234. <https://doi.org/10.1007/s10551-019-04407-1>
 45. Obschonka, M., & Audretsch, D. B. (2020). Artificial intelligence and big data in entrepreneurship: a new era has begun. *Small Business Economics*, 55, 529-539. <https://doi.org/10.1007/s11187-019-00202-4>
 46. Pandian, D. A. P. (2019). Artificial intelligence application in smart warehousing environment for automated logistics. *Journal of Artificial Intelligence and Capsule Networks*, 1(2), 63-72. <https://doi.org/10.36548/jaicn.2019.2.002>
 47. Pasmore, W., Winby, S., Mohrman, S. A., & Vanasse, R. (2019). Reflections: sociotechnical systems design and organization change. *Journal of Change Management*, 19(2), 67-85. <https://doi.org/10.1080/14697017.2018.1553761>
 48. Raisch, S., & Krakowski, S. (2021). Artificial intelligence and management: The automation—augmentation paradox. *Academy of management review*, 46(1), 192-210. <https://doi.org/10.5465/amr.2018.0072>
 49. Ribeiro, J., Lima, R., Eckhardt, T., & Paiva, S. (2021). Robotic process automation and artificial intelligence in industry 4.0—a literature review. *Procedia Computer Science*, 181, 51-58. <https://doi.org/10.1016/j.procs.2021.01.104>
 50. Roselli, D., Matthews, J., & Talagala, N. (2019, May). Managing bias in AI. In *Companion Proceedings of The 2019 World Wide Web Conference* (pp. 539-544). <https://doi.org/10.1145/3308560.3317590>
 51. Schneider, J., Abraham, R., Meske, C., & Vom Brocke, J. (2023). Artificial intelligence governance for businesses. *Information Systems Management*, 40(3), 229-249. <https://doi.org/10.1080/10580530.2022.2085825>
 52. Shneiderman, B. (2020). Human-centered artificial intelligence: Three fresh ideas. *AIS Transactions on Human-Computer Interaction*, 12(3), 109-124. <https://doi.org/10.17705/1thci.00131>
 53. Shrestha, Y. R., Ben-Menahem, S. M., & Von Krogh, G. (2019). Organizational decision-making structures in the age of artificial intelligence. *California management review*, 61(4), 66-83. <https://doi.org/10.1177/0008125619862257>
 54. Tiron-Tudor, A., Deliu, D., Farcane, N., & Dontu, A. (2021). Managing change with and through blockchain in accountancy organizations: A systematic literature review. *Journal of Organizational Change Management*, 34(2), 477-506. <https://doi.org/10.1108/JOCM-10-2020-0302>
 55. Trad, A. (2021). The business transformation enterprise architecture framework for innovation: The role of artificial intelligence in the global business education (RAIGBE). *The Business & Management Review*, 12(1), 82-97. <https://doi.org/10.24052/BMR/V12NU01/ART-08>
 56. Verganti, R., Vendraminelli, L., & Iansiti, M. (2020). Innovation and design in the age of artificial intelligence. *Journal of Product Innovation Management*, 37(3), 212-227. <https://doi.org/10.1111/jpim.12523>

57. Vlačić, B., Corbo, L., e Silva, S. C., & Dabić, M. (2021). The evolving role of artificial intelligence in marketing: A review and research agenda. *Journal of Business Research*, 128, 187-203. <https://doi.org/10.1016/j.jbusres.2021.01.055>
58. Wamba-Taguimdje, S. L., Fosso Wamba, S., Kala Kamdjoug, J. R., & Tchatchouang Wanko, C. E. (2020). Influence of artificial intelligence (AI) on firm performance: the business value of AI-based transformation projects. *Business Process Management Journal*, 26(7), 1893-1924. <https://doi.org/10.1108/BPMJ-10-2019-0411>
59. Yigitcanlar, T., & Cugurullo, F. (2020). The sustainability of artificial intelligence: An urbanistic viewpoint from the lens of smart and sustainable cities. *Sustainability*, 12(20), 8548. <https://doi.org/10.3390/su12208548>

AUTHORS PROFILE



Lalithendra Chowdari Mandava, A dedicated scholar currently pursuing a Ph.D. in Human Resource Development (HRD) with a specialization in Organizational Development and Change Management at The University of Texas at Tyler, located in Tyler, Texas, USA. With a profound passion for understanding and driving transformative change within organizations,

Lalithendra's academic journey exemplifies a commitment to unravelling the intricacies of effective leadership, adaptability, and sustainable growth. Through rigorous research and a global perspective, he aims to contribute significantly to the field of HRD and foster positive organizational evolution in an ever-evolving business landscape.

Appendices

Appendix 1: Questioners

- What effects has the use of AI had on the methods and procedures used in your business?
- What specific AI tools or technologies have you used in your company, and how have they helped you gain a competitive edge?
- Could you give any examples of how AI has facilitated better decision-making in your company?
- What obstacles did you face, and how did you overcome them, during the AI implementation process?
- What steps have you made to guarantee a seamless transition and how have your workers adjusted to working with AI technologies?
- How has AI-driven data analysis offered insights changed your company's business strategy or line of products/services?
- Can you describe any unforeseen advantages or results that resulted from your AI initiatives?
- How can you make sure that your organization's AI-driven operations adhere to ethical AI usage and data privacy?
- How do you plan to remain on top of these advances and what role do you envision AI having in the future of your sector?
- In the next years, how do you see the continuing development of AI technology affecting your business strategy and consumer interactions?

Appendix 2: Organisation’s potential for enhancing digital capabilities

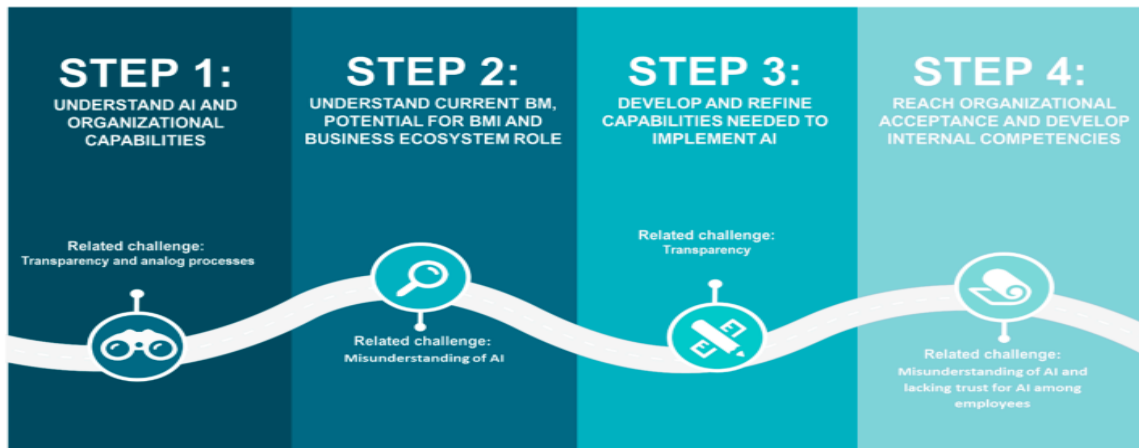
	Traditional Marketing	Digital Marketing	What the Company can Do
Business Objective	Focus on incremental revenue to organic revenue and reduction of churn rate	<ul style="list-style-type: none"> • Build foundation for digital marketing and later digital transformation • Start to generate revenue from blended traditional and digital marketing 	Define clear business objectives and communicate across the company
Culture	Business as usual and sometime siloed	Collaboration of sales, marketing, and technology	<ul style="list-style-type: none"> • Management sponsor • Embrace the "culture change" through training for instance
People	More talents with typical telecom knowledge and skills	Digital skillset in technology, business, management and soft skills	Train and/or recruit talents with relevant skillsets
Customer Data	<ul style="list-style-type: none"> • Cellular standard customer data (demography, and usage services) • Real time data 	Digital data (relevant ones and aligned with business objective)	<ul style="list-style-type: none"> • Collect, gather, store, process both non-digital and digital data • Identify relevant data
Business Process	Available	Modified or even new business processes	Combine business processes which manage both traditional and digital marketing
Marketing Analytics	Based on usage	Based on rich real time non-digital and digital data	<ul style="list-style-type: none"> • Develop analytical models using non-digital and digital data. Including persona (segmentation) • Apply seamlessly traditional and digital marketing campaigns
Marketing Campaign	Traditional campaigns with SMS, USSD and email	Digital campaign via digital channels	Put traditional and digital marketing campaign as single journeys to improve customer seamless experience
Measurement	More on incremental revenue and churn rate	Digital KPIs	Define blended KPIs for traditional and digital marketing
Technology	Campaign management system (CMS) with integration to non-digital channels	Digital marketing technologies	Enhance system capabilities of the legacy system to accommodate digital marketing

Appendix 3: Benefits and Challenges of AI implementation in business

Benefits of AI	Challenges of AI
Improved decision accuracy and quality	Ethical considerations and algorithmic biases
Enhanced data analysis and insights generation	Resistance to change and organizational adoption
Increased operational efficiency and productivity	Lack of transparency and interpretability of AI algorithms
Identification of growth opportunities and risk mitigation	Data privacy and security concerns
Innovation and new business models	Skills gap and workforce readiness
Strategic planning based on real-time market insights	Integration and interoperability with existing systems
Automation of routine tasks and process optimization	Cost of implementation and maintenance
Resource allocation optimization for better performance	Dependence on AI systems and potential technical failures
Personalization of products and services	Potential job displacement and societal impacts



Appendix 4: roadmap of AI implementation in successful business model



Appendix 5: Data analysis

Factors		Survey Items
Digital transformation competencies	Opportunity identification	<ul style="list-style-type: none"> Digital technology competencies are sufficient to strengthen digital businesses. Original digital technologies to strengthen digital businesses are secured. Differentiated digital business models to strengthen digital businesses are secured.
	Business design and resource deployment	<ul style="list-style-type: none"> The enterprise has established policies to strengthen digital businesses. Proper budgets (expenses) are invested in strengthening digital businesses. Professional workforce and teams to strengthen digital businesses have been secured.
	Business organization and corporate culture regulation	<ul style="list-style-type: none"> The proper governance and decision-making should be secured to strengthen digital businesses. The enterprise promotes changes/innovations in the organizational culture to strengthen digital businesses. Leadership is exercised actively to strengthen digital businesses.
Platform development strategy		<ul style="list-style-type: none"> If a platform is required, independence is preferred. Platform development is a priority for a new business. Developing a platform independently is a common tendency when a new technology is to be applied.
Platform envelopment strategy		<ul style="list-style-type: none"> A platform most preferred in the market is utilized. Utilizing and enveloping a platform that adopts the latest technology is a common tendency. Our company merges other platform-related business entities if necessary.
Platform empowerment	Unique competency reinforcement	<ul style="list-style-type: none"> Maintaining corporate competitiveness in the industry through platforms. Improving business competencies through platforms. Securing business differentiation through platforms.
	Shared value creation	<ul style="list-style-type: none"> Designing innovative business models through platforms. Collaborating with new interested parties through platforms. Creating a new market through platforms.
	Cost-saving effect	<ul style="list-style-type: none"> Saving costs for new product development through platforms. Saving production costs through platforms. Saving marketing costs through platforms.
	Network effect	<ul style="list-style-type: none"> Conducting collaboration with partners efficiently through platforms. Securing more customers through platforms. Taking care of internal affairs through platforms.

Disclaimer/Publisher’s Note: The statements, opinions and data contained in all publications are solely those of the individual author(s) and contributor(s) and not of the Blue Eyes Intelligence Engineering and Sciences Publication (BEIESP)/ journal and/or the editor(s). The Blue Eyes Intelligence Engineering and Sciences Publication (BEIESP) and/or the editor(s) disclaim responsibility for any injury to people or property resulting from any ideas, methods, instructions or products referred to in the content.

