JSOM

Vol 4 No 1 (2025): 193-209

Unveiling Barriers and Enablers: A Study on AI Adoption in Business Management Hassan Arif Siddiqui*¹, Arman Khan², Shafqatullah Shaikh³

¹Lecturer, Department of Business Administration, Shaheed Benazir Bhutto University of Veterinary & Animal Sciences, Sakrand, Sindh, Pakistan.

²Assistant Professor, Department of Business Administration, Shaheed Benazir Bhutto University, Shaheed BenazirAbad. Sindh, Pakistan.

³ Lecturer, Department of Business Administration, Shaheed Benazir Bhutto University, Shaheed BenazirAbad. Sindh, Pakistan.

Corresponding author: hassanarifsiddique@gmail.com

Keywords:ArtificialIntelligence,BusinessManagement,Technology, ITSystem

DOI No:

https://doi.org/10.56976/jsom.v4 i1.179

This study investigates the barriers and enablers of AI adoption in business management using a mixed-method approach combining survey data and comprehensive literature review. The study found sector-specific trends in the sectors, which are seen to be at the forefront in AI integration: Manufacturing and IT in terms of automation and innovative applications; Healthcare and Finance in terms of use of AI for diagnostics and predictive analytics. The study identifies a number of significant barriers to AI adoption, including financial constraints, lack of IT infrastructure, resistance to change at the organizational level, and ethical concerns around data privacy, security, and algorithmic bias. All of these are consistently supported by both survey data and the existing body of literature. On the other hand, it also mentions some key enablers that facilitate the adoption of AI, which includes visionary leadership, up-todate IT systems, and potential cost savings. Commitment from leadership and an organization's clear vision for innovation is one of the important factors that encourage AI adoption. The use of theoretical frameworks like Technology Acceptance Model and DOI Theory examines the role of leadership, organizational preparedness, and perceptions of the usefulness of AI. This is essential in stimulating adoption of AI since it determines readiness of the organization and value perceived for AI technologies. The findings underscore how strong organizational infrastructure, a supportive culture that encourages innovation, and strategic vision are essential in enabling the crossing of barriers to achieve full AI deployment. This study underscores the importance of innovation-friendly culture: one that supports learning and adaptation and aligns AI adoption with broader organizational objectives. The study integrates qualitative insights along with quantitative analysis to provide a sophisticated understanding of the complex dynamics regarding AI adoption in business management. It provides actionable recommendations for business to navigate challenges and leverage AI for operational efficiency, innovation, and long-term competitive advantage.

Vol 4 No 1 (2025): 193-209



1. Introduction

The integration of artificial intelligence in business management has turned out to be an imperative factor that streamlines the processes and helps the mind during decision-making, making it a comparative advantage within many sectors. Its integration involves various technologies that make one process large volumes of data and entails the concept and strategic initiation designed to innovate. This is the crucial characteristic of the modern, high-dynamic shift environment comprised of data; hence, organizations must respond speedily to alterations in market dynamics and consumer preference (Prasanth et al., 2023; Thaduri, 2020).

Artificial intelligence drives changes in business models through innovative operational paradigms that emphasize data as the basis for decision-making, moving further toward customercentric approaches. Business models that use AI technologies enhance operational efficiency as well as the customer experience; therefore, such models are used as competitive advantage by organizations that function with the right applications of these technologies (Eboigbe et al., 2023; Farayola et al., 2023). Further, smart technology introduction in a company makes it function in an efficient manner and allows the company to come up with new products or services that would cater to the emerging needs of the customers (Cao, 2021; Fang, 2023).

There are also some salient ethical considerations that cannot be overlooked in the adoption of AI in business management. Most of the organizations rely on AI-driven decisions, thus calling for asking questions about data privacy, security, and even bias from those algorithms used in making such decisions (Ekellem, 2023; Thaduri, 2020). Ethical considerations are of paramount importance, as companies have to ensure that their adoption of AI does not go against any value preference and builds consumer trust (Kim et al., 2021; Ameen et al., 2021). Moreover, the successful embedding of AI technologies often depends on the organizational culture and readiness, thus underlining the significance of creating an environment that accepts innovation and a learning culture (Lee et al., 2019). In short, AI has made a difference in business management through what it can do: enhance efficiency, foster innovation, and change ways of making decisions. Nevertheless, organizations have to push past related ethical issues and develop a culture that allows all the potential advantages offered by AI technologies to come to fruition. The landscape of business continues to shift with the increasing focus on being competitive. Thus, the strategy in employing AI becomes essential in influencing sustainable growth.

Integration of artificial intelligence in the management of business offers large opportunities for boosting operational efficiency, innovation, and competitive advantages (Dogru & Keskin, 2020). However, most organizations find significant barriers when implementing AI technology, ranging from financial ones to infrastructural inadequacies and cultural resistance up to concerns about data security, ethical use, or even privacy (Alet, 2024). Organizations often fail to align AI adoption with strategic broader goals and a culture of embracing innovation and technological change (Arigbabu et al., 2024). Therefore, this research explores barriers and enablers for the adoption of AI in business management, gaining insights into how the challenges and opportunities associated with AI vary by business sectors. The research considers sectors such as Manufacturing,

Vol 4 No 1 (2025): 193-209



IT, Healthcare, Finance, and Retail to investigate sector-specific trends in the integration of AI and provide insight into how these sectors can address challenges in adoption. It is aimed at identifying crucial factors that facilitate successful adoption of AI and providing recommendations that are actionable for the organizations to navigate obstacles, optimize AI potential, and sustain growth and long-term competitive advantage. The primary aim of this research is to identify and analyze the factors that hinder and facilitate AI adoption in business management. To achieve this, first objective is to identify common barriers toward AI adoption and the second objective is to discuss enablers that support AI incorporation.

2. Literature Review

The literature review of this paper is in the role of AI in modern business management and theoretical framework for AI adoption in business management.

2.1 The Role of AI in Modern Business Management

AI technologies are now intrinsic to many business functions, positively enhancing operations, customers' relations, human resources, and strategic management. This synthesis takes into account the contributions of AI in all these areas and includes many scholarly references to support arguments. In terms of operations, AI technologies have transformed the process of decision making and how operations are conducted.

For instance, AI-based business intelligence has been used to improve firm performance through optimized logistics and enhanced capabilities in terms of predictive analytics (Devianto, 2022; Dogru & Keskin, 2020; Soleimani et al., 2022). The adoption of AI in the field of supply chain management contributes to the real-time collection and analysis of data for more intelligent operational decisions (Dogru & Keskin, 2020). Additionally, through automation of mundane tasks, AI enables human labor to engage in strategic work, thereby enhancing productivity at the whole level (Kapoor & Ghosal, 2022). This operational renaissance is also supported by findings that workplaces with inbuilt AI promote collaboration and higher satisfaction among employees, which further leads to enhanced business results (Chen et al., 2022). The use of AI technologies, mainly in the use of chatbots and automated customer service solutions, has transformed businessclient interaction in customer relations. In customer relationship management (CRM), AI has helped to streamline communication processes and improve customer engagement. AI systems can analyze customer data to provide personalized experiences, hence enhancing customer satisfaction and loyalty (Ljepava, 2022). The ability of AI to process vast amounts of data also enables businesses to predict what customers may need and prefer, hence more effective marketing strategies and improved service delivery (Mishra et al., 2022). Artificial intelligence has also positively impacted human resources (HR) management. Talent analytics uses AI to inform strategic decisions in HR by using smart insights on workforce and performance trends among employees (Indrasari, 2023 #15; Popo-Olaniyan, 2022 #20). The applications of these technologies are in the refinement of recruitment processes while reducing bias and enhancing the quality of hires (Soleimani et al., 2021).

Vol 4 No 1 (2025): 193-209



AI tools can further support the employee's learning and development process by identifying skill gaps and suggesting a specific, personalized learning path. This not only enhances HR functions but also helps the organization develop a more competent and engaged workforce-which in turn enhances organizational performance (Jaiswal et al., 2023). Perhaps, one of the most major contributions of AI has been toward strategic management. The AI technologies facilitate the easier understanding of market trends and competitive landscapes to inform organizational strategic decisions (Ekellem, 2023). AI infusion in the business strategy helps to apply data-driven insights into innovation and growth. In addition, AI will support the proper management of risk and help in strategic planning with its capability to simulate multiple business scenarios. This way, the organization remains agile in today's fast-changing market environment (Ekellem, 2023). The strategic value of AI deployment is added by focusing even more on its ethics and transparency, building trust among the stakeholder forces (Alet, 2024). Focus on ethics and transparency in AI deployment adds even more strategic values to it, building trust among forces of stakeholders.

2.2 Theoretical Framework for AI Adoption in business management

Some of the major concepts, which would help in understanding how businesses accept AI, include the Technology Acceptance Model (Popo–Olaniyan et al., 2022) and the Diffusion of Innovation (DOI) Theory. These two models have provided useful information regarding those key factors that may influence usage and integration of AI technologies in any organization. According to the Technology Acceptance Model, how easy a technology is to use and how useful it seems are two of the most important factors that affect a person's choice to start using it(Popo–Olaniyan et al., 2022)

This model is very important in embracing AI. Companies have to make sure that the workers feel AI tools are actually useful and simple to use. For example, (Chen et al., 2021) note that in terms of AI adoption, leaders must guide company resources toward developing a common vision for using AI, which may make the tools more helpful for employees. In addition, according to (Aldoseri et al., 2024) understanding the current state of any organization is essential for making informed decisions on AI strategies that align with the TAM focus on user perceptions. Moreover, (Kurup & Gupta, 2022) explain that factors that spur AI adoption are varied and do include organizational culture and leadership, which has a heavy influence on employee perceptions of AI technologies.

Conversely, the DOI Theory by Rogers helps in understanding how innovations or AI spreads and diffuses within and between organizations. The theory identifies adopters as innovators, early adopters, and the majority, which establishes the power of identifying the dynamics of AI adoption across different sectors. As described by (Lund et al., 2020) pioneers are influential in shaping other potential users' perceptions about the value of AI technologies, thus paving the way for wider adoption. Additionally, though (Woo et al., 2014) address the adoption of point-of-care ultrasonography, their DOI framework serves to amplify why it's relevant to understand how the properties of innovations affect adoption rates, which can be extrapolated to AI technologies. Additionally, Saleem asserts that the integration of DOI with other theories could

Vol 4 No 1 (2025): 193-209



improve the understanding of the adoption of AI, especially in family-owned SMEs, in which the interaction between innovation and entrepreneurial orientation is highly relevant (Saleem et al., 2023).

In summary, both the Technology Acceptance Model and Diffusion of Innovation Theory are quite valuable in understanding factors related to AI adoption in business management. TAM focuses more on the level of individual perceptions, together with support from an organization; DOI emphasizes the social dynamics into the spread of innovation. Together, these frameworks will help guide an organization in the effective implementation of AI technologies so it is seen as worthwhile and widely adopted at different levels of the organization.

3. Methodology

A mixed-method approach was adopted to research barriers and enablers in adopting AI in business management, including surveys, quantitative analysis, and a comprehensive literature review.

3.1 Survey Design and Data Collection

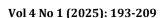
The surveys were designed to capture distinct views from professionals in five key sectors: Manufacturing, Healthcare, Finance, IT, and Retail. The sectoral spread here was strategically chosen to cover industries with AI levels of adoption that are quite distinct, thus allowing for comparative insights into the challenges and opportunities of AI adoption in each. In addition, the surveys laid a foundation in understanding sector-specific dynamics and contributed toward a holistic view of organizational readiness and resistance.

3.2 Quantitative Analysis

Regression analysis was carried out to investigate the statistically significant predictors of AI adoption. Its focus remained on critical variables, such as the commitment of leadership, financial constraints, and organizational vision for innovation. This statistical method allows for the quantification of the relative influences of such factors, capturing how, on one hand, visionary leaders enabled such adoption; however, their organizations' financial constraints were a significant barrier to it. This understanding underlines the subtle relationships between the firm priorities and resource allocation in AI adoption.

3.3 Thematic Categorization

Survey findings and knowledge of literature were then grouped along thematic analysis, by barriers and enablers according to the technological, organizational, financial, and ethical dimension in which this grouping clarified the wide range of factors that affect the adoption of AI and, moreover, proved instrumental in deriving actionable insights for businesses to overcome these challenges. It illuminates interplay between such barriers as monetary constraints and enablers such as visionary leadership and sound IT infrastructure, providing an outline for the effective integration of AI in the organization. The study combines multiple methodologies to ensure a fully rounded approach to the complexities of AI adoption in business management. This





report provides actionable recommendations to organizations to mitigate barriers and harness enablers to create a conductive environment for AI-driven innovation-fostering policy making and business decisions.

4. Results And Analysis

4.1 Sector-Wise Distribution of Respondents

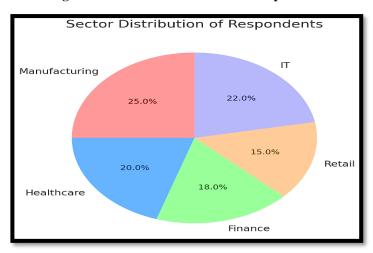
This would ensure that the overall view of AI adoption in sectors would be well-rounded. Table 1 shows the distribution of respondents across different industries. It shows that the Manufacturing sector contributed the largest number of responses 25%. This has probably been as a result of the sector's need to integrate AI technologies to better its automation, optimize various production processes, and enhance supply chain management. Healthcare respondents (20%) more and more tend to adopt AI to push forward medical research, better patient diagnostics, and improved treatment planning, hence a leading player in AI adoption trends.

Table No. 1: Respondents across different industries

| Sector | Percentage of Respondents (%) |
|---------------|-------------------------------|
| Manufacturing | 25 |
| Healthcare | 20 |
| Finance | 18 |
| Retail | 15 |
| IT | 22 |

The Finance sector (18%) is the other where AI plays a critical role in predictive analytics, fraud detection, or simply managing risk. Representation was a bit slightly higher than finance in the IT sector with 22%. Finally, Retail had the lowest proportion of respondents (15%), although AI is increasingly important in this sector, especially for customer experience, managing stock, and tailored marketing strategies.

Figure No 1: Sector Distribution of Respondents



Vol 4 No 1 (2025): 193-209



4.2 Barriers and Enablers Identified from Surveys

Table 2 summarizes critical factors against which the respondents have pinpointed the base both for barriers and enablers of AI adoption. A great array of technological, organizational, financial, and ethical factors was considered, each with a significant role influencing the pace and success of AI integration.

Technological Readiness One of the key barriers identified was inadequate IT infrastructure (26%), preventing many organizations from adopting AI due to insufficient technological resources. On the other hand, modern IT systems and resources (38%) constituted a significant enabler in that organizations that have updated technological infrastructures can better integrate AI.

Organizational Culture: Cultural resistance emerged as the major organizational barrier; 45% of the respondents mentioned this to be the hurdle in adopting AI. This resistance is often due to a natural unwillingness to change, fear of job loss, or plain lack of awareness concerning what AI can do. Similarly, visionary leadership was the strong enabler at 42%. A firm leader who supports innovation and has a clear direction can advance and change organizational culture towards embracing some new technologies.

Financial Limitations: The major barrier to the adoption of AI is financial constraints, as cited by 48%. Those organizations with limited budgets also regard this constraint as very challenging to overcome. Many organizations are challenged to envisage how they can justify such high upfront costs associated with the implementation of AI technologies. Yet, AI cost savings (33%) is a major facilitator since AI may lead to efficiencies, reduced operational costs, and ultimately long-term savings that can make the expenditure worthwhile.

Ethical Concerns: Barriers identified included concerns over privacy and bias (41%), highlighted the ethical dilemmas posed by AI, such as ensuring fairness and transparency. Ethical frameworks and guidelines for AI (29%) were seen as an enabler-that in fact offered a structured approach to tackling ethical challenges and ensuring that AI was deployed responsibly.

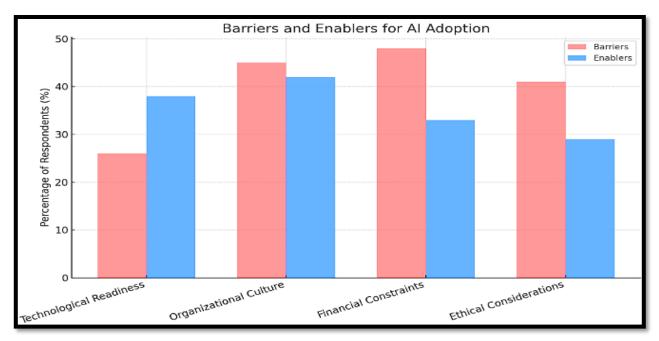
Table No 2: Key Barriers and Enablers Identified from Surveys

| Factors | Barriers Identified | Enablers Identified |
|-------------------------|--------------------------------------|--|
| Technological Readiness | Inadequate IT infrastructure (26%) | Modern IT systems and resources (38%) |
| | | |
| Organizational Culture | Resistance to change (45%) | Visionary leadership (42%) |
| Financial Constraints | Budget limitations (48%) | Cost-saving potential of AI (33%) |
| | | Ø1 |
| Ethical Considerations | Concerns over privacy and bias (41%) | Ethical AI frameworks and guidelines (29%) |



Vol 4 No 1 (2025): 193-209

Figure No 2: Barriers and Enablers for Ai adoption (Survey Response)



These findings suggest that in AI adoption, barriers are not separated from enablers but rather overcoming them together is pertinent to the process of successful integration. Technological readiness, cultural acceptance, financial investment, and ethical frameworks all play important roles in the development of the process.

4.3 Regression Analysis

A regression analysis was conducted to further determine the influence of various factors of organizations on AI adoption. The main aim of the analysis was to identify which variables most affect the likelihood of successful AI implementation. The aim behind quantitatively assessing those relationships through this analysis was to reveal clear evidence about the key drivers and barriers to AI adoption, which would help the organizations place the right emphasis on actions that could improve their chances of successful integration.

The regression analyses suggest many interesting insights of factors behind the adoption of AI:

Leadership Commitment: It was discovered that the coefficient, β , for leadership commitment was positively related to AI adoption by a value of 0.42 and a p-value < 0.05, establishing that organizations with committed leadership are most likely to successfully adopt AI technologies. Powerful leadership is important in bargaining for necessary resources, aligning AI technology with organizational goals, and creating innovation-cultures in the organization. Organizations that are well-led are more capable to overcome the barriers related to the integration of AI.

Financial Constraints: The analysis showed that financial constraints are a major barrier against AI adoption. This is evident from the negative coefficient (β) of -0.35 and p-value < 0.01.

Vol 4 No 1 (2025): 193-209



This implies that an organization with limited resources is unlikely to get more into AI even if it is obvious about the benefits. This negative relationship calls for the means whereby organizations can break the financial barriers, either by finding funds or justifying the long-term value generated by AI investments.

Organizational Vision for Innovation: A clear organizational vision for innovation also has a positive effect on AI adoption, with a coefficient (β) of 0.38 and a p-value less than 0.05. Organizations with a very strong, forward-looking vision for innovation are more likely to be successful in adopting AI. A well-articulated vision puts the broader business objectives of organizations in line with AI initiatives and keeps them from falling behind as newer technologies evolve.

Table No 3: Regression Analysis

| Predictor | Coefficient (β) | Significance (P-value) |
|--------------------------------------|-----------------|------------------------|
| Leadership Commitment | 0.42 | < 0.05 |
| Financial Constraints | -0.35 | < 0.01 |
| Organizational Vision for Innovation | 0.38 | < 0.05 |

Overall, the regression analysis was affirmative regarding leadership commitment, financial resources, and a clear vision for innovation as three major influencers of AI adoption. These findings enable organizations to look into ways of strengthening adoption strategies for AI by giving significant importance to leadership strength, sufficient financial investment, and a forward-looking approach to innovation.

4.4 Identification of Barriers to AI Adoption

The spreading of AI within organizations is impeded by multiple barriers that can be placed into four categories: technological, organizational, financial, and ethical/ regulatory. Therefore, understanding all these barriers is important for all stakeholders who are interested in easing the process of integrating AI technologies.

4.4.1 Technological Barriers

Technological barriers are mostly reported as being among the most significant impediments to AI adoptions. The concern associated with the reliability and accuracy of AI algorithms is paramount, especially in sectors like health, where precision is critical (Parthasarathy et al., 2024). Organizational technological un-readiness could then put a gap between digitalization efforts and the eventual realization of AI, because the organizations lack the infrastructure and expertise needed to utilize AI effectively (Shatat & Shatat, 2024). The complexity of the AI systems may also discourage organizations from embracing such technologies, mainly because such technologies require specialized knowledge that they mostly lack (Ahmed et al., 2023).

4.4.2 Organizational Barriers

One of the primary reasons organizational cultures supports the acceptance of AI technology is the fear of job replacement. This concern occurs when employees believe that AI

Vol 4 No 1 (2025): 193-209



technologies will replace them in healthcare settings (Chaibi & Zaiem, 2022). Another aspect involves cognitive dissonance between the developers of AI and healthcare leaders since the former hold different perceptions over the capabilities and application of the technology involved. Effective communication across professional boundaries will be a necessity to manage these organizational barriers (Ahmed et al., 2023).

4.4.3 Financial Barriers

The financial aspect is another big limitation for AI adoption. Explicating AI technology might require significant investment. Also, organizations are the ones who end up having budgetary constraints and therefore cannot afford the adoption of newer technologies (Wong & Yap, 2024). The same situation can be even more threatening for sectors where resources might already be stretched in a place like health (Parthasarathy et al., 2024). Beyond this, the cost of keeping and upgrading AI systems adds another layer of complexity to the financial planning processes of organizations (Popo–Olaniyan et al., 2022).

4.4.4 Ethical and Regulatory Barriers

Ethical and regulatory issues are growing constraints for adoption of AI. Groups concerned with data privacy, liability, and other ethical implications of AI decision-making are evident across sectors, including (Charow et al., 2021; Parthasarathy et al., 2024)). Having to gain approval of regulations from AI technologies, especially in a clinical setting, puts further layers on organizational needs: getting through an ever-changing legal landscape (Charow et al., 2021). Trust establishment in AI systems is important, where stakeholders have confidence in the ethical frameworks that rule AI application (Alexander et al., 2024; Ryan, 2023). Incorporating ethical considerations in the development and deployment of AI technologies is of paramount importance in overcoming these barriers (Laï et al., 2020; Wirtz et al., 2019).

Table No 4: Barriers to AI Adoption founded by Literature

| Category | Barrier | Details | Impact |
|----------------|-------------------|-----------------------------------|---------------------------------|
| Technological | Lack of Expertise | Limited skilled workforce for AI | Slows implementation; leads |
| Barrier | | system design, deployment, and | to inefficient use of AI tools. |
| | | maintenance. | |
| | Infrastructure | Outdated or inadequate IT | Causes delays and increased |
| | Gaps | infrastructure to support AI | costs in implementation. |
| | | solutions. | |
| | System | Difficulty in integrating AI with | Reduces efficiency and raises |
| | Complexity | existing systems. | setup costs. |
| | | | |
| Organizational | Resistance to | Fear of job displacement and | Hampers adoption and creates |
| Barrier | Change | reluctance to trust AI | operational inefficiencies. |
| | | technologies. | |



Vol 4 No 1 (2025): 193-209

| | Poor Cross- functional Collaboration | Misalignment between departments (e.g., developers vs. decision-makers). | Reduces the effectiveness of AI implementation strategies. |
|-----------------------------------|--|--|---|
| Financial Barrier | High Initial Costs | Substantial investment required for AI technologies, training, and deployment. | Limits access for SMEs and resource-strapped organizations. |
| | Ongoing Maintenance Costs | Sustained costs for system updates and operational continuity. | Adds financial burden over time, hindering scalability. |
| Ethical/ Regulatory Barrier | Data Privacy and Security | Concerns about misuse of sensitive data and insufficient safeguards. | Erodes trust among customers and stakeholders. |
| | Regulatory Approval Delays | Complex legal frameworks, particularly in industries like healthcare. | Slows time-to-market for AI-driven solutions. |

This multi-dimensional bar to AI adoption comprised technological, organizational financial, and ethical/regulatory dimensions. All these will require an integrated set of approaches comprising technological preparedness, enabling organizational culture, provision of financial resources, and establishment of strong ethical frameworks. Understanding and mitigating these barriers is highly crucial for effective AI technology integration into the sector's scenarios.

4.5 Identification of Enablers of AI Adoption

Multiplicity of such enablers determines the AI adoption pace through sectors and can be primarily defined into four domains: leadership and vision, technological enablers, organizational enablers, and regulatory and industry support. Each of the above domains plays a significant role in ensuring easy integration with AI technologies.

4.5.1 Leadership and Vision

Good leadership would be providing strategic directions and encouraging innovation as a culture. According to a study, it shows that the degree to which senior management supports is adopted AI. In SMEs where resources may not be readily available, AI support means the difference between life and death (Wong & Yap, 2024). Even in the vision component, leadership provides not just the vision for integration but also mobilizes resources and aligns organizational goals with technological advancement (K Ghani et al., 2022). In addition to this, clear vision articulated by leaders could help to alleviate uncertainties associated with AI technologies that can encourage more extensive acceptance among employees (Chen et al., 2022).



4.5.2 Technological Enablers

The technological environment is one of the enablers for AI adoption. Organizations with well-structured information technology infrastructure and frameworks for data governance are more likely to successfully implement AI solutions (Khan et al., 2023). For example, in a setting where AI should be added into existing systems, advanced algorithms are not the only requirement but also a kind of technological environment that should contain a data management capability (Arigbabu et al., 2024). Another factor is the risk perceptions associated with AI technologies, which may deter adoption; thus, organizations need to mitigate this risk through appropriate risk management strategies. Availability of low-cost computing power and state-of-the-art methodologies in AI also makes the application of AI feasible across various industries (Koenigstorfer & Thalmann, 2021).

4.5.3 Organizational Enablers

Readiness and organizational culture can be crucial in embracing AI technologies. Employee acceptance of AI could be made easier by having a company culture of innovativeness and flexibility (Budi, 2024). Additionally, appropriate programs of training and education for the employees will be required to enhance their skills regarding the proper usage of AI tools (Ghani et al., 2022). Another critical aspect is that AI projects are in alignment with the business strategies; therefore, the fruits' potential being secured falls under the organizations that take on the initiative of incorporating AI into their strategic planning (Wong & Yap, 2024). Moreover, a successful collaboration environment is established in which cross-functional teams work towards developing and pursuing AI projects so that there is a good chance that the implementation will be effective (Singh & Pandey, 2024).

4.5.4 Regulatory and Industry Support

Regulations toward AI adoption can be the add-on factor of being facilitators or inhibitors for implementation of AI. Supportive regulation which encourages innovation while ensuring safety and privacy stands as a very important aspect of building fertile environment for AI technologies (Arigbabu et al., 2024).

Table 4.5: Enablers of AI Adoption from literature

| Category | Enabler | Details | Impact |
|---------------|--------------------|---|------------------------------|
| Leadership | Visionary | Leaders advocating AI adoption | Improves organizational |
| | Leadership | through clear goals and support mechanisms. | alignment and fosters trust. |
| | Strategic Planning | Inclusion of AI in long-term goals | Encourages sustainable AI |
| | | and resource allocation strategies. | integration. |
| Technological | Affordable | Advancements in cloud and | Reduces costs and makes AI |
| | Computing Power | hardware technologies. | accessible to smaller |
| | | | organizations. |
| | Effective Data | Secure data management systems | Builds trust and ensures |
| | Governance | aligned with legal and ethical | compliance. |
| | | norms. | |

JSOM JSOM

Vol 4 No 1 (2025): 193-209

| Organizational | Workforce | Regular upskilling initiatives | Enhances employee confidence |
|----------------|----------------|-----------------------------------|----------------------------------|
| | Training | tailored to AI-related roles. | and operational readiness. |
| | Collaboration | Cross-functional teams working | Facilitates effective |
| | | together on AI projects. | implementation and broader |
| | | | acceptance. |
| Regulatory | Supportive | Balanced regulations promoting | Accelerates adoption by reducing |
| | Frameworks | innovation while ensuring safety | compliance-related hurdles. |
| | | and privacy. | |
| | Public-Private | Collaborations between businesses | Promotes resource sharing and |
| | Partnerships | and regulatory bodies. | reduces implementation |
| | | | complexity. |

On the contrary, strict regulation may stifle innovation and deter organizations from adopting AI solutions (Tillu et al., 2023). Industry support, such as partnerships and collaborations may also be used to resource the organization with necessary resources and expertise for AI complexity (van Noordt & Misuraca, 2020). Continued updates in AI accompanied by continuous interaction between the regulators and other stakeholders in industry help devise frameworks that strike a balance between innovation against ethics (Majumder, 2024).

In conclusion, success in the adoption of AI technology will be contingent upon the synergistic play of leadership, technological readiness, organizational culture, and regulatory support. Analysis of these enablers can help organizations improve their capability for AI use as a source of competitive advantage.

5. Conclusion

Combinations of the survey data with literature review clearly reflect good insights into understanding the adoption of AI within industries and critical barriers and enablers to AI adoption. The manufacturing and IT sectors are best suited for adopting AI, respective areas being automation and innovation with the former as well as common competitiveness with the latter. Healthcare and Finance focus on diagnostics and predictive analytics respectively. Issues that were found to be significant barriers include financial, IT infrastructure, cultural, and ethical factors. Survey findings and literature have ensured the validation of all these factors. On the other hand, enablers like visionary leadership, modern IT systems, and cost-saving prospects contribute significantly to the adoption process. Theoretical frameworks such as the Technology Acceptance Model and DOI Theory explained that leading factors of adoption are the leadership component, organizational readiness, and perceived usefulness. These conclusions call attention to the fact that the process of AI integration is complex in technological terms, cultural terms, financial terms, and ethical terms; and with good leadership and innovative strategies, nothing can stop the successful embracement of AI across sectors.

5.1 Recommendations

Future studies could investigate the long-term effects of AI adoption on organizational culture and employee roles in various industries. Moreover, studies can be conducted to assess the

Vol 4 No 1 (2025): 193-209



effectiveness of specific strategies in overcoming financial and ethical barriers to AI integration, especially in slow-to-adopt sectors.

6. References

Ahmed, I. E., Mehdi, R., & Mohamed, E. A. (2023). The role of artificial intelligence in developing a banking risk index: an application of Adaptive Neural Network-Based Fuzzy Inference System (ANFIS). *Artificial Intelligence Review*, *56*(11), 13873-13895. https://doi.org/10.1007/s10462-023-10473-9

Aldoseri, A., Al-Khalifa, K. N., & Hamouda, A. M. (2024). Methodological approach to assessing the current state of organizations for AI-Based digital transformation. *Applied System Innovation*, 7(1), 14.

Alet, J. (2024). Effective integration of artificial intelligence: key axes for business strategy. *Journal of Business Strategy*, 45(2), 107-114.

Alexander, C. S., Yarborough, M., & Smith, A. (2024). Who is responsible for 'responsible AI'?: Navigating challenges to build trust in AI agriculture and food system technology. *Precision Agriculture*, 25(1), 146-185.

Arigbabu, A., Olaniyi, O., Adigwe, C., Adebiyi, O., & Ajayi, S. (2024). Data Governance in AI - Enabled Healthcare Systems A Case of the Project Nightingale. *Asian Journal of Research in Computer Science*, 17, 85-107. https://doi.org/10.9734/ajrcos/2024/v17i5441

Budi, R. (2024). Opportunities and Challenges for Using Artificial Intelligence Technology in Human Resource Management. *Journal Of Data Science*, 2(01), 32-40. https://ejournal.seaninstitute.or.id/index.php/visualization/article/view/4273

Cao, L. (2021). Artificial intelligence in retail: applications and value creation logics. *International Journal of Retail & Distribution Management*, 49(7), 958-976.

Chaibi, A., & Zaiem, I. (2022). Doctor resistance of artificial intelligence in healthcare. *International Journal of Healthcare Information Systems and Informatics (IJHISI)*, 17(1), 1-13.

Charow, R., Jeyakumar, T., Younus, S., Dolatabadi, E., Salhia, M., Al-Mouaswas, D., Anderson, M., Balakumar, S., Clare, M., & Dhalla, A. (2021). Artificial intelligence education programs for health care professionals: scoping review. *JMIR Medical Education*, *7*(4), e31043.

Chen, H., Li, L., & Chen, Y. (2021). Explore success factors that impact artificial intelligence adoption on telecom industry in China. *Journal of Management Analytics*, 8(1), 36-68.

Chen, Y., Biswas, M. I., & Talukder, M. S. (2022). The role of artificial intelligence in effective business operations during COVID-19. *International Journal of Emerging Markets*, *18*(12), 6368-6387.

Devianto, H. (2022). The Advantages of Artificial Intelligence in Operational Decision Making. *Hasanuddin Economics and Business Review*, 6(1), 24-36.

Dogru, A. K., & Keskin, B. B. (2020). AI in operations management: applications, challenges and opportunities. *Journal of Data, Information and Management*, 2(2), 67-74.



Vol 4 No 1 (2025): 193-209

Eboigbe, E. O., Farayola, O. A., Olatoye, F. O., Nnabugwu, O. C., & Daraojimba, C. (2023). Business intelligence transformation through AI and data analytics. *Engineering Science & Technology Journal*, 4(5), 285-307.

Ekellem, E. A. F. (2023). Strategic Alchemy: The Role of AI in Transforming Business Decision-Making. *Authorea Preprints*.

Fang, J. (2023). Research on the design of business models and transformation management of new entrepreneurial ventures driven by artificial intelligence. *Artificial Intelligence*, 49.

Farayola, O. A., Abdul, A. A., Irabor, B. O., & Okeleke, E. C. (2023). Innovative business models driven by ai technologies: a review. *Computer Science & IT Research Journal*, 4(2), 85-110.

Jaiswal, A., Arun, C. J., & Varma, A. (2023). Rebooting employees: Upskilling for artificial intelligence in multinational corporations. In *Artificial Intelligence and International HRM* (pp. 114-143). Routledge.

K Ghani, E., Ariffin, N., & Sukmadilaga, C. (2022). Factors Influencing Artificial Intelligence Adoption in Publicly Listed Manufacturing Companies: A Technology, Organisation, and Environment Approach. *International Journal of Applied Economics, Finance and Accounting*, 14, 108-117. https://doi.org/10.33094/ijaefa.v14i2.667

Kapoor, R., & Ghosal, I. (2022). Will Artificial Intelligence Compliment or Supplement Human Workforce in Organizations? A Shift to a Collaborative Human–Machine Environment. *International Journal on Recent Trends in Business and Tourism (IJRTBT)*, 6(4), 19-28.

Khan, A. N., Jabeen, F., Mehmood, K., Ali Soomro, M., & Bresciani, S. (2023). Paving the way for technological innovation through adoption of artificial intelligence in conservative industries. *Journal of Business Research*, *165*, 114019. https://doi.org/https://doi.org/10.1016/j.jbusres.2023.114019

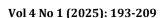
Koenigstorfer, F., & Thalmann, S. (2021). Software documentation is not enough! Requirements for the documentation of AI. *Digital Policy, Regulation and Governance, ahead-of-print*. https://doi.org/10.1108/DPRG-03-2021-0047

Kurup, S., & Gupta, V. (2022). Factors Influencing the AI Adoption in Organizations. *Metamorphosis*, 21(2), 129-139.

Laï, M.-C., Brian, M., & Mamzer, M.-F. (2020). Perceptions of artificial intelligence in healthcare: findings from a qualitative survey study among actors in France. *Journal of translational medicine*, *18*, 1-13.

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.

Ljepava, N. (2022). AI-enabled marketing solutions in Marketing Decision making: AI application in different stages of marketing process. *TEM Journal*, 11(3), 1308-1315.





Lund, B. D., Omame, I., Tijani, S., & Agbaji, D. (2020). Perceptions toward artificial intelligence among academic library employees and alignment with the diffusion of innovations' adopter categories. *College & Research Libraries*, 81(5), 865.

Majumder, T. (2024). The Evaluating Impact of Artificial Intelligence on Risk Management and Fraud Detection in the Commercial Bank in Bangladesh. *International Journal of Applied and Natural Sciences*, 1, 67-76. https://doi.org/10.61424/ijans.v1i1.75

Mishra, S., Ewing, M. T., & Cooper, H. B. (2022). Artificial intelligence focus and firm performance. *Journal of the Academy of Marketing Science*, 50(6), 1176-1197.

Parthasarathy, P. R., Patil, S. R., Dawasaz, A. A., Baig, F. A. H., & Karobari, M. I. (2024). Unlocking the Potential: Investigating Dental Practitioners' Willingness to Embrace Artificial Intelligence in Dental Practice. *Cureus*, *16*(2).

Popo-Olaniyan, O., Elufioye, O. A., Okonkwo, F. C., Udeh, C. A., Eleogu, T. F., & Olatoye, F. O. (2022). Ai-driven talent analytics for strategic hr decision-making in the United States Of America: A Review. *International Journal of Management & Entrepreneurship Research*, *4*(12), 607-622.

Prasanth, A., Densy, J. V., Surendran, P., & Bindhya, T. (2023). Role of artificial intelligence and business decision making. *International Journal of Advanced Computer Science and Applications*, 14(6).

Ryan, M. (2023). The social and ethical impacts of artificial intelligence in agriculture: mapping the agricultural AI literature. *AI & SOCIETY*, 38(6), 2473-2485.

Saleem, I., Hoque, S. M. S., Tashfeen, R., & Weller, M. (2023). The interplay of AI adoption, IoT edge, and adaptive resilience to explain digital innovation: evidence from German family-Owned SMEs. *Journal of Theoretical and Applied Electronic Commerce Research*, 18(3), 1419-1430.

Shatat, A. S., & Shatat, A. S. (2024). The dynamic support of artificial intelligence techniques in managing logistics activities. *Human Systems Management*, 01672533241291421. https://doi.org/10.1177/01672533241291421

Singh, A., & Pandey, J. (2024). Artificial intelligence adoption in extended HR ecosystems: enablers and barriers. An abductive case research. *Frontiers in Psychology*, *14*. https://doi.org/10.3389/fpsyg.2023.1339782

Soleimani, M., Intezari, A., & Pauleen, D. J. (2022). Mitigating cognitive biases in developing AI-assisted recruitment systems: A knowledge-sharing approach. *International Journal of Knowledge Management (IJKM)*, 18(1), 1-18.

Thaduri, U. R. (2020). Decision Intelligence in Business: A Tool for Quick and Accurate Marketing Analysis. *Asian Business Review*, 10(3), 193-200.

Tillu, R., Muthusubramanian, M., & Periyasamy, V. (2023). From Data to Compliance: The Role of AI/ML in Optimizing Regulatory Reporting Processes. *Journal of Knowledge Learning and*

JSOM BOOM

Vol 4 No 1 (2025): 193-209

Science Technology ISSN: 2959-6386 (online), 2, 381-391. https://doi.org/10.60087/jklst.vol2.n3.p391

van Noordt, C., & Misuraca, G. (2020). Exploratory Insights on Artificial Intelligence for Government in Europe. *Social Science Computer Review*, 40. https://doi.org/10.1177/0894439320980449

Wirtz, B. W., Weyerer, J. C., & Geyer, C. (2019). Artificial Intelligence and the Public Sector—Applications and Challenges. *International Journal of Public Administration*, 42(7), 596-615. https://doi.org/10.1080/01900692.2018.1498103

Wong, J. I. A., & Yap, K. (2024). FACTORS INFLUENCING THE ADOPTION OF ARTIFICIAL INTELLIGENCE IN ACCOUNTING AMONG MICRO, SMALL MEDIUM ENTERPRISES (MSMES). *Quantum Journal of Social Sciences and Humanities*, 5, 16-28. https://doi.org/10.55197/qjssh.v5i1.323

Woo, M. Y., Frank, J. R., & Lee, A. C. (2014). Point-of-care ultrasonography adoption in Canada: using diffusion theory and the evaluation tool for ultrasound skills development and education (ETUDE). *Canadian Journal of Emergency Medicine*, *16*(5), 345-351.