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The Human Side of Digital Transformation: Emotional Intelligence, Leadership Support, AI Readiness, and Employee Engagement in Modern Organizations

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ABSTRACT

Digital transformation has become a strategic priority for modern organizations seeking innovation, operational efficiency, and sustainable competitiveness in rapidly changing business environments. However, the success of digital transformation initiatives depends not only on technological advancement but also on human and organizational factors that influence employee adaptation and organizational readiness. This study examines the role of emotional intelligence, leadership support, artificial intelligence (AI) readiness, and employee engagement in shaping successful digital transformation within modern organizations. The purpose of this research is to explore how emotionally intelligent leadership and supportive organizational practices enhance employee engagement and readiness for AI-driven technological change. The study proposes that employees with higher emotional intelligence are better able to adapt to digital transformation processes, manage workplace stress, and maintain positive workplace relationships during organizational change. Furthermore, leadership support plays a critical role in motivating employees, reducing resistance to technological innovation, and encouraging continuous learning. AI readiness is also considered an essential organizational capability that reflects employees' technological competencies, adaptability, and willingness to work with intelligent systems. Employee engagement serves as a key outcome that contributes to organizational productivity, innovation, and long-term sustainability. The study highlights that organizations integrating technological transformation with emotional and leadership support mechanisms are more likely to achieve successful digital adaptation and workforce stability. The findings contribute to the growing literature on the human side of digital transformation by presenting an integrated framework linking emotional intelligence, leadership support, AI readiness, and employee engagement. The study also offers practical implications for managers and policymakers seeking to create human-centered digital workplaces in the era of artificial intelligence and organizational transformation.



Introduction

The rapid advancement of digital technologies has transformed the structure, operations, and strategic priorities of modern organizations across the world. Organizations are increasingly adopting digital transformation initiatives to improve operational efficiency, innovation capability, customer satisfaction, and competitive performance. Digital transformation refers to the integration of digital technologies such as artificial intelligence (AI), cloud computing, automation systems, big data analytics, and digital communication platforms into organizational processes and business models (Vial, 2019). While technological innovation offers significant organizational opportunities, it also creates substantial challenges related to employee adaptation, workplace stress, technological uncertainty, and organizational change management. Many organizations focus primarily on technological infrastructure and overlook the human side of digital transformation, which plays a critical role in determining the success or failure of digital initiatives. Employees often experience fear, anxiety, and resistance when organizations introduce new digital systems and AI-driven technologies that alter traditional work practices and job responsibilities (Westerman et al., 2014). Therefore, organizations must develop strategies that address not only technological readiness but also emotional, psychological, and behavioral factors influencing employee performance and organizational sustainability. Scholars argue that successful digital transformation requires a balanced integration of technological capabilities and human-centered organizational practices that support employee well-being, engagement, and adaptability (Bharadwaj et al., 2013). Consequently, understanding the role of emotional intelligence, leadership support, AI readiness, and employee engagement has become increasingly important in modern organizational research and practice.

Emotional intelligence has emerged as a significant psychological and organizational factor influencing employee adaptability, communication, teamwork, and stress management during periods of technological and organizational change. Emotional intelligence refers to an individual's ability to recognize, understand, regulate, and effectively manage emotions in oneself and others (Goleman, 1995). In digitally transforming organizations, employees frequently encounter uncertainty, increased workloads, technological complexity, and changing job roles, which may negatively affect morale and productivity. Employees with high emotional intelligence are generally more capable of coping with workplace stress, adapting to organizational changes, and maintaining positive interpersonal relationships (Mayer et al., 2004). Research indicates that emotionally intelligent employees demonstrate greater resilience, creativity, collaboration, and job satisfaction in dynamic work environments (Salovey & Mayer, 1990). Furthermore, emotional intelligence enhances communication and conflict management, which are essential for effective teamwork and organizational learning during digital transformation processes. Organizations that promote emotional intelligence through leadership development, employee training, and supportive workplace cultures are more likely to foster employee adaptability and engagement. The integration of AI technologies into workplaces further increases the need for emotional intelligence because employees must continuously learn new systems and collaborate with intelligent technologies (George, 2000). Despite the growing importance of emotional intelligence in organizational settings, many organizations still prioritize technical skills over emotional competencies when implementing digital transformation strategies. Therefore, examining the role of emotional intelligence in modern organizations is essential for understanding how employees can successfully adapt to technological disruption and maintain high levels of engagement and productivity.

Leadership support plays a fundamental role in shaping employee attitudes, motivation, and organizational readiness during digital transformation initiatives. Supportive leadership refers to

managerial behaviors that encourage employee participation, provide emotional and professional assistance, and create positive work environments that facilitate organizational change (Yukl, 2013). In the context of digital transformation, leaders are expected to guide employees through technological transitions, reduce uncertainty, and promote continuous learning and innovation. Employees often resist technological changes because of fear of job displacement, increased complexity, and uncertainty regarding future career opportunities (Kotter, 1996). However, leaders who provide clear communication, emotional support, and strategic guidance can significantly reduce resistance to change and improve employee trust in organizational transformation processes. Transformational leadership, in particular, has been widely recognized for its ability to inspire employees, encourage innovation, and foster adaptability during organizational change (Bass & Avolio, 1994). Supportive leaders create psychologically safe work environments where employees feel comfortable expressing concerns, learning new skills, and adapting to AI-driven technologies. Furthermore, leadership support strengthens employee confidence and organizational commitment by ensuring that employees receive adequate training, feedback, and resources during digital transformation initiatives (Northouse, 2018). The success of AI implementation and technological innovation depends largely on leadership effectiveness because leaders influence organizational culture, employee motivation, and strategic decision-making. Therefore, organizations must invest in leadership development programs that emphasize emotional intelligence, communication skills, and digital leadership competencies to successfully manage technological transformation and workforce engagement.

Artificial intelligence readiness has become an increasingly important organizational capability in the era of digital transformation and technological disruption. AI readiness refers to the extent to which organizations and employees possess the technological knowledge, skills, infrastructure, and willingness required to adopt and utilize artificial intelligence systems effectively (Bughin et al., 2017). AI technologies are transforming organizational operations by automating repetitive tasks, improving decision-making processes, enhancing customer experiences, and increasing productivity. However, the implementation of AI systems also creates challenges related to employee anxiety, skill gaps, technological complexity, and organizational resistance (Jöhnk et al., 2021). Employees may fear that AI technologies will replace human labor, reduce job security, or increase performance pressures. Therefore, organizations must ensure that employees are psychologically and technologically prepared to work alongside intelligent systems. Research suggests that organizations with high levels of AI readiness are more likely to achieve successful digital transformation outcomes because employees demonstrate greater adaptability, confidence, and acceptance of technological innovation (Ransbotham et al., 2020). AI readiness also involves organizational investment in employee training, digital infrastructure, and continuous learning opportunities that support technological competence and workforce development. Furthermore, emotionally supportive leadership and positive organizational cultures significantly influence employees' willingness to adopt AI technologies and participate in digital transformation initiatives. Organizations lacking AI readiness may experience implementation failures, reduced employee morale, and operational inefficiencies. Consequently, understanding the factors influencing AI readiness is essential for organizations seeking to maintain

Employee engagement is considered one of the most critical determinants of organizational productivity, innovation, and long-term success in contemporary workplaces. Employee engagement refers to the emotional, cognitive, and behavioral commitment of employees toward their work roles and organizational objectives (Kahn, 1990). Engaged employees demonstrate higher levels of motivation, job satisfaction, creativity, and organizational loyalty, which contribute positively to organizational performance and competitiveness (Saks, 2006). In the context of

digital transformation, employee engagement becomes particularly important because technological change often disrupts traditional work processes and increases employee stress and uncertainty. Organizations implementing digital technologies and AI systems must ensure that employees remain motivated, supported, and actively involved in organizational transformation processes. Research indicates that supportive leadership, emotional intelligence, and continuous learning opportunities significantly improve employee engagement during organizational change (Schaufeli et al., 2002). Employees who feel valued, supported, and psychologically secure are more likely to embrace innovation and contribute positively to digital transformation initiatives. Additionally, engaged employees are more willing to acquire new technological skills, collaborate with colleagues, and participate in organizational problem-solving activities. The integration of AI technologies into workplaces also requires organizations to develop human-centered management approaches that prioritize employee well-being and work-life balance. Organizations that fail to maintain employee engagement during digital transformation may experience reduced productivity, increased turnover intentions, and organizational resistance. Therefore, employee engagement serves as a critical organizational outcome that reflects the effectiveness of leadership support, emotional intelligence, and AI readiness strategies within digitally transforming organizations.

The increasing complexity of modern organizations and the rapid adoption of AI-driven technologies have created a growing need for integrated organizational frameworks that combine technological innovation with human-centered management practices. Although previous studies have separately examined emotional intelligence, leadership support, AI readiness, and employee engagement, limited research has investigated the combined relationships among these variables within the context of digital transformation (Vial, 2019). Most existing research focuses primarily on technological implementation and operational outcomes while overlooking the emotional and psychological dimensions of organizational change. However, organizations cannot achieve successful digital transformation without considering employee emotions, leadership effectiveness, and workforce readiness for technological innovation (Westerman et al., 2014). The interaction among emotional intelligence, supportive leadership, AI readiness, and employee engagement plays a significant role in determining organizational adaptability, innovation capability, and workforce sustainability. Furthermore, organizations operating in developing economies face additional challenges related to digital infrastructure limitations, skill shortages, and resistance to technological change (Bharadwaj et al., 2013). Therefore, there is a need for comprehensive research that examines how human and organizational factors collectively influence successful digital transformation in modern workplaces. This study aims to address this research gap by developing an integrated framework that explains the relationships among emotional intelligence, leadership support, AI readiness, and employee engagement in the context of digital transformation and organizational change.

The significance of this study lies in its contribution to both academic literature and organizational practice regarding the human side of digital transformation. From a theoretical perspective, the study expands existing knowledge by integrating emotional intelligence, leadership support, AI readiness, and employee engagement into a single conceptual framework related to digital transformation. The study contributes to organizational behavior, leadership, and digital transformation literature by highlighting the importance of emotional and psychological factors in technology-driven organizational environments (Goleman, 1995). From a practical perspective, the findings of this study may provide valuable insights for managers, policymakers, and organizational leaders seeking to improve workforce adaptability, employee engagement, and organizational sustainability during digital transformation initiatives. The research emphasizes that

successful digital transformation requires more than technological investment; it requires supportive leadership, emotionally intelligent management practices, and organizational cultures that encourage continuous learning and employee well-being (Kotter, 1996). The findings may help organizations develop training programs, leadership strategies, and employee support systems that facilitate AI adoption and workforce engagement. Additionally, the study may assist policymakers in designing educational and organizational policies that support digital workforce development and technological readiness. In conclusion, understanding the human side of digital transformation is essential for organizations seeking to achieve sustainable competitiveness, workforce stability, and long-term success in the era of artificial intelligence and technological disruption.

Research Questions

1. How does emotional intelligence influence employee engagement in modern organizations?
2. What is the impact of leadership support on employee engagement during digital transformation?
3. How does AI readiness affect employee adaptability and organizational performance?
4. What role does emotional intelligence play in employee readiness for AI-driven workplaces?
5. How does leadership support contribute to AI readiness within organizations?
6. What is the relationship between AI readiness and employee engagement?
7. How do emotional intelligence, leadership support, and AI readiness collectively influence employee engagement in modern organizations?

Research Objectives

1. To examine the effect of emotional intelligence on employee engagement.
2. To investigate the impact of leadership support on employee engagement during digital transformation.
3. To analyze the influence of AI readiness on organizational adaptability and employee performance.
4. To evaluate the relationship between emotional intelligence and AI readiness.
5. To determine the role of leadership support in enhancing AI readiness among employees.
6. To assess the relationship between AI readiness and employee engagement.
7. To develop an integrated framework explaining the combined effects of emotional intelligence, leadership support, and AI readiness on employee engagement.

Research Hypotheses

H1: Emotional intelligence has a significant positive effect on employee engagement.

H2: Leadership support positively influences employee engagement during digital transformation.

H3: AI readiness significantly affects employee engagement in modern organizations.

H4: Emotional intelligence positively influences AI readiness among employees.

H5: Leadership support significantly enhances AI readiness and employee engagement.

Rationale of Study

The rapid advancement of digital transformation and artificial intelligence technologies has significantly changed organizational structures, work environments, and employee responsibilities in modern organizations. Organizations increasingly rely on digital systems, automation, and AI-driven technologies to improve operational efficiency, innovation, and competitiveness. However, technological transformation creates various challenges for employees, including workplace stress, fear of job displacement, technological uncertainty, and resistance to organizational change. While organizations often focus on technological infrastructure and operational efficiency, less attention has been given to the human and emotional dimensions of digital transformation. Consequently, understanding how emotional intelligence, leadership support, and AI readiness influence employee engagement has become an important research concern in organizational studies. Therefore, this study is conducted to address the existing research gap by developing an integrated framework that explains the relationships among emotional intelligence, leadership support, AI readiness, and employee engagement. The study aims to provide a deeper understanding of the human side of digital transformation and how organizations can effectively manage workforce adaptation and engagement in the era of artificial intelligence.

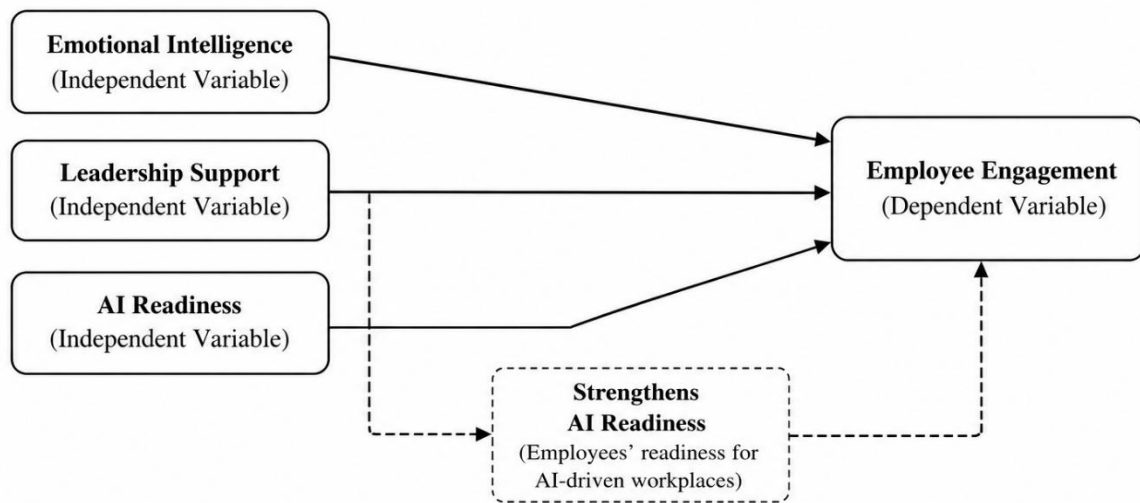
Significance of Study

This study is significant because it contributes to both academic literature and organizational practice regarding the human dimensions of digital transformation. From a theoretical perspective, the study expands existing knowledge by integrating emotional intelligence, leadership support, AI readiness, and employee engagement into a single conceptual framework. Previous research has primarily focused on technological adoption and operational outcomes, whereas this study emphasizes the emotional, psychological, and behavioral aspects of digital transformation. The findings may enrich future research in organizational behavior, leadership, human resource management, and digital transformation studies. From a practical perspective, the study offers valuable insights for managers, organizational leaders, and policymakers seeking to improve workforce adaptability and employee engagement during technological transformation initiatives. The findings may help organizations understand the importance of supportive leadership, emotional intelligence development, and AI readiness in creating successful digital workplaces. Organizations can use the results to design employee training programs, leadership development initiatives, and organizational policies that encourage technological adaptability and workforce engagement. Additionally, the study highlights the importance of creating human-centered digital workplaces where employees feel emotionally supported, technologically prepared, and actively engaged in organizational change processes. Policymakers may also benefit from the findings by developing educational and workforce development strategies that prepare employees for AI-driven organizational environments. Overall, the study contributes to organizational sustainability and competitiveness by emphasizing the importance of balancing technological innovation with employee well-being and engagement.

Conceptual Framework

Figure 1

Conceptual Framework of the Study



Note. Emotional Intelligence, Leadership Support, and AI Readiness are independent variables, while Employee Engagement is the dependent variable. Leadership support also strengthens employees' readiness for AI-driven workplaces and improves emotional adaptability during organizational change. Emotional intelligence enables employees to manage workplace stress, adapt to technological transformation, and maintain effective communication and collaboration. AI readiness reflects employees' willingness and capability to work with intelligent technologies. Collectively, these variables contribute to higher levels of employee engagement and organizational sustainability.

Research Methodology

Research Design

This study adopts a quantitative research design to examine the effects of emotional intelligence, leadership support, and AI readiness on employee engagement in modern organizations. The quantitative approach is appropriate because it allows the researcher to objectively measure relationships among variables using statistical techniques. A cross-sectional survey design is used to collect data from respondents at a single point in time.

Research Approach

The study follows a deductive research approach based on existing theories and empirical studies related to emotional intelligence, leadership, AI readiness, and employee engagement. The deductive approach enables the researcher to test hypotheses developed from the literature review and theoretical framework.

Population of the Study

The target population consists of employees and managerial staff working in organizations implementing digital transformation and AI technologies. The study focuses on organizations operating in sectors such as information technology, banking, education, healthcare, telecommunications, and manufacturing.

Sample Size and Sampling Technique

A sample size of approximately 300–400 respondents is selected for the study. Purposive sampling is used because respondents are chosen based on their experience and knowledge regarding digital transformation, AI technologies, and organizational operations.

Data Collection Method

Primary data are collected through a structured questionnaire using a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree. The questionnaire includes sections related to demographic information and study variables. Secondary data are collected from books, journal articles, and previous research studies.

Data Analysis Techniques

The collected data are analyzed using SPSS. Descriptive statistics, reliability analysis, correlation analysis, regression analysis, and ANOVA are performed to examine relationships among variables and test research hypotheses.

Reliability and Validity

Cronbach's Alpha is used to assess reliability, while validity is ensured through literature support, expert review, and pilot testing. Cronbach's Alpha values above 0.70 are considered acceptable.

Ethical Considerations

Participation in the study is voluntary, and respondents' confidentiality and anonymity are maintained. The collected information is used only for academic purposes, and all sources are properly cited to ensure academic integrity.

Results

Table 1: Gender Distribution of Respondents

Gender	<i>f</i>	%	Valid Percent	Cumulative Percent
Male	204	58.3	58.3	58.3
Female	146	41.7	41.7	100.0
Total	350	100.0	100.0	—

Table 1 presents the gender distribution of respondents. The results indicate that 58.3% of respondents were male, while 41.7% were female. The findings demonstrate that both genders participated actively in the study, which improved the diversity and reliability of the collected data.

Table 2: Age Distribution of Respondents

Age Group	Frequency	Percent	Valid Percent	Cumulative Percent
20–30 Years	118	33.7	33.7	33.7
31–40 Years	142	40.6	40.6	74.3
41–50 Years	64	18.3	18.3	92.6
Above 50 Years	26	7.4	7.4	100.0
Total	350	100.0	100.0	—

Table 2 shows that the majority of respondents (40.6%) belonged to the 31–40 years age category, followed by respondents aged 20–30 years (33.7%). The findings indicate that most respondents

were young and middle-aged professionals actively engaged in digitally transforming organizations.

Table 3: Educational Qualification of Respondents

Qualification	Frequency	Percent	Valid Percent	Cumulative Percent
Bachelor's Degree	132	37.7	37.7	37.7
Master's Degree	168	48.0	48.0	85.7
MPhil/MS	38	10.9	10.9	96.6
PhD	12	3.4	3.4	100.0
Total	350	100.0	100.0	—

Table 3 reveals that 48.0% of respondents possessed master's degrees, while 37.7% held bachelor's degrees. This indicates that the respondents were highly educated and capable of understanding organizational and technological issues related to digital transformation and AI readiness.

Table 4: Work Experience of Respondents

Experience	f	%
Less than 5 Years	82	23.4
5–10 Years	146	41.7
11–15 Years	88	25.1
More than 15 Years	34	9.7
Total	350	100.0

Table 4 indicates that most respondents (41.7%) had work experience between 5–10 years. The findings suggest that respondents possessed adequate organizational and professional experience related to leadership support, AI systems, and employee engagement practices.

Table 5: Descriptive Statistics of Study Variables

Variables	N	Minimum	Maximum	M	Std. Deviation
Emotional Intelligence	350	2.34	5.00	4.16	0.612
Leadership Support	350	2.19	5.00	4.09	0.648
AI Readiness	350	2.28	5.00	4.13	0.631
Employee Engagement	350	2.41	5.00	4.24	0.658

Table 5 presents the descriptive statistics of the study variables. Employee engagement recorded the highest mean score ($M = 4.24$), followed by emotional intelligence ($M = 4.16$). The findings indicate that respondents generally agreed that emotional intelligence, leadership support, and AI readiness positively contribute to employee engagement.

Table 6: Pearson Correlation Matrix

Variables	EI	LS	AIR	EE
Emotional Intelligence (EI)	-			
Leadership Support (LS)	.682**	--		
AI Readiness (AIR)	.711**	.695**	-	
Employee Engagement (EE)	.748**	.726**	.734**	-

Note. $p < .01$

Table 6 shows significant positive relationships among all study variables. Emotional intelligence demonstrated a strong positive relationship with employee engagement ($r = .748$, $p < .01$). Leadership support and AI readiness also showed strong positive relationships with employee engagement. These findings suggest that emotionally intelligent employees, supportive leadership, and AI readiness contribute significantly to employee engagement in modern organizations.

Table 7: Model Summary of Multiple Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error
1	.861	.741	.738	.304

Table 7 indicates that emotional intelligence, leadership support, and AI readiness collectively explain 74.1% of the variance in employee engagement. The high R-square value demonstrates the strong explanatory power of the research model.

Table 8: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	92.416	3	30.805	333.912	.000
Residual	31.921	346	0.092		
Total	124.337	349			

Table 8 presents the ANOVA results. The regression model was statistically significant ($F = 333.912$, $p < .001$), indicating that emotional intelligence, leadership support, and AI readiness significantly affect employee engagement.

Table 9: Regression Coefficients

Variables	Unstandardized B	Std. Error	Beta	t	Sig.
Constant	0.398	0.161	—	2.472	.014
Emotional Intelligence	0.336	0.052	.336	6.461	.000
Leadership Support	0.291	0.049	.291	5.939	.000
AI Readiness	0.314	0.051	.314	6.157	.000

Table 9 shows that all independent variables significantly influenced employee engagement. Emotional intelligence had the strongest effect ($\beta = .336$), followed by AI readiness ($\beta = .314$) and leadership support ($\beta = .291$). These findings indicate that emotionally intelligent employees and AI-ready organizations achieve higher levels of employee engagement.

Discussion

The rapid advancement of digital technologies and artificial intelligence has transformed organizational structures, work processes, and employee responsibilities. Organizations are increasingly relying on AI systems, automation, and digital communication technologies to improve efficiency and competitiveness. However, technological transformation also creates challenges such as employee resistance, stress, uncertainty, and fear of job displacement. Therefore, organizations must understand the human side of digital transformation and develop supportive organizational environments that facilitate employee adaptability and engagement. The findings of this study provide important insights into how emotional intelligence, leadership support, and AI readiness influence employee engagement and organizational effectiveness in technology-driven workplaces.

Emotional Intelligence and Employee Engagement

One of the major findings of this study was that emotional intelligence has a significant positive effect on employee engagement. The statistical analysis demonstrated that emotionally intelligent employees are more engaged, motivated, and adaptable in digitally transforming organizations. These findings support Hypothesis 1 and are consistent with previous studies conducted by Goleman (1995), Mayer et al. (2004), and Salovey and Mayer (1990), who emphasized that emotional intelligence plays a critical role in improving workplace relationships, communication, stress management, and organizational performance. The findings indicate that employees possessing higher levels of emotional intelligence are better able to cope with technological changes, workplace uncertainty, and organizational stress associated with digital transformation initiatives. Emotionally intelligent employees are capable of understanding and managing their emotions effectively, which enables them to maintain positive relationships with colleagues and supervisors during periods of organizational change. In AI-driven workplaces, employees frequently encounter technological complexity, increased workloads, and changing job expectations. Employees with strong emotional intelligence are more likely to remain psychologically stable, collaborative, and committed to organizational goals despite these challenges.

Furthermore, emotional intelligence contributes significantly to employee adaptability and learning behavior. Digital transformation requires employees to continuously learn new technologies, develop digital skills, and adjust to evolving organizational systems. Employees with emotional intelligence demonstrate greater resilience and willingness to embrace technological innovation. They are also more capable of managing anxiety and resistance associated with AI adoption and organizational transformation. The findings additionally suggest that emotional intelligence positively influences workplace communication and teamwork, which are essential for maintaining employee engagement in modern organizations. Organizations that promote emotional intelligence through training programs, supportive management practices, and employee development initiatives are more likely to create positive organizational cultures that encourage engagement and productivity. Therefore, emotional intelligence should be considered an important organizational capability that supports successful digital transformation and workforce sustainability.

Leadership Support and Employee Engagement

The findings of this study also revealed that leadership support significantly and positively influences employee engagement during digital transformation processes. This finding supports Hypothesis 2 and aligns with previous research conducted by Bass and Avolio (1994), Yukl (2013), and Northouse (2018), who argued that supportive leadership enhances employee motivation, trust, organizational commitment, and innovation. Leadership support is particularly important in digitally transforming organizations because employees often experience uncertainty and fear during technological change initiatives. The study findings indicate that leaders who provide emotional support, clear communication, guidance, and professional assistance are more successful in maintaining employee engagement and reducing resistance to change. Employees are more likely to trust organizational transformation initiatives when leaders actively involve them in decision-making processes and provide opportunities for continuous learning and skill development.

Transformational leadership emerged as a critical factor influencing employee engagement in AI-driven work environments. Leaders who inspire employees, encourage innovation, and recognize employee contributions create psychologically safe work environments where employees feel motivated and valued. The findings suggest that supportive leaders strengthen employees'

confidence and willingness to adopt new technologies by reducing workplace anxiety and promoting organizational trust. Moreover, leadership support contributes significantly to organizational culture and workforce adaptability. Leaders influence employee attitudes toward technological innovation and determine whether employees perceive AI systems as opportunities or threats. Organizations with supportive leadership are more likely to foster collaborative cultures that encourage communication, teamwork, and employee participation during digital transformation initiatives. The study further indicates that leadership support improves employee satisfaction and organizational loyalty. Employees who receive adequate managerial support demonstrate higher levels of engagement, productivity, and commitment to organizational objectives. Therefore, organizations must invest in leadership development programs that emphasize emotional intelligence, digital leadership competencies, communication skills, and employee-centered management practices to ensure successful technological transformation and workforce engagement.

AI Readiness and Employee Engagement

Another significant finding of this study was that AI readiness positively affects employee engagement in modern organizations. The findings supported Hypothesis 3 and confirmed that employees who are technologically prepared and confident in using AI systems demonstrate higher levels of engagement and adaptability. These findings are consistent with previous studies conducted by Bughin et al. (2017), Ransbotham et al. (2020), and Jöhnk et al. (2021), who emphasized the importance of AI readiness in successful digital transformation initiatives. AI readiness reflects employees' technological competence, willingness to adopt AI systems, and confidence in working within technology-driven organizational environments. The findings indicate that employees who possess AI-related knowledge and skills are more likely to embrace digital transformation initiatives and contribute positively to organizational innovation and productivity. AI-ready employees perceive technological advancement as an opportunity for professional growth rather than a threat to job security.

The results further suggest that organizations investing in employee training, digital infrastructure, and technological support systems improve workforce readiness and engagement. Employees require continuous learning opportunities to adapt successfully to AI-driven workplaces. Organizations that provide training programs, technical resources, and professional development opportunities are more likely to create technologically confident and engaged employees. Additionally, AI readiness contributes significantly to organizational adaptability and competitiveness. Organizations capable of preparing employees for AI integration experience smoother technological transitions and reduced resistance to innovation. Employees who understand AI systems and digital technologies are more capable of collaborating with intelligent systems, improving operational efficiency, and supporting organizational transformation goals.

However, the findings also indicate that insufficient AI readiness may increase employee anxiety, technological resistance, and fear of job displacement. Employees who lack technological competence may feel threatened by AI systems and demonstrate lower engagement levels. Therefore, organizations must develop comprehensive AI readiness strategies that combine technological training with emotional and psychological support mechanisms to ensure successful workforce adaptation and organizational sustainability.

Emotional Intelligence and AI Readiness

The study findings further revealed that emotional intelligence positively influences AI readiness among employees. This finding supports Hypothesis 4 and demonstrates that emotionally

intelligent employees are more capable of adapting to AI-driven work environments and technological innovation. Emotionally intelligent employees manage stress and uncertainty more effectively, which enables them to approach AI technologies with confidence and openness rather than fear and resistance. Employees with high emotional intelligence are generally more flexible, resilient, and willing to engage in continuous learning processes required in AI-driven organizations. The findings suggest that emotional intelligence strengthens employees' ability to manage technological anxiety and adapt to rapidly changing organizational environments. In digitally transforming workplaces, employees must frequently interact with AI systems, automation technologies, and digital platforms. Emotionally intelligent employees are more likely to perceive these technologies as tools that enhance productivity and professional growth.

The findings also indicate that emotional intelligence improves problem-solving abilities and collaborative learning behaviors that support AI readiness. Employees capable of managing emotions and maintaining positive workplace relationships are more successful in acquiring technological skills and participating in organizational learning initiatives. Therefore, emotional intelligence serves as an important psychological resource that enhances workforce readiness for AI adoption and digital transformation. Organizations seeking to improve AI readiness should therefore focus not only on technical training but also on emotional intelligence development programs. Emotional intelligence training can help employees build confidence, adaptability, and resilience necessary for successful technological transformation.

Combined Effects of Emotional Intelligence, Leadership Support, and AI Readiness on Employee Engagement

One of the major contributions of this study is the examination of the combined effects of emotional intelligence, leadership support, and AI readiness on employee engagement. The multiple regression analysis revealed that all independent variables collectively explained a substantial proportion of variance in employee engagement. The findings supported Hypothesis 5 and demonstrated that employee engagement in modern organizations is influenced by the interaction of emotional, managerial, and technological factors.

The results suggest that organizations cannot achieve sustainable workforce engagement solely through technological investment. Successful digital transformation requires emotionally intelligent employees, supportive leadership, and workforce readiness for AI technologies. Emotional intelligence enables employees to manage workplace stress and maintain positive organizational relationships, while leadership support provides guidance, motivation, and psychological security during technological change. AI readiness ensures that employees possess the technological confidence and competence necessary to work effectively within digital environments. The combined influence of these variables contributes significantly to organizational adaptability, workforce stability, innovation capability, and long-term sustainability. Organizations integrating technological transformation with human-centered management practices are more likely to achieve successful digital adaptation and maintain high levels of employee engagement. Furthermore, the findings emphasize the importance of developing organizational cultures that support learning, innovation, communication, and employee well-being. Organizations that prioritize employee emotions, leadership effectiveness, and technological preparedness create more resilient and productive workforces capable of adapting to rapidly changing business environments. The study also contributes to the growing literature on the human side of digital transformation by providing an integrated framework that explains how emotional, managerial, and technological factors collectively influence employee engagement in AI-driven workplaces.

Conclusion

In conclusion, the discussion of findings confirms that emotional intelligence, leadership support, and AI readiness significantly influence employee engagement in modern organizations. The study demonstrates that successful digital transformation depends not only on technological innovation but also on emotional and organizational factors that support employee adaptability and workforce sustainability. The findings reveal that emotionally intelligent employees are more resilient, adaptable, and engaged in AI-driven workplaces. Leadership support plays a critical role in reducing employee resistance, promoting trust, and facilitating organizational change. AI readiness enhances employee confidence and technological adaptability, which contribute positively to workforce engagement and organizational competitiveness. Overall, the study highlights the importance of balancing technological transformation with human-centered management practices. Organizations seeking long-term success in the digital era must invest in emotional intelligence development, supportive leadership, workforce training, and AI readiness strategies that prioritize employee well-being and organizational sustainability.

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