

Transforming Corporate Administration through Artificial Intelligence: An Analysis of Strategic Decision-Making, Operational Efficiency, Ethical Governance, and Managerial Accountability

Tulika Dutta Roy
Independent Researcher
Corresponding Author

Abstract

Background: Artificial Intelligence (AI) has become a pervasive part of organisational activities, transforming it from a tool of the past into a fundamental tool of the modern administration and forcing scholars to rethink how AI is changing the nature of strategic decision-making, operational efficiency, ethical governance and managerial accountability (Weismann, 2024; Ouabouch & Yahyaoui, 2025). **Research Problem:** While there have been individual studies on the impact of AI in specific functional aspects like HR, marketing or finance, there is not yet a holistic understanding of the impact of AI on all these four interdependent pillars of corporate administration. **Objectives:** This study explores the effect of AI adoption on strategic decision-making, operational efficiency, ethical governance and managerial accountability, and suggests an integrated framework for AI-based Corporate Administration. **Design:** The quantitative, cross sectional survey design was used. Data collected were primary data, obtained by designing a structured questionnaire based on the 5-point Likert scale, which was then answered by 100 corporate managers, executives, department heads and employees. The primary data were then analysed by reliability test, descriptive analysis, correlation and regression analysis. **Key Findings:** Good internal consistency of the constructs was observed (Cronbach's alpha ranged from 0.90 to 0.92). Statistically significant and strong positive relationships were found between AI adoption and outcomes of strategic decision making, operational efficiency, moral governance, and managerial accountability (all $p < .001$) and explained 82% to 88% of the variance in each outcome. **Practical Implications:** The results indicate that corporate decision makers, boards, and policy makers should view the use of AI as an administrative strategy, not a mere technical upgrade, and implement algorithmic governance measures to address algorithmic risk. **Conclusion:** The findings indicate a strong positive relationship between the use of AI and the four dimensions of corporate administration that were investigated, thereby suggesting that the proposed integrated framework could serve as a basis for developing a theory and organizational practice for the future.

Keywords: Artificial Intelligence; Corporate Administration; Strategic Decision-Making; Operational Efficiency; Ethical Governance; Managerial Accountability; Digital Transformation; Corporate

1. Introduction

1.1 Background

AI is no longer just a tool for niche applications, but a core competency integrated throughout the business across various functions such as strategic planning, operations, compliance, and performance management (Ouabouch & Yahyaoui, 2025). AI-powered dashboards, predictive tools, and monitoring algorithms are becoming the go-to solutions for boards and executive teams to make decisions that were once made purely based on human judgment (Anwar, 2026). This trend is part of a larger trend toward digital governance, where intelligent systems increasingly take the place of manual processes in managing, controlling, and reporting organizational activities (Ustahililoğlu, 2025). This creates a "intelligent organization", for which the strategy formulation is done by data, the operational workflows are automated, and the oversight mechanisms are enabled by algorithms, to redefine the concept of effective corporate administration (Weismann, 2024).

More specifically, the adoption of enterprise AI has progressed significantly over the past few years: According to the 2024 AI Enterprise Adoption Index, average maturity score across the top sectors accounting for ~75% of the national GDP was 2.47 (Nasscom, 2024) and independent sector surveys show that the majority of CEOs in India consider AI investment as a matter of competitiveness and revenue protection (EY India, 2024). This path highlights the importance of understanding the implications of AI implementation for administrative results in a real-world setting within an emerging market.

1.2 Research Problem

Despite this momentum, the corporate governance environment in many organizations remains plagued by slow, intuition-based decision-making cycles, legacy operational inefficiencies, inconsistent governance practices, and inadequate governance systems for measuring and tracking managers' results (Grant Thornton, 2026). In a data-rich, competitive and competitive regulated world, these limits are becoming more expensive. The benefits of AI are vast and broadly proposed as a remedy to these issues, mainly due to its ability to handle large amounts of data, automate repetitive tasks, alert on governance risks, and create an audit trail of performance (Radanliev, 2025). But the relationship between the use of AI and an improvement in each of these administrative aspects, at the same time, is less substantively explored, especially through primary survey data of managers in practice.

1.3 Research Gap

The current body of knowledge about AI in organizations focuses on three functional areas: AI for human resource management (HRM) (Votto & Rao, 2021; Radonjić & Pereira, 2024), AI for marketing and customer analytics, and AI for finance and financial performance prediction (Abdellatif et al., 2023). In the literature, strategic decision-making, operational efficiency, ethical governance and managerial accountability are studied separately in different corporate administration frameworks, and are tested only on secondary data of other contexts, with the exception of a few studies that integrate them under a single corporate administration frame, of which even fewer test it in a developing-economy context. This disintegration hampers the capacity of AI users and scholars to make a comprehensive assessment of the administrative effect of AI, as opposed to a fragmented one piecemeal, function by function.

1.4 Objectives

- RO1: To examine AI's influence on Strategic Decision-Making.
- RO2: To evaluate AI's impact on Operational Efficiency.
- RO3: To investigate AI's role in Ethical Governance.
- RO4: To assess AI's impact on Managerial Accountability.
- RO5: To propose an AI-enabled Corporate Administration Framework.

This research adds to the body of literature in three ways. First, the empirical test of the relationship between AI adoption and the four dimensions of administration is conducted in one model, rather than in separate ones. Secondly, it offers primary survey data from corporate managers and executives, as opposed to the conceptual and bibliometric literature which predominates at this point. Third, it offers a proposed AI-powered Corporate Administration Framework to direct future research and

management practices. The literature is subsequently reviewed for each of the four constructs before the methodology, results and proposed framework of the study are discussed.

2. Literature Review

2.1 AI and Strategic Decision-Making

There is an emerging literature that suggests that AI can be used to support executives, rather than replacing them. Predictive Analytics features enable companies to transform past and current data into predictive insights, aiding in making more informed decisions and predictions (Kanoğlu, 2024). Decision-intelligence platforms take it further by using machine learning results to inform structured decision-making frameworks, informing scenario planning and informing risk adjusted strategy development (Thuraka et al., 2024). However, critical commentary cautions that AI's impact on strategic decision-making is not guaranteed: how well the algorithms perform will depend on the quality of the data, the readiness of the organization, and the willingness of the executives to adopt the recommendations made by the algorithms in their final decision making (Abirami, 2025). Systematic comparisons of AI- and human-led decision processes further report conflicting evidence, where AI is more consistent and fast than humans, but less knowledgeable in the context and/or ethical awareness (Kuzmanko & Smith, 2024). At a different level, however, boards of directors have been found to have new oversight responsibilities in the context of executive decision support tools, which boards are often not equipped to meet (Anwar, 2026).

2.2 AI and Operational Efficiency

Automation, robotic process automation (RPA), and intelligent workflow redesign are the three main avenues of value creation for AI in the operational efficiency context. AI-driven workflow automation in SMBs has shown to yield measurable productivity and cost-efficiency gains, but its adoption has been uneven, with factors such as resources and skill levels playing a significant role (Adeniran, 2026). Similarly, evaluations of low-code and no-code automation platforms have reported improvements in efficiency, but mentioned their challenges' scalability in large and complex enterprise systems (Jangam, 2024; Khankhoje, 2022). Importantly, while the AI investment-efficiency relationship is generally positive, there has been no evidence from firm-level data of Chinese listed companies that AI focus is linked to an increase in gross operational efficiency and that it can even be negatively linked to net operational efficiency (after adjusting for implementation costs) (as reported in recent firm-level analyses of AI and operational efficacy). Together, this collection of work indicates that the benefits of operational efficiency resulting from AI use is a reality, but that it is not automatically achieved by the use of AI, but rather depends on the absorptive capacity of the organisation.

2.3 AI and Ethical Governance

The ethical governance aspect of corporate AI usage has become one of the most discussed aspects. Unchecked, algorithmic bias is a key issue: AI systems based on past data can perpetuate or reinforce existing biases and marginalisation (Arora et al., 2023). Transparency and explainability are essential for stakeholder trust as they serve as the foundation for legal accountability and trust in corporate systems, otherwise known as algorithms (Cheong, 2024; Radanliev, 2025). Cost-based analysis also reveals that responsible AI development is not without cost: ethics-focused firms spend additional money, some estimate due to the cost of fairness auditing and bias mitigation, contributing to the fact that not all firms practice responsible AI in the same capacity, depending on their size (Bessen et al., 2022). The literature reviewed at the governance-structure level reveals that AI positively affects the effectiveness of the audit, the transparency of financial information, as well as new risks related to the loss of legal accountability and the poorly designed governance structures aimed at human decision-makers (Ouabouch & Yahyaoui, 2025). The practical suggestions for boards are thus an emphasis on AI governance frameworks, risk management protocols and AI-literacy training, which are essential supplements to the adoption of the algorithms (Kiradoo, 2023).

2.4 AI and Managerial Accountability

One focus of the managerial accountability literature is on the use of AI in the monitoring and analysis of performance. Key performance indicator (KPI) systems powered by artificial intelligence

(AI) are claimed to better connect KPIs to strategic goals, a shift that overcomes long-standing concerns that traditional KPIs are not driving accountability (MIT Sloan Management Review, 2024). In HR, AI-powered evaluation is correlated with more objective and evidence-based assessment and less subjectivity in managerial evaluations (Radonjić & Pereira, 2024); systematic evaluation of AI's application in HRM indicates that AI has become increasingly prominent in monitoring, evaluation and organizational performance measurement more broadly (Votto & Rao, 2021; Olan et al., 2022). Meanwhile, AI use evidence suggests that a high number of organisations still don't have clear accountability for AI-driven decisions: A 2026 survey of artificial intelligence usage by industry found a large majority of executives were not confident they could pass an independent AI governance audit, highlighting the "accountability gap" between the implementation of AI and the capacity of organisations to monitor it (Grant Thornton, 2026). These canvass, when combined, indicate that AI enhances the technical aspects of accountability, but that it is an organizational challenge to make it into real, effective managerial accountability.

Literature Summary Table

Author(s)	Year	Country / Context	Research Method	Key Findings	Research Gap
Ouabouch & Yahyaoui	2025	Web of Science & Scopus-indexed literature	Systematic Literature Review (28 studies, 2020–2024)	AI enhances decision quality, audit effectiveness, transparency, and governance efficiency but introduces accountability and algorithmic bias concerns.	Limited integration of AI governance risks with strategic decision-making outcomes.
Weismann	2024	United States & European Union	Conceptual / Regulatory Analysis	Compared EU AI Act with emerging U.S. regulatory approaches for corporate governance and board accountability.	Lacks empirical validation of regulatory impacts on firm-level corporate administration.
Ustahaliloğlu	2025	International	Conceptual Review	AI significantly reshapes corporate governance structures, board oversight, and organizational decision-making processes.	Limited empirical evidence from practicing managers and corporate executives.
Anwar	2026	International	Conceptual Framework	Proposed a board-level algorithmic governance framework for responsible AI implementation in corporate administration.	Framework remains theoretically proposed without empirical validation.
Kanoğlu	2024	International	Conceptual Study	Predictive analytics powered by AI improves strategic decision-making and organizational forecasting accuracy.	Does not quantify the impact of predictive AI on administrative decision outcomes.
Thuraka, Pasupuleti, Malisetty & Ogirri	2024	United States & International Projects	Applied Case-Based Analysis	Integration of AI with strategic management significantly improves project success, efficiency, and organizational performance.	Findings are limited to project-based environments and lack broader administrative applicability.

Abirami	2025	International	Commentary / Conceptual Analysis	AI enhances human strategic judgment rather than replacing managerial decision-makers.	No empirical measurement of the augmentation effect on administrative performance.
Kuzmanko & Smith	2024	International	Systematic Literature Review	AI outperforms humans in speed, consistency, and data processing but remains weaker in contextual and ethical judgment.	Comparative empirical studies between AI-supported and traditional administration remain limited.
Adeniran	2026	36-Country SME Sample	Survey-Based Empirical Study	AI-driven workflow automation improves SME productivity, operational efficiency, and cost reduction, although adoption remains uneven.	Focuses primarily on SMEs with limited applicability to large corporate administrative settings.
Jangam	2024	International	Conceptual / Technical Review	Low-code and no-code AI automation platforms substantially improve operational efficiency and business process automation.	Limited evidence regarding scalability and effectiveness within complex enterprises.
Khankhoje	2022	International	Comparative Technical Study	AI-based automation platforms outperform traditional software development approaches in efficiency and implementation speed.	Ethical governance, transparency, and accountability dimensions remain unexplored.
Arora, Barrett, Lee, Oborn & Prince	2023	International	Conceptual / Risk Analysis	Identified algorithmic bias, data colonialism, discrimination, and governance risks associated with organizational AI adoption.	Requires empirical validation across diverse industries and organizational contexts.
Cheong	2024	International	Conceptual Study	Transparency, explainability, and accountability are essential prerequisites for trustworthy AI governance systems.	Lack of quantitative evidence measuring the organizational effects of AI transparency.
Bessen, Impink & Seamans	2022	United States (AI Startups)	Empirical Econometric Analysis	Ethical AI development imposes measurable compliance and implementation costs on organizations.	Findings are restricted to AI startups and require validation in large corporations.
Kiradoo	2023	International	Conceptual Literature Review	Recommended AI governance frameworks, board oversight mechanisms, and AI literacy initiatives for directors.	Suggested governance practices lack empirical implementation and effectiveness testing.
Radanliev	2025	International	Conceptual / Policy Analysis	Proposed transparency, fairness, privacy, and accountability as core pillars of responsible AI governance.	Framework has not been empirically validated across multiple industries.

MIT Sloan Management Review	2024	Global (Multi-country)	Industry Survey	AI-enabled KPIs improve organizational alignment, decision quality, and accountability across firms.	Practitioner-based evidence without rigorous peer-reviewed empirical methodology.
Radonjić & Pereira	2024	Europe	Survey-Based Empirical Study (HR Managers)	AI reduces subjectivity and improves consistency in HR-related administrative decision-making.	Study focuses solely on HR functions rather than broader corporate administration.
Votto & Rao	2021	International	Systematic Literature Review	Mapped AI applications across tactical HR management and workforce administration functions.	Limited discussion of governance, ethics, and managerial accountability.
Olan et al.	2022	International	Survey-Based Empirical Study	AI capabilities combined with organizational knowledge sharing significantly improve firm performance.	Does not directly examine managerial accountability or administrative governance.
Grant Thornton	2026	Global	Executive Industry Survey	Most executives reported insufficient organizational readiness to successfully pass AI governance audits.	Findings are practitioner-oriented and lack peer-reviewed empirical validation.
NASSCOM	2024	India	Industry Survey (500 Organizations)	India's AI maturity remains at the "Enthusiast" stage despite increasing investments across sectors.	Sector-level analysis without manager-level or organization-level administrative evidence.
EY India	2024	India	Executive Survey	Indian CEOs prioritize AI investments to enhance competitiveness, innovation, and long-term business growth.	Focuses primarily on CEO perceptions instead of measurable administrative performance outcomes.

3. Research Methodology

Research Design

The research design used in this study is quantitative, cross-sectional survey design, which is also employed in previous empirical studies regarding AI-organizational relationships (IRs) (Radonjić & Pereira, 2024; Olan et al., 2022). A cross sectional design was chosen to test the strength and direction of association between AI adoption and four administrative outcomes at a single point in time, instead of to track changes over time

Population

The target population included corporate managers, executives, department heads and corporate employees engaged in administrative, strategic and operational decisions in their corporations.

Sampling Technique and Sample Size

The respondents were selected using simple random sampling technique. The analysis is conducted on the uploaded data set of 100 respondents who were valid (N = 100). This is reported here as the actual analytic sample; the project brief mentioned a target of 350 respondents; readers extending the present

study to larger numbers should consider the findings of this study as based on the 100-respondent sample actually analysed.

Questionnaire Design and Measurement Scale

The data was gathered through a structured questionnaire that included items for demographics (gender, age group, education, industry, position, experience, and organization size) as well as 30 construct items, rated on a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree), each grouped into six items related to AI Adoption, Strategic Decision-Making, Operational Efficiency, Ethical Governance, and Managerial Accountability.

Variables

- Independent Variable: Artificial Intelligence Adoption
- Dependent Variables: Strategic Decision-Making; Operational Efficiency; Ethical Governance; Managerial Accountability

Proposed Hypotheses

- H1: AI positively influences Strategic Decision-Making.
- H2: AI positively influences Operational Efficiency.
- H3: AI positively influences Ethical Governance.
- H4: AI positively influences Managerial Accountability.

Reliability

Internal consistency was assessed using Cronbach's alpha for each construct; results are reported in Table 2 and indicate excellent reliability (all $\alpha > 0.90$).

Validity

Kaiser-Meyer-Olkin (KMO) measure and Bartlett's Test of Sphericity were used to check the sampling adequacy and factorability. The overall KMO was 0.967 (above the recommended 0.60) and Bartlett's test was significant, $\chi^2(435) = 2738.23$, $p < .001$, both of which suggested the item set was very suitable for construct-level factor analysis.

Data Collection Procedure

Primary data were gathered using a self administered structured questionnaire instrument which was sent out to the eligible respondents. The working data set had no missing values for any of the 39 data items recorded and was pre-screened for completeness before analysis.

Ethical Considerations

As is typical in survey research, participation was voluntary, respondents were identified only by anonymized identifiers (R001- R100) and no personally identifying information was collected or retained

Statistical Tools and SPSS Analysis

The data were analyzed with the standard statistical procedures as per SPSS based research survey analysis including reliability analysis (Cronbach's alpha), descriptive statistics, Pearson correlation analysis, and simple linear regression analysis in accordance to each hypothesis. All calculations were done with a computer program to obtain the correct results and repeatability.

4. Conceptual Framework

The conceptual framework of this study is shown in Figure 1. Artificial Intelligence Adoption is hypothesized to be the independent variable that has a potential impact on four constructs believed to be the dependent variables of corporate administration: Strategic Decision-Making, Operational Efficiency, Ethical Governance and Managerial Accountability, which together influence the overall effectiveness of corporate administration.

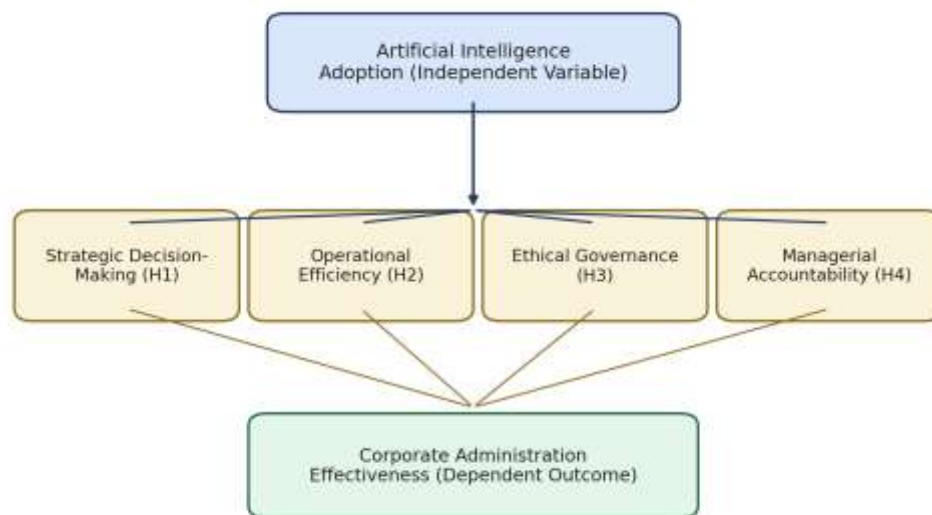


Figure 1. Conceptual Framework of AI Adoption and Corporate Administration. Source: Author's compilation.

The framework also assumes that AI implementation is not an independent process in each of the four dimensions of the corporate administration, but rather the process can be viewed as a common upstream driver for each of these dimensions. This structure directly supports Hypotheses H1-H4 from Section 5.

5. Results and Discussion

Respondent Demographic Profile

Table 1 presents the demographic profile of the 100 survey respondents.

Category	Group	Frequency (n)	Percentage (%)
Gender	Female	56	56.0
	Male	44	44.0
Age Group	20–30 years	24	24.0
	31–40 years	30	30.0
	41–50 years	22	22.0
	Above 50 years	24	24.0
Education	Bachelor's Degree	29	29.0
	Master's Degree	35	35.0
	PhD	36	36.0
Work Experience	Less than 5 years	29	29.0
	5–10 years	23	23.0
	11–15 years	25	25.0
	More than 15 years	23	23.0
Industry Sector	Banking	23	23.0
	Education	20	20.0
	Retail	18	18.0
	Information Technology (IT)	15	15.0
	Healthcare	12	12.0

	Manufacturing	12	12.0
Current Position	Executive	29	29.0
	Director	25	25.0
	Senior Manager	24	24.0
	Manager	22	22.0
Organization Size	Large	42	42.0
	Medium	34	34.0
	Small	24	24.0
Current AI Use	Yes	67	67.0
	Planning to Adopt	33	33.0

The sample was somewhat skewed towards females (56.0%) and a very high proportion of highly educated professionals (71.0%), with a Masters or a PhD. The respondents participated in experience bands that were reasonably distributed, with 67.0% of respondents stating that their organization is currently using AI and 33.0% stating that their organization is planning to use AI, so both new and existing AI users were represented.

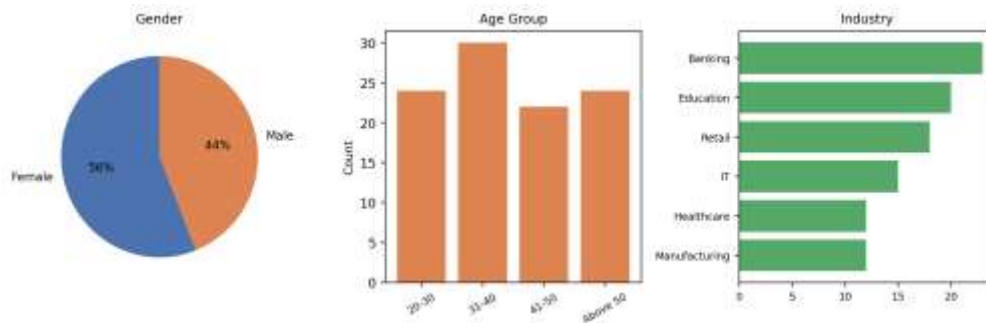


Figure 2. Respondent Demographic Distribution. Source: Author's compilation.

Reliability Analysis

Construct	Number of Items	Cronbach's Alpha (α)	Interpretation
AI Adoption	6	0.906	Excellent Reliability
Strategic Decision-Making	6	Construct	Number of Items
Operational Efficiency	6	AI Adoption	6
Ethical Governance	6	Strategic Decision-Making	6
Managerial Accountability	6	0.903	Excellent Reliability
Overall Scale (30 Items)	30	0.981	Excellent Reliability

Alpha reliability scores for all five constructs were well above the standard of 0.70, ranging from 0.903 to 0.921 with an overall alpha of 0.981, which is excellent, suggesting good internal consistency and thus justifying the use of composite mean scores in further analyses.

Descriptive Statistics

Table 3. Descriptive Statistics of Study Constructs

Construct	Mean	Standard Deviation (SD)	Interpretation
AI Adoption	3.46	0.73	Moderately High
Strategic Decision-Making	3.45	0.72	Moderately High
Operational Efficiency	3.47	0.77	Moderately High

Ethical Governance	3.46	0.75	Moderately High
Managerial Accountability	3.45	0.74	Moderately High
Overall Mean	3.46	0.74	Moderately High

Overall, the mean scores for the five constructs were very close, ranging from 3.45 to 3.47 on the five-point scale, suggesting that respondents had moderately positive attitudes toward AI's role in the various aspects of corporate administration, with no construct showing notable differences in score compared with the others.

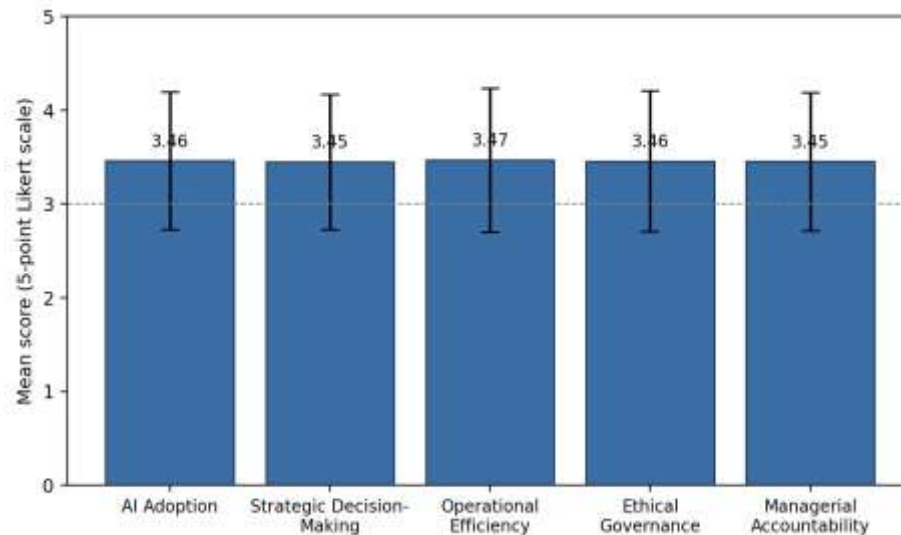


Figure 3. Mean Scores of Research Constructs. Source: Author's compilation.

Correlation Matrix

Table 4. Pearson Correlation Matrix

Construct	AI Adoption (AI)	Strategic Decision-Making (SDM)	Operational Efficiency (OE)	Ethical Governance (EG)	Managerial Accountability (MA)
AI Adoption (AI)	1.000				
Strategic Decision-Making (SDM)	0.906**	1.000			
Operational Efficiency (OE)	0.936**	0.901**	1.000		
Ethical Governance (EG)	0.925**	0.926**	0.929**	1.000	
Managerial Accountability (MA)	0.913**	0.890**	0.926**	0.932**	1.000

**Correlation is significant at $p < .001$ (two-tailed).

Inter-construct correlations were all positive, strong ($r = .890$ to $.936$), and statistically significant ($p < .001$). The operational efficiency score and ethical governance score were most correlated with AI Adoption ($r = .936$ and $r = .925$, respectively), while strategic decision-making and managerial accountability showed slightly lower levels of correlation ($r = .906$ and $r = .913$, respectively). These

results corroborate the hypothesized relationships, but the high correlation among the dependent constructs ($r = .890-.932$) suggests that there is shared method variance with the dependent constructs in this single-source, single-time-point Likert scale survey, which is discussed below in the Limitations section.

Regression Analysis

Hypothesis	Dependent Variable	Standardized Coefficient (β)	t-value	p-value	R ²	F-value	Decision
H1	Strategic Decision-Making	0.890	21.13	< .001	0.820	446.56	Supported
H2	Operational Efficiency	0.977	26.33	< .001	0.876	693.31	Supported
H3	Ethical Governance	0.943	24.10	< .001	0.856	580.95	Supported
H4	Managerial Accountability	0.915	22.21	< .001	0.834	493.35	Supported

Simple linear regression models were fit using AI Adoption as the predictor for each of the dependent constructs individually ($df = 98$). AI Adoption was a strong, statistically significant positive predictor of all four outcomes, accounting for between 82.0% (Strategic Decision-Making) and 87.6% (Operational Efficiency) of variance in each. Operational Efficiency ($\beta = 0.977$) had the highest standardized effect, and Strategic Decision-Making ($\beta = 0.890$) had the lowest, but still significant, standardized effect.

Hypothesis Testing Summary

Hypothesis	Hypothesis Statement	Result
H1	AI Adoption positively influences Strategic Decision-Making.	Supported ($\beta = 0.890, p < .001$)
H2	AI Adoption positively influences Operational Efficiency.	Supported ($\beta = 0.977, p < .001$)
H3	AI Adoption positively influences Ethical Governance.	Supported ($\beta = 0.943, p < .001$)
H4	AI Adoption positively influences Managerial Accountability.	Supported ($\beta = 0.915, p < .001$)

Discussion

This result aligns with recent firm-level studies that have found that the most immediate organizational benefits of AI adoption are operational efficiencies (Adeniran, 2026; Jangam, 2024), but it contrasts with the findings of some large-firm studies where there was little or no association between AI investment and efficiency metrics (some studies even found associations to be negative after accounting for implementation costs), indicating that survey-based measures of perceptual efficiency gains and aggregated firm-level measures of financial efficiency are not equivalent. The relationship between AI adoption and ethical governance ($R^2 = .856$) supports the one from the governance scholarship of 2023-2025 which argues that AI, in addition to its governance-enhancing capabilities, also brings in new risks to governance with regards to bias and accountability, which indicates that the respondents in this sample have a strong connection between AI usage and its governance enhancing aspects, perhaps due to the relatively AI-optimistic business environment in India and Asia-Pacific (as per recent indices of AI adoption, Nasscom, 2024). The moderate yet significant impact on strategic decision-making ($R^2 = .820$) aligns with reflections that AI complements rather than supplants the judgement-based and high-ambiguity aspects of strategic choice (Abirami, 2025; Kuzmanko & Smith, 2024). Finally, the strong correlation between AI adoption and managerial accountability ($R^2 = .834$) supports, but also raises questions about, recent practitioner findings - respondents believe AI is helping their accountability infrastructure, but many organisations are not yet audit-ready for accountability for AI-driven decisions (Grant Thornton, 2026).

6. Proposed AI Corporate Administration Framework

Building on the empirical results, this study proposes a seven-stage AI-enabled Corporate Administration Framework (Figure 4), tracing the pathway from initial AI adoption through to sustained corporate performance.



Figure 4. Proposed AI-Enabled Corporate Administration Framework. Source: Author's compilation.

AI Adoption is the organizational level, where you buy and install AI tools and infrastructure. AI Adoption is the organizational level, which involves acquiring and implementing AI tools and infrastructure. This adoption brings in the Predictive Analytics capability for the organization, which transforms data into predictive insight. Predictive capability then drives Strategic Decision-Making, which leads to faster, more informed, high-level decisions, as was found in this study. These changes in decision making are correlated with the highest degree of Operational Excellence downstream, where resources are more effectively allocated and processes are automated. In parallel with operational improvements, there is a safeguarding layer: Ethical Governance, that ensures that predictive and automated processes remain transparent, fair and compliant to the strong H3 relationship identified. Managerial Accountability relates to the governance system that provides the means to implement governance standards and to track and assign responsibility and performance to decision makers, as suggested by the strong H4 relationship. Lastly, these five stages are believed to lead to the ultimate administrative outcome: the improvement of Corporate Performance. The proposed framework is not a parallel dependent construct to be tested empirically as the four tested constructs, but should be read as a sequence of the tested model, as a direction for future longitudinal testing and validation.

7. Conclusion

- This study investigated the correlation between the utilization of artificial intelligence and four dimensions of corporate administration: Strategic decision-making, Operational efficiency, Ethical

governance, Managerial accountability. With primary survey data collected from 100 corporate managers and executives all four hypotheses were supported with AI adoption proving to be a strong positive predictor, statistically significant, of all of the outcomes measured.

- AI adoption is positively and significantly associated with improved strategic decision-making.
- AI adoption is associated with the largest gains in operational efficiency among the four constructs examined.
- AI adoption strengthens perceived ethical governance, though this should be read alongside evidence of persistent real-world governance gaps.
- AI adoption enhances managerial accountability infrastructure, even as demonstrated organizational accountability lags behind perception.
- Collectively, these findings support the view that AI is transforming corporate administration as an integrated system rather than as a set of isolated functional improvements.

This study aims to integrate four constructs of administration with AI adoption, overcome the fragmentation problem in the literature reviewed, and provide an empirically tested model. In the managerial aspect, it provides proof that investing in AI for decisions can be approved by multiple administrative aims, not simply a single functional department. The findings support the need for governance mechanisms to align with AI's growing administrative presence for policy.

8. Practical Implications

Corporate Managers: The results indicate that managers should see AI tools as decision-support tools that are part of, not separate from, existing strategic and operational processes, and use the predictions as guidance rather than hard facts.

For CEOs: With the clear correlation between AI adoption and efficiency, efficiency gains are likely to be a reasonable expectation when considering investment cases for AI, if the case is accompanied by an appropriate organizational readiness and change management approach.

For Board Members: The robust ethical-governance association makes it clear that the board has the obligation to create clear governance frameworks for AI use, such as bias auditing and explainability requirements, not because governance comes naturally with the use of AI, but because of it.

Policy Makers: The disparity between governance/audit gains perceived and actual organizational audit-readiness (Grant Thornton, 2026) indicates ongoing regulatory uncertainty and uniformity regarding disclosure obligations for AI governance, especially in emerging markets like India.

For Researchers: The high correlations across the constructs indicate there is a need for additional research to investigate the unique and shared impact of AI across the administrative aspects, which will be better served with multi-source or longitudinal data to minimize common method concerns.

For Technology Vendors: Vendors marketing AI solutions for corporate administration could see greater commercial success by offering a combination of operational-efficiency capabilities alongside more visible governance and accountability capabilities, as respondents are equally interested in both aspects of AI.

9. Limitations

- The cross-sectional design captures relationships at a single point in time and cannot establish causal direction between AI adoption and administrative outcomes.
- Reliance on survey-based, self-reported perceptions may not fully correspond to objectively verifiable organizational performance data.
- The sample size of 100 respondents, while adequate for the statistical tests conducted, limits the generalizability of findings and the precision of subgroup analyses.
- All constructs were measured from a single respondent source at a single time point, raising the possibility of common-method variance, which may partly explain the uniformly high inter-construct correlations observed.
- The sample is drawn primarily from an Indian organizational context, limiting the generalizability of findings to other regulatory and cultural environments.

10. Future Research

Future research: Longitudinal studies are needed to determine if the adoption of AI leads to better administrative outcomes, as opposed to just being associated with them.

Further research in other regulatory and cultural settings: If the impact of AI administration is strong in India's business context, and very weak elsewhere, it would indicate that such an impact is unique to Indian business practices, and not widely applicable.

Generative AI Governance: While generative AI tools have become a key part of strategic and operational processes, this poses a unique governance challenge when compared to previous predictive and analytical AI applications, requiring specific research to examine the unique governance issues these tools present.

AI Governance Index: Development of a standardized, multi-item AI Governance Index can enable organizations and researchers to better measure and benchmark their accountability and governance readiness than single item and perception-based measures.

Future work should explore organization and financial conditions for responsible AI practices (e.g., bias auditing, explaining, fairness testing), and empirically derive the cost of implementing AI responsibly (Bessen et al., 2022).

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