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ROLE OF ARTIFICIAL INTELLIGENCE IN SHAPING A NEW MODEL OF ORGANIZATIONAL MANAGEMENT

The rapid development and widespread adoption of artificial intelligence (AI) technologies determine the high relevance of studying their role in shaping a new model of organizational management. In the context of digital transformation, globalization, and increasing environmental uncertainty, traditional management approaches are becoming less effective, necessitating the transition to more flexible, adaptive, and data-driven systems. AI is no longer perceived merely as a technological tool but rather as a strategic factor that fundamentally transforms organizational processes, decision-making mechanisms, and leadership models [1, 9].

Artificial intelligence significantly enhances the quality and speed of managerial decision-making through advanced data analytics and real-time processing capabilities. AI systems are able to analyze vast volumes of structured and unstructured data, identify hidden patterns, and generate predictive insights that support strategic planning, risk management, and optimal allocation of resources [3]. The implementation of AI-driven management control systems contributes to increased organizational agility and operational efficiency, enabling companies to anticipate changes in the external environment and respond proactively [5].

At the same time, AI is reshaping organizational structures by reducing the need for rigid hierarchical systems and fostering more decentralized, flexible, and network-based forms of management. The emergence of AI-supported organizational models, including decentralized autonomous organizations (DAOs), demonstrates a shift toward algorithmically mediated coordination and collective decision-making [7]. This transformation promotes more efficient information flows and empowers teams through access to data-driven insights.

The role of leadership is also undergoing significant transformation. AI automates routine managerial tasks, allowing leaders to focus on strategic, innovative, and human-centric functions such as fostering creativity, managing change, and developing organizational culture [4]. Digital leadership increasingly relies on AI-driven analytics to enhance productivity and support evidence-based decision-making processes. Moreover, AI contributes to leadership development by enabling personalized learning trajectories and identifying competency gaps among managers at different organizational levels.

Despite its significant advantages, the integration of AI into organizational management is associated with a range of challenges. Ethical issues, such as algorithmic bias, lack of transparency, and accountability gaps, pose serious risks to organizations and require the development of comprehensive governance frameworks [8]. Responsible AI governance involves multi-level regulatory and organizational mechanisms aimed at ensuring ethical implementation, minimizing risks, and enhancing overall corporate performance [6]. In addition to ethical concerns, AI has notable psychological and social implications. Its rapid implementation affects employee well-being, job satisfaction, and engagement, highlighting the importance of understanding human-AI collaboration

dynamics and their impact on organizational culture [2]. The concept of “meaningful human control” remains crucial, ensuring that human expertise retains oversight over AI-supported processes.

The successful implementation of AI requires effective change management strategies that address technological, organizational, and human factors simultaneously. Organizations must adopt a socio-technical approach and foster a dual-growth mindset that supports adaptability, continuous learning, and resilience in the face of rapid technological change. Furthermore, AI enhances knowledge management systems by improving knowledge sharing and decision-making processes, although it also introduces new ethical challenges related to data governance and interpretation.

In conclusion, artificial intelligence acts as a powerful catalyst for the transformation of organizational management, shifting it from reactive to predictive and adaptive models. It enables the transition from rigid hierarchical structures to flexible, network-based systems and supports the development of algorithmically augmented leadership. However, to fully realize the potential of AI, organizations must integrate technological advancements with robust ethical frameworks, adaptive leadership practices, and effective change management strategies.

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ORGANIZATION'S DIGITAL CULTURE AS A FACTOR IN SUCCESSFUL BUSINESS TRANSFORMATION

Digital transformation (DT) has become a key direction of modern organizational development; however, its success depends not only on the implementation of advanced technologies but also on profound changes in organizational culture. Digital culture encompasses a system of values, norms, beliefs, and behavioral patterns that shape how employees perceive and utilize digital technologies. It acts both as a prerequisite for and an outcome of digital transformation, determining the organization's ability to adapt to change and integrate innovation into its activities [1-2].

A well-developed digital culture ensures the effective integration of technologies into business processes, business models, and organizational structures. Organizations with a strong digital culture demonstrate superior transformation outcomes, including improved operational efficiency, increased revenue from digital products and services, and enhanced customer experience. In contrast, conservative, fragmented, or purely technocentric cultures often hinder the achievement of digital transformation goals, even when significant investments in technology are made [3]. Key characteristics of an effective digital organizational culture include a shift from risk aversion to experimentation, the elimination of organizational silos, the development of a customer-centric approach, and leadership that models digital behaviors. An essential element is the creation of psychological safety, which enables employees to share ideas openly, learn from failures, and continuously improve organizational processes [3].