The Impact of AI-driven leadership Capability on Sustainable Performance in the Egyptian Financial Regulatory Authority

Zeinab Younis 1

Associate Professor of Public Administration, Faculty of Business, Economics and Political Science, The British University in Egypt (BUE) Cairo, Egypt Email: zeinab.younis@bue.edu.eg

Bassant Adel²

Lecturer of Business Administration, Faculty of Business Administration, Economics and Political Science, The British University in Egypt (BUE) Cairo, Egypt

Email: bassant.adel@bue.edu.eg

Abstract This study investigates the influence of AI-driven leadership capabilities on sustainable performance within the Egyptian Financial Regulatory Authority. There is a growing need to understand the impact of AI technology on shaping leadership roles in Public Sector organizations. Despite emerging literature on AI's role in leadership, limited empirical research addresses its effect on performance in regulatory environments. The study aims to conceptualize and measure AI-driven leadership capabilities (Technological, Adaptive, and Transformational leadership) through the lens of Dynamic Managerial Capability theory and assess their effect on sustaining organizational performance in the Egyptian Financial Regulatory Authority. A cross-sectional quantitative design is adopted, using a structured survey administered to senior and mid-level leaders at the FRA. The study investigates how these AI-driven leadership capabilities contribute to sustained organizational performance. This research offers practical implications for policymakers by providing actionable insights into the competencies needed to lead effectively in AI-integrated environments. The study highlights critical gaps in readiness and digital capability that must be addressed to support sustainable systems. While prior research has explored AI-driven leadership in technology-intensive or private sector settings, this study pioneers by focusing on a public-sector regulatory body. This research extends existing literature and offers a unique empirical contribution to AI-leadership studies.

Keywords: AI-driven leadership, Dynamic Managerial Capabilities, Egyptian Financial Regulatory Authority, Sustainable Performance.

¹ ORCID ID: 0000-0003-3177-321X

² ORCID ID: 0000-0002-2015-7326

Introduction

In the dynamic global context of a world of management in the public and private sectors, the evolving relationship between Artificial Intelligence (AI) and Leadership presents a complex challenge: balancing the transformative potential of AI with the stability required for effective implementation. Within the framework of New Public Management, AI has reshaped leadership capability by enabling leaders to adapt and tailor their strategies across diverse organizational contexts and digital platforms. AI offers a variety of tools that allow leaders to tailor their approaches to specific situations including Data-driven analogies and algorithmic decision-making that shift human thinking towards digitalization, reflecting on future trends. This study draws on the Dynamic Managerial Capabilities (DMC) theory, which emphasizes technical, adaptive, and transformational leadership capacities falling under the broad spectrum of leadership capability. It investigates how AI-driven leadership can enhance employee motivation and performance in public sector organizations (Wijayati et al., 2022).

According to the World Economic Forum (2018), machine performance has risen from 29% to 42%, underscoring the growing necessity for leaders to integrate AI into their strategic processes. Similarly, the IFR International Federation of Robotics (2023) reported a 10% increase in robotic machine usage over human labor in 2022, further reinforcing the urgency of AI adoption. The role of AI as a disruptive innovation—bridging science and technology to accelerate production and improve organizational outcomes—has been widely examined. Esteve and Boyne (2013) highlighted the influence of technology as a non-human actor in Public Administration, noting that the integration of IT with leadership practices depends largely on top management's commitment to self-development. Subsequent research (Ali et al., 2023a; Lepri et al., 2018; Palos-Sanchez et al., 2022; Budhwar et al., 2022; Wilson & Daugherty, 2018) has demonstrated that AI applications can replicate human cognitive functions, prompting rapid shifts in organizational policies and workflows. As Hoa (2025) suggests, AI-driven leadership fosters employee resilience and enhances performance; however, a critical question remains: to what extent can leaders effectively customize AI tools to advance organizational goals?

Literature Review Dynamic Managerial Capabilities (DMC):

Digital managerial capabilities mainly originate from early Dynamic Capabilities Theory (Teece et al., 1997), which emphasizes how organizations adapt their capabilities to survive in challenging environments. The theory underscores the importance of technical AI skills for leaders, managers, and employees for leveraging opportunities and responding to disruptive breakthrough innovation. Felix and Lamar (2018) applied this theory to various styles of leadership, remarkably adaptive and transformational, highlighting their role in acquiring capabilities that enable timely, cyclical responses to change. Khin and Ho (2019) argued that DMC aligns with an organization's capacity to maximize the use of digital tools for innovation and operational efficiency. AI-driven leadership styles are the dots connecting the organizational culture and the philosophy of change (Sheshadri, 2020). According to Tekic and Fuller (2023), AI supports dynamic capabilities by enabling organizations to seize emerging technologies and transform resources in response to environmental shifts.

Human Capital Theory (Sweetland, 1996) also contributes to this discourse by positioning people as dynamic assets for organizational performance. Earlier research identified two critical factors impacting team dynamics in the process of leadership: the speed and the scope of strategic change implementation and the reconfiguration of resources, both now facilitated by AI-driven leadership (Adner, 2003; Zott, 2003; Sirmon et al., 2011 & Huynh, 2022). Holzmayer and Schmidt (2020) explored DMC's joint impact through managerial cognition, social and human capital, while Foss (2019) emphasized Managerial Meta-knowledge as essential when capabilities are lacking. In practice, AI tools are transforming leadership across sectors:

In the public sector, AI-based products may positively impact institutions' profitability when AI-enabled chatbots deliver to expectations and fill the gap between citizens and their governments, which is a new area under study (Yen & Chiang, 2021). Moreover, Healthcare systems use AI tools like Ask BOB and image-recognition systems to support diagnosis and treatment (Olano et al., 2019). To navigate the coming era for a better organizational performance, leaders have no options but mentoring skillful workers, enhancing their technological self-development, and powering themselves with AI tools to mend their deficiencies and avoid becoming obsolete (Teece, 2012).

AI-driven leadership Capability

The triarchic theory of intelligence advocates analytical, practical, and creative dimensions with Emotional Intelligence as a critical human factor (Hughes, 2022). AI-driven leadership aligns with "intelligence augmentation," enabling leaders to efficiently execute various functions, including planning, organizing, and decision-making, as well as enhance their cognitive abilities (Sim, 2019; Hassani et al., 2020; Quaquebeke et al., 2023). Wagner (2020) emphasized AI's role in strategy execution, while Xu et al. (2020) explored human-robot integration for adaptable work environments.

Strategy 2030 calls for intensive investment in AI capabilities to support sustainable practices (Jiao et al., 2024; Sahoo et al., 2024; Grybauskas et al., 2022). However, Di Vaio et al. (2020) noted that funding remains a challenge in developing countries. Organisational culture plays a pivotal role in embracing technological change, requiring visionary AI-driven leadership to enhance financial resilience and revenue generation, aligning with digital tools (Zahedi et al., 2023). AI enables leaders to identify deficiencies, predict financial crises, and adapt quickly to disruptions (Brink et al., 2024; Baabdullah, 2024). Its integration into leadership facilitates automated decision-making, business model reconfiguration, performance tracking, and enhanced communication (Saurabh, 2022). Mastery of AI-related skills—such as data analysis, machine learning, and neural networks—is essential for overcoming traditional market stagnation or "tangled-problems" in service delivery (Liu & Zheng, 2018; Al-Khatib, 2023).

Gartner (2021) advocated AI-driven leadership to improve production, extending a wider platform of citizens that employ digital servitization, which, according to Paschou et al. (2020) and Sjodin et al. (2021), refers to shifting from a product-centric to citizen-centric business model. The Resource-Based View suggests that AI leadership requires skills in vision sensing, speech recognition, and robotic comprehension (Mikalef & Gupta, 2021; Chowdhury et al., 2022; Schmid et al., 2021). Data-driven business models (DDBM) rely on data as a key resource to optimize performance and cost of resource utilization (Hartmann et al., 2016). Training programs are essential for skill acquisition, including programming, machine learning libraries, and distributed computing. Ethical implementation of AI requires risk committees to ensure inclusivity and transparency in the digital transformation journey (Kar, 2018). Trust between employees and digital platforms must be managed carefully, especially regarding job security (Wentrup et al., 2019). Cheng (2022) warned that automation may lead to workforce downsizing, posing challenges for AI leadership.

Organizational Sustainable Performance

Organizational sustainable performance reflects on the outcomes of business operations, whether in private or public sectors, based on efficiency and effectiveness, as it connects the use of capabilities and organizational resources to achieve sustainable objectives (Aljashaam, 2025). AI-driven leadership enhances sustainable performance through collaborative governance and technology integration (Hernandez, 2022). Bryson et al. (2015) emphasized collaborative planning in Public Management, supported by Actor-Network theory towards sustainable performance (Czarniawska, 2006; Saz-Carranza, 2011). Practices such as bridging, framing, and capacitating foster inter-institutional collaboration (Emerson & Nabatchi, 2015), which fosters governance efforts to span public, private, and civic sectors, with managerial leaders implementing technical standards and promoting innovation towards achieving organizational sustainable performance (O'Leary et al., 2012; Ansell & Gash, 2008). A shared digital culture ensures service continuity and transaction security, where motivation is a key to employees' adoption of innovation. Leadership must be on track for adopting technological innovations and understanding the construction of what motivates their teams to sustain their performance (Hartley, 2013).

The cross-disciplinary research on contemporary motivation intersects with the Behavioral Public Administration field in the public sector, aiming to update traditional models and theories. Motivation theories—from Vroom's expectancy theory to Lawrence and Nohria's Human Drive Theory—highlight emotional intelligence as central to performance (Robbins, 2024; Ambrose, 1999; Lawrence & Nohria, 2002). AI-driven leadership aligns with self-determination theory to transform workplace environments and boost productivity (Deci, 2013). Digital ecosystems enhance engagement, connectivity, and performance by altering job designs and expectations (Nagel, 2020; Islam et al., 2022). Agile leadership supports technology adoption by addressing employees' cognitive and social readiness (Cetindamar, 2021; Demircioglu, 2021; Zeier, 2021; Fernandes et al., 2023).

AI-driven Leadership and Organizational Performance

In the context of AI-driven leadership, DMC theory suggests that leaders equipped with AI-enhanced capabilities are better positioned to steer digital transformation and drive sustained performance (Hossain et al., 2025). Integrating AI technologies with leadership strategies will enable managers to make more informed, data-driven decisions, align organizational objectives with emerging opportunities, and adapt to shifts in the regulatory landscape when it comes to practice on Public Financial Institutions (Gazi et al.2024). Thus, AI-driven leadership, grounded in DMC, can significantly impact an organization's ability to perform effectively, sustain growth, and remain competitive in an increasingly complex and digital world.

This study addresses the gap in understanding the relationship between AI-driven leadership and sustainable performance in public sector organizations. Digital Leadership Theory (DLT) links technological knowledge with leadership qualities to foster a culture of AI adoption (Teece, 2007; Eberl et al., 2021; Khawaja & Hamdan, 2023; Lebrata, 2024). In Malaysia, Salamzadeh et al. (2021) found that organisational capabilities and AI-driven leadership training enhance sustainability. Big data and cloud computing are key enablers (Antonopoulou et al., 2021). Transformational leadership expands communication and engagement, redefining traditional styles (Cortellazzo, 2019). AI boosts performance in sectors like hospitality, telecommunications, automotive, retail, and energy through predictive maintenance, inventory management, and stakeholder engagement (Madanchia et al., 2024). Globally, AI supports financial services (Fintech), risk stabilization, and investor matching (Van Looy, 2021; Hossain et al., 2022). Financial governmental entities worldwide are leveraging AI technology in their operations to maximize organizational performance. This is achieved through various tools, including machine learning, advanced analytics, data processing, and design analysis, which help maintain automation, streamline processes, and enhance efficiency in various financial operations (Shah & Elizabeth, 2022). Technology facilitates immediate access to financial data and regulatory updates, enabling leaders to respond easily to evolving market conditions through digital platforms for remote collaboration and agile management practices, to improve operational efficiency across departments (Goraya et al., 2024). Hence, Financial authorities such as the FCA (UK), AFM (Netherlands), ASIC (Australia), and CONSOB (Italy) have adopted AI for decision-making (Byrne, 2022).

In Egypt, the FRA leverages AI to improve performance, transparency, and responsiveness (World Economic Forum, 2018; Omol, 2024). Its alignment with Vision 2030 underscores digital transformation across government sectors (Ministry of Planning and Economic Development, 2023). As AI tools enhance collaboration, feedback, and professional development, supported by continuous upskilling, the FRA emphasized the importance of human capital development in its digital strategy to make sure that each employee is equipped to operate in a technology-driven, regulatory, and responsive work environment (Financial Regulatory Authority, 2024). The efforts of the FRA in Egypt align with the literature of Policy Leadership Theory (PLT), which supports inter- and intra-organizational responses from multi-stakeholder collaboration for policy innovation, reflecting economic, institutional, and technological concerns (Tangonyire & Akuriba, 2020; Hofstad & Vedeld, 2021; Eriksen et al., 2021). Therefore, the following hypothesis is proposed:

H1: AI-driven leadership capabilities positively enhance organizational performance

Technical Leadership Capability and Organizational Performance

There is an urgent need for AI-driven leadership to be initiated in the public sector, as Kane et al. (2015) highlighted the difference between technical leadership styles and conventional ones, stressing the power of digital literacy and technological adaptability. From this perspective, the organization operates from multiple angles, including team synergy and reduced work stress, which aligns with contemporary leadership theories that emphasize matching leadership attributes and traits with the situation and individual productivity level supported by technology.

Technical leadership intervenes here to facilitate the context of technostress, the dark side of AI-driven leadership, when overruling ethical implications by deploying emotion-focused training programs using technology to steer acceptance of new technology (Zhao, 2020). Senior leaders must be trained for this change, as Davenport and Mittal (2020) suggest that failing to enrich the mindset for innovation with a reduction of defensive measures will render their leadership process akin to driving a car without looking in the rear-view mirror. Therefore, the following hypothesis is proposed:

H1a: Technical leadership positively enhances organizational performance

Adaptive Leadership and Organizational Performance

For Petry (2018), the adaptive capacity of digital leadership to invade a work environment must align with a high degree of intercultural competence to pave the way for cultural intelligence. The hypothesis aligns with exponential leadership styles, which transcend traditional task administration methods to capitalize on technological advancements, thereby enhancing employees' capacity to grow into more digital and coordinated networking.

Broekhuizen et al. (2023), argues that adaptive leadership leads to positive organizational performance through fostering innovation while Craig (2025) states that "power is a drug" and argues that the results will be only acquired if a relationship of trust and reciprocity is developed between the leaders and their subordinates to accept the level of adapting to change. Therefore, the advocacy here is to complement rather than to compete to pave the way for ethical implementation, where teamwork and the creativity of a human brain complement the rapidity and scalability of AI machines. The leader is the only person who can orchestrate this collaboration to foster synergy between employees and AI technology, and the leadership process in this direction enhances productivity in public sector organizations (Saleh, 2025). In the FRA, introducing new data analysis techniques, machine learning, and AI algorithms to employees reflects optimizing their role for more productive performance. This leads to the development of the following hypothesis:

H1b: Adaptive leadership capacity leads to positive organizational performance Transformational Leadership and Organizational Performance

Transformational leaders lead the future scope through motivational plans based on an attractive and well-articulated vision, assertiveness for introducing change derived from passion, and encouragement for team innovation through collaboration to create the bond needed to base collective purpose. In contrast, the transactional leadership style focuses on clear structures and processes. While both target efficiency and the achievement of established goals, Self-Determination theory acts more towards transformational form as it alleviates employees' autonomy, explores their creativity in a proactive way, and boosts work climate, leading to positive organizational performance (Thanh et al., 2022). In this context, the transformational AI leader facilitates technology discourse in a way that encourages employees to engage in their activities by embracing the organizational transformation needed (Chiu et al., 2022).

The role of leaders is crucial in inspiring motivation through a culture of self-determination, shaped by attitudes with a driving force, making their subordinates and employees feel related and supported (Ali et al., 2023). Moreover, it entails the creation of organizational commitment behavior from the employees' perspective, which is reflected in the quality of services provided and which is translated into the commitment of stakeholders. The hypothesis also aligns with Lin (2023), reflecting on the five-factor model as a tool of facilitation to better understand how transformational leadership is driven towards better solutions stemming from openness to experience and the extraversion trait of personality. Therefore, the following hypothesis is proposed:

H1c: Transformational Leadership has a positive impact on organizational performance

Research Problem

In recent years, artificial intelligence has begun to reshape how leaders make decisions, communicate, and set priorities. Yet, little is known about whether these AI-supported leadership practices can sustain long-term performance, especially in the Public Sector. Most existing studies treat AI and leadership as separate streams of inquiry or focus narrowly on private firms and technology-based industries. This leaves a gap in understanding how AI-enabled leadership works in organizations with different mandates, structures, and accountability pressures. Within Egypt, the Financial Regulatory Authority plays a central role in safeguarding market integrity and public trust. Still, no empirical research has examined how AI-driven leadership might influence its ability to sustain performance over time. The Dynamic Managerial Capability (DMC) framework offers valuable insight into how leaders adapt and reconfigure resources, yet in this context, it has only been explored qualitatively. As a result, there is no quantitative evidence to confirm its applicability to AI-supported

leadership in public institutions.

Additionally, there is an absence of tailored measurement tools that capture AI-leadership competencies in environments shaped by public mandates, regulatory requirements, and limited resources. Filling these gaps is crucial to building a more profound, evidence-based understanding that can guide both theory development and policy action. This relationship is presented in Figure 1.

Theoretical Framework of the Study

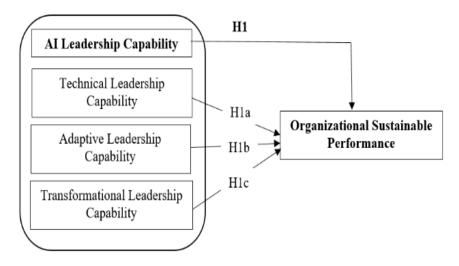


Figure 1: Theoretical Framework

Source: Developed by authors

This study adopts a quantitative, cross-sectional research design to investigate the influence of technology-enabled leadership, with a particular focus on artificial intelligence (AI) applications, on employee motivation and organizational performance within the Egyptian Financial Regulatory Authority (FRA). The design is primarily descriptive and explanatory, aiming first to map current patterns of AI usage in leadership roles and then to examine the relationships between AI-driven leadership practices and observed outcomes. The core data collection method employed in this research is a structured self-administered questionnaire. The population under investigation comprises mid-level and senior managerial staff currently employed at the FRA. These individuals are strategically selected due to their direct involvement in leadership functions and their exposure to digital transformation initiatives within the authority. A **convenient sampling** technique was used, targeting individuals who are most likely to have relevant insights into AI-supported leadership practices. Due to restricted access within the FRA, convenience sampling was the most feasible method.

The target population size is approximately 900 respondents; however, the number of returned, valid, and complete questionnaires for analysis was 366, which is considered sufficient for quantitative analysis while maintaining statistical validity. The sample size of 366 exceeds the minimum required for regression analysis based on power analysis guidelines. This ensures adequate statistical power for the study. Data collection took place over three weeks during official working hours within the FRA premises and through secure online channels where applicable. Before distribution, participants received a research information sheet explaining the study's objectives, their rights as participants, and the voluntary nature of their involvement. All participants were informed about the study's purpose, ensured anonymity, and gave their informed consent to ensure ethical compliance. Ethical approval was obtained from the university's ethics committee, ensuring full compliance with institutional research standards and data confidentiality protocols. All responses were anonymized to protect the confidentiality and privacy of the participants. Collected data were securely stored and accessed only by the research team for analytical purposes.

Measurements

The survey instrument consisted of four main sections designed to measure AI-driven leadership capabilities and sustainable organizational performance. All items were rated using a 5-point Likert scale ranging from 1 (*strongly disagree*) to 5 (*strongly agree*). AI-driven leadership capabilities were assessed across three dimensions, adapted from the validated instrument developed by Hossain et al. (2025). These dimensions include **Technological leadership** (12 items), **Adaptive leadership** (14 items), and **Transformational leadership** (10 items). Sustainable performance was measured using 12 items adapted from Juo and Wang (2025). To ensure content validity, the instrument was reviewed by academic and industry experts in AI and Public Sector leadership. A pilot test was conducted with a small sample of 10 FRA experts to evaluate item clarity and structure. Based on feedback, minor modifications were made to improve language precision and contextual relevance. Reliability analysis showed that all constructs demonstrated acceptable internal consistency, with Cronbach's alpha values exceeding the standard threshold of 0.70.

Respondents Profile

At the time of data collection, the respondents' profile comprises 53.3% female (195) and 46.7% male (171) respondents from a total of 366 participants. The age distribution report reveals that 59% of individuals are aged over 45 and 29.5% between the ages of 35 and 45. Merely 11.5% of the population is under the age of 35. While the departmental distribution of the respondents reveals diverse representation across the Egyptian Financial Regulatory Authority (FRA), with the highest participation from Trading Oversight in Capital Markets at 27% (99 respondents), followed by Research and Business Development at 23.2% (85 respondents), Financing Management in the Capital Market Sector at 22.4% (82 respondents), and Media and Communication at 19.1% (70 respondents). Financial Literacy and Awareness accounted for 6% (22 respondents), while Legislation and Regulatory Instructions had the smallest share at 2.2% (8 respondents). The distribution of work experience indicates that a significant majority of respondents (84.4%) possess over nine years of experience, while only 11.5% have 1–4 years and 4.1% have 5–9 years of experience. Finally, the educational levels indicate a well-educated sample, with 50% of respondents possessing a master's or PhD degree and 40.2% holding a bachelor's degree.

Results

 Table 1: Descriptive Statistics

Minimum	Maximum	Mean	Std. Deviation	
2.750	5.00	4.08	0.542	
3.00	5.00	3.93	0.426	
2.00	5.00	3.91	0.61	
1.92	5.00	3.88	0.64	
2.94	5.00	3.97	0.44	
	2.750 3.00 2.00 1.92	2.750 5.00 3.00 5.00 2.00 5.00 1.92 5.00	2.750 5.00 4.08 3.00 5.00 3.93 2.00 5.00 3.91 1.92 5.00 3.88	

The descriptive statistics presented in Table 1 provide insight into the central tendencies and variability of the core variables in the study. Technological Capability shows the highest mean score of 4.08 (SD = 0.54), indicating that respondents strongly agree with the presence of technological competence among AI-driven leaders. The high mean score for **Technological Capability** suggests that respondents perceive AI-related technical leadership as prevalent and effective within FRA, aligning with our investigation into the role of technical skills in driving sustainable performance supporting (RQ1). Adaptive Capability has a slightly lower mean of 3.93 (SD = 0.43), reflecting a generally positive view of leaders' ability to adapt and respond to change using AI tools. Transformational Capability records a mean of 3.91 with a standard deviation of 0.61, suggesting

overall agreement but with slightly greater variability. The relatively high scores for **Adaptive** and **Transformational Leadership** reflect a generally favorable perception of leadership flexibility and vision, which directly supports the hypotheses exploring their influence on organizational outcomes, supporting respectively (RQ2 and RQ3). The dependent variable, Sustainable Organizational Performance, has a mean of 3.88 (SD = 0.64), showing a moderately positive perception of organizational outcomes. All variables fall within a 1-5 scale, and the consistent means near or above 3.9 suggest a favorable perception of AI-driven leadership and its impact.

Reliability and Validity Analysis

Acceptable values for reliability (Cronbach's Alpha) are: Excellent (≥0.90), Good (0.80-0.89), Acceptable (0.70-0.79), and Questionable (0.60-0.69). For validity, construct validity ideally exceeds 0.70, while 0.50 can be acceptable in exploratory contexts. Content validity is assessed qualitatively, and criterion-related validity typically seeks values above 0.70.

Table 2: Reliability and Validity

Variables	Cronbach Alpha	AVE	CR	Validity
Technological Capability	0.909	0.855	0.879	0.867
Adaptive Capability	0.923	0.875	0.887	0.881
Transformational Capability	0.911	0.882	0.921	0.902
AI-driven Leadership Capability	0.881	0.785	0.877	0.831
Sustainable Organization Performance	0.930	0.824	0.877	0.856

The reliability and validity analysis presented in Table 2 confirms that the measurement instruments used in the study are both highly reliable and valid, meeting and exceeding established benchmarks. Cronbach's Alpha values for all constructs range from 0.881 to 0.930, classifying them as excellent according to accepted standards (\geq 0.90). This indicates strong internal consistency and suggests that the items within each construct reliably measure the same underlying concept across respondents.

In terms of validity, all Average Variance Extracted (AVE) scores range from 0.785 to 0.882, and all Composite Reliability (CR) values exceed 0.87, surpassing the recommended thresholds for convergent and construct validity (AVE > 0.50; CR > 0.70). These results confirm that the items effectively capture the theoretical constructs intended, such as technological, adaptive, and transformational leadership capabilities. The overall reliability of the questionnaire is remarkably high at 0.967, enhancing the credibility of the datagathering tool. The high validity scores guarantee that the results obtained from this instrument are both significant and theoretically substantiated. These findings confirm that the instrument is robust, establishing a strong basis for interpreting the study's outcomes with confidence. To enhance the content validity assessment, the preliminary questionnaire was reviewed by a panel of ten experts or senior practitioners from the FRA, who assessed the relevance, clarity, and representativeness of each item concerning the theoretical concepts. Based on their feedback, several items were reworded for clarity and contextual alignment.

Table 3: Correlation Analysis

Variables	Sustainable organization performance	AI-driven leadership capability	Technological Capability	Adaptive Capability	Transformational capability
Sustainable	1				
organization					
performance					
AI-driven	0.623*	1			
leadership	(0.000)				
capability					
Technological	0.504*	0.779*	1		
Capability	(0.000)	(0.000)			
Adaptive	0.534*	0.805*	0.487*	1	
Capability	(0.000)	(0.000)	(0.000)		
Transformational	0.563*	0.844*	0.452*	0.650*	1
capability	(0.000)	(0.000)	(0.000)	(0.000)	

^{*, **, ***} refer to 1%, 5% and 10% levels of significance, respectively. P-values are in ()

It can be seen from Table 3 that the correlation between overall AI-driven leadership capability and sustainable organizational performance is $\mathbf{r} = 0.623$, with a **p-value of 0.000**, indicating a strong and statistically significant positive relationship. This result suggests that the combined effect of technological, adaptive, and transformational leadership traits contributes meaningfully to enhancing sustainability outcomes within the organization. Leaders who effectively integrate AI across technical, strategic, and cultural dimensions are more likely to achieve improvements in environmental performance, resource efficiency, and stakeholder engagement. This finding provides strong support for the study's main hypothesis (H1) that AI-driven leadership has a direct and positive influence on sustainable performance.

Second, Technological Capability shows a moderate positive correlation with sustainable organizational performance at $\mathbf{r} = 0.504$ ($\mathbf{p} = 0.000$). This indicates that leaders who are skilled in AI technologies—such as acquiring, applying, and updating AI tools—tend to foster better sustainability outcomes. Although this is the weakest of the three leadership dimensions, it still plays a vital role in enabling digital transformation. The result supports **Hypothesis H1a**, confirming that technical leadership capabilities contribute to sustainable practices through improved operational efficiency, innovation, and resource management.

Third, Adaptive Capability exhibits a marginally stronger correlation with sustainable performance compared to technological capability, with a correlation coefficient of r=0.534 (p=0.000). This indicates a notable and beneficial correlation, implying that leaders adept at managing change, addressing uncertainty, and incorporating AI into decision-making are more inclined to enhance sustainability metrics. It underscores the significance of adaptability and proactive involvement in addressing AI challenges within Public Sector leadership. This finding corroborates Hypothesis H1b, confirming the significance of adaptive leadership in attaining sustainable outcomes within dynamic, technology-driven environments such as the FRA.

Finally, Transformational Capability shows the strongest individual correlation with sustainable organizational performance, at $\mathbf{r} = 0.563$ ($\mathbf{p} = 0.000$). This moderate to strong positive relationship suggests that visionary leaders who inspire change, encourage innovation, and align teams around AI-driven goals are especially effective in promoting sustainability. Their ability to motivate and communicate the value of digital transformation plays a critical role in shaping long-term organizational success. This finding directly supports **Hypothesis H1c**, highlighting transformational leadership as a key driver of sustainable performance within AI-integrated public institutions. While no control variables (e.g., department type, tenure, or digital maturity) were included in the model, multicollinearity was assessed to ensure the integrity of the regression estimates. Variance Inflation Factor (VIF) values for all predictors were below 5, indicating no significant multicollinearity or distortion due to intercorrelations among independent variables.

Hypothesis Testing

The main goal of regression analysis is to evaluate the average amount of change in the dependent variable due to a one-unit increase in a particular independent variable and holding the other independent variables constant (in the case of multiple regression). R-squared is a statistical measure that evaluates the percentage of explained variation in the dependent variable by the independent variables. When the p-value of the F-statistic is less than the level of significance, the null hypothesis is rejected, which indicates that the model is statistically significant overall

Table 4: Direct effect of AI-driven leadership capability on organizational sustainable performance

Variable Standardized Coefficients		95% Confidence Interval for β		R Squared	P-value (F-Test)	
0.673	0.000	Lower Bound 0.409	Upper Bound 0.513	38.8%	301.601 (0.000)	
	Coefficients	Coefficients	Coefficients Interv Lower Bound	Coefficients Interval for β Lower Upper Bound Bound	Coefficients Interval for β Lower Upper 38.8% Bound Bound	

Notes. N = 366 respondents; standardized regression coefficients are reported. *p<0.01.

The regression analysis presented in Table 4 reveals a strong and statistically significant direct effect of AI-driven leadership capability on sustainable organizational performance. The standardized coefficient (β) is 0.673, with a p-value of 0.000, indicating a highly significant and positive relationship. This means that a one-unit increase in AI-driven leadership capability leads to a substantial increase in sustainability outcomes, affirming the central hypothesis (H1) of the study. The 95% confidence interval for the unstandardized coefficient ranges from 0.409 to 0.513, suggesting precision and reliability in the estimate. The model explains 38.8% of the variation in the dependent variable ($R^2 = 0.388$), and the F-test value of 301.601 (p < 0.001) confirms the overall model's statistical significance. These results strongly support the idea that AI-driven leadership is a key predictor of organizational sustainability within the FRA, reinforcing its strategic importance in Public Sector digital transformation.

Table 5: Direct effects of AI-driven leadership capability dimensions on organizational sustainable performance

Variable	Standardized Coefficients	P- value	95% Confidence Interval for β				Collinearity Statistics	R Squared	P-value (F-Test)
			Lower Bound	Upper Bound	VIF	55.8%	101.890 (0.000)		
Technological	0.202	0.000	0.133	0.346	1.380		,		
Capability									
Adaptive	0.239	0.000	0.194	0.531	2.136				
Capability									
Transformational capability	0.356	0.000	0.261	0.487	1.995				

Notes. N = 366 respondents; standardized regression coefficients are reported. *p<0.01.

Table 5 shows that the standardized coefficient for Technological Capability is $\beta = 0.202$, with a **p-value** of 0.000, indicating a statistically significant and positive effect on sustainable organizational performance. This finding supports **Hypothesis H1a**, which proposed that technical leadership capability positively influences sustainability outcomes. Although its effect size is the smallest among the three capabilities, the result still highlights the importance of equipping leaders with AI-related technical skills. It suggests that the ability to understand, apply, and update AI technologies contributes to improved operational efficiency and sustainability within the FRA, mainly when supported by broader adaptive and transformational leadership capacities.

Adaptive Capability exhibits a **standardized coefficient of** β = 0.239 and a **p-value of** 0.000, indicating a significant and positive correlation with sustainable organizational performance. This confirms H1b, which asserts that leaders who demonstrate flexibility and the ability to navigate AI-related changes and challenges are inclined to improve performance outcomes. The moderate effect size signifies that adaptability

encompassing team involvement in AI transitions and innovative responses to emerging challenges is crucial for connecting organizational strategy with digital transformation. The findings highlight adaptive capability as an essential element for attaining long-term organizational sustainability within the FRA.

Transformational Capability presents the most significant effect among the independent variables, as indicated by a **standardized coefficient of** β = **0.356** and a **p-value of 0.000**. This conclusion strongly supports **H1c**, which asserts that transformative leadership capability positively influences sustainable organizational performance. Leaders who can communicate and articulate a compelling vision for AI implementation, motivate employees, and adeptly navigate uncertainties are essential catalysts for sustained results. The strength of this relationship suggests that, beyond technical skills and adaptability, the ability to lead change, challenge existing norms, and motivate innovation is essential in AI-integrated environments like the FRA. This highlights the central role of visionary leadership in digital transformation. The model explains **55.8%** of the variance in sustainable performance ($\mathbb{R}^2 = 0.558$), and the F-test p-value (0.000) confirms overall model significance. Variance Inflation Factor (VIF) values are all below 5, indicating no multicollinearity concerns. These results validate the study's conceptual model and support the direct effect hypotheses as presented in Figure 2.

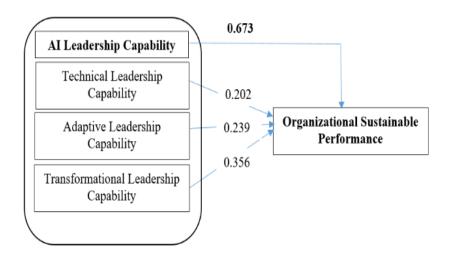


Figure 2: Standardized Coefficient Values Source: Developed by authors

Discussion

This research has provided crucial insights into the perceptions of FRA middle and senior managerial leaders regarding the use of Artificial Intelligence (AI) in leveraging leadership capabilities, with a particular emphasis on sustainable organizational performance. The findings reveal a significant relation between the leaders' understanding of AI and their expectations of its essential role in the future landscape of leadership capabilities. The findings demonstrate that AI significantly enhances technological, adaptive, and transformational leadership capabilities within FRA. The findings highlight the significance of immersive education in integrating AI education, illustrating a paradigm shift in FRA where AI serves not only as a tool for efficiency but also as a crucial catalyst for innovation, ethics, and sustainable performance. This strategy is crucial for bridging the gap and equipping future leaders with the skills and competencies required to navigate and lead in a digital public environment, ensuring their technological capability and sustainable emphasis on professional conduct. The ability of AI to analyze large datasets can optimize resource allocation, reduce waste, and augment operational sustainability. This promotes environmentally aware and socially responsible practices within the Public Sector (Punnakitikashem & Hallinger, 2019).

The research findings on AI-driven capabilities correspond with the concept of dynamic managerial capabilities (DMC), which empower organizations to formulate, enhance, and adjust their strategies to achieve their objectives (Hossain et al., 2025). Leaders can use dynamic capabilities to develop and deploy organizational resources and capabilities to sustain successful organizational outcomes. Leaders from both top and mid-levels may possess dynamic managerial capabilities. **This dual-layer leadership insight extends the**

traditional DMC model by emphasizing AI's role in decentralizing strategic awareness across leadership tiers.

The empirical findings suggest that technical capability, consisting of technological and informational capabilities, significantly enhances organizational sustainable capacity in an increasingly evolving technological landscape, thus H1a is supported. This aligns with previous research highlighting the urgent need for AI-driven leadership in Public Sector organizations, which involves reshaping production business models. Governments are calling for a blueprint for digital transformation in their sectors to ensure the smooth delivery of goods and services. Qiao et al. (2024) also identified a positive relationship between the use of technical leadership and employees' performance. This implies that the FRA must continue to invest in and prioritize the development of its **digital infrastructure**, **data management systems**, and **technological competencies** among its workforce.

This confirms the argument of Leachman and Scheibenreif (2023), who stated that successful organizational leaders use various AI technologies and technology-driven information to uncover emerging opportunities in the external environment. This implies that leaders' technological capability enables them to utilize AI tools for collecting and analyzing structured and unstructured data from customer reviews, industry reports, and social media, thereby identifying emerging trends. Such continuous feedback loops give leaders insights into customer sentiments and market dynamics. However, it is essential to note that the cross-sectional design of the study limits any claims of causal relationships between technical capability and sustainable outcomes. It is possible that organizations already committed to sustainability may be more inclined to invest in AI-driven leadership development. Future longitudinal studies could disentangle this directionality and provide greater clarity on cause-and-effect dynamics.

Second, the empirical findings indicate that adaptive capability encompasses decision-making and integration capabilities, enabling leaders to successfully seize opportunities, which in turn impacts organizational sustainable performance; hence, H1b is confirmed. The results align with the strategic and operational/cultural agility that enables organizations to lead with adaptive capacity and embrace change (Younis, 2018; Younis and Assem, 2022). This is consistent with Teece (2016), who stated that decision-making and integration drive organizations to make required intra-organizational adjustments and seize emerging opportunities. This indicates that leaders' decision-making capability in an AI environment leverages various AI predictive models based on potential outcomes to seize emerging opportunities promptly. Moreover, leaders can use their decision-making capabilities to determine future resource needs and allocation strategies. Furthermore, integration capability promotes agility, which makes leaders more responsive to rapid changes. This also aligns with Broekhuizen et al. (2023), who argue that adaptive leadership leads to positive organizational performance through fostering innovation.

Therefore, FRA views adaptive leadership capacity as a composite system of collaboration between AI technology, which serves as a tool for competitive advantage, and the human labor force, which remains essential for determining effective competition strategies. An unexpected finding, however, was the relatively lower emphasis placed on cultural barriers to AI adoption, which may reflect a unique organizational culture in FRA or a bias in leadership self-reporting. Further qualitative inquiry could uncover these issues. Additionally, generalizing this adaptive capability across sectors should be done with caution, as public institutions differ significantly in bureaucratic structure and digital readiness.

Finally, findings show that transformational capability facilitates organizational reconfiguring capacity to meet the changing demands of the external environment. The transformational capability has the highest impact on sustainable performance. This is reflected in leaders' sense-making and uncertainty-dealing capabilities, which positively impact the organization's sustainable performance. Thus, H1c is supported. In the FRA context, the transformational capability plays a vital role in challenging standardized procedures and maintaining the transactional status quo, based on short-term goals and rewards-based status quo. AI-driven leadership in this direction enhances overall operational efficiency in organizational performance by facilitating more technological advancements, improving the handling of information services, saving valuable resources, and enabling fraud detection and credit evaluation.

This confirms the findings of Hossain et al. (2025), Engelmann (2023), Helfat and CampoRembado (2016), who stated that the reconfiguring capability enhances the leaders' capacity to bring strategic renewal of the organization's resources and capabilities to meet the changing demands of the external environment. This implies that the FRA adopts various AI technologies to automate and optimize repetitive tasks. These optimizations are required to reconfigure the existing organizational resource base. Leaders with such capability identify the skills gap among the employees and recommend and arrange re-skilling programs to mitigate the

perceived uncertainty. Leaders use the uncertainty-dealing capability to prepare employees for reconfiguring efforts and undertake more difficult challenges.

Notably, while transformational leadership showed the strongest effects, this raises questions about potential indigeneity, as such leaders may already be more innovation-inclined. Future mixed-method research, integrating interviews and AI implementation metrics, could triangulate these findings for deeper interpretive value. Moreover, the overreliance on self-assessment introduces social desirability bias, which should be mitigated in future studies by including 360-degree evaluations or employee perception data.

Theoretical Implications

This research expands the application of the Dynamic Managerial Capabilities (DMC) framework in the context of AI-driven leadership, focusing on the Egyptian Financial Regulatory Authority (FRA). This research expands the application of DMC beyond private or high-tech sectors by examining the role of AI-enabled leadership capabilities reflected in technical, adaptive, and transformational capabilities in regulatory and policy-making contexts. The results indicate that the adoption of AI alters how leaders identify opportunities, capitalize on them, and reconfigure resources, which are fundamental components of dynamic capabilities. The incorporation of AI into leadership processes can develop decision-making precision, elevate responsiveness to stakeholder requirements, and maintain agility in a multifaceted regulatory context (Heubeck, 2023; Hossain et al., 2025). This supports the idea that technical capabilities, including the comprehension and application of AI tools, have become an essential part of managerial skills within the DMC framework.

This research reinforces the DMC theory by emphasizing the significance of adaptable and transformative leadership behaviors in AI-enhanced contexts. Leaders who adapt to uncertainty and promote continuous learning are better equipped to navigate changes induced by AI. Transformational leaders employ AI to influence teams, boost innovation, and endorse risk-taking, to cultivate a culture of strategic adaptability (Hossain et al., 2025; Gyanamurthy & Radhanath, 2023). This research identifies AI-based systems as tools that improve the dynamic learning and reconfiguration processes essential to DMC. These tools empower leaders to cultivate more resilient teams and foster enduring, sustainable performance (Madanchian et al., 2024). The finding also suggests that using a structured competency-based framework for assessing, cultivating, and aligning AI skills with organizational objectives can serve as a model for aligning leadership development with DMC capabilities in the Public Sector.

Practical Implications

This study provides an empirical framework for the Egyptian FRA to utilize AI in leadership structures to amplify sustainable performance. By understanding and improving DMC, FRA leaders can better navigate uncertainty and connect organizational strategies with the changing stakeholders' demand, including governmental entities, financial institutions, and the public (Eilers et al., 2022). AI is considered a threat to some leaders in many organizations if not effectively handled in a way to ensure employee acceptance and enable a cohesive AI-driven culture. Despite the acknowledgement of technology's advantages by many employees, their attitude and perception towards its use do not reflect on their behavior. This necessitates that AI-driven leadership should escalate the desire to integrate and ethically oversee technological advancement to sustain positive organizational performance.

This requires a thorough change management strategy to ensure the **structured adoption** of AI techniques, starting with establishing urgency, forming coalitions, and institutionalizing changes within the organizational culture. A potential obstacle in this context is employee resistance stemming from skill deficiencies or job insecurity concerns, particularly in public service settings. To address this, leaders must cultivate psychological safety and promote clear communication, thereby diminishing resistance and enhancing engagement over time.

The research also highlights the imperative need to restructure leadership development programs to include structured training on the use of AI tools, emotional intelligence in AI-human interaction, and strategies for digital transformation. Developing these skills is essential for recognizing and enabling transformational and adaptive leaders capable of thriving in AI-integrated work environments (Yokoi et al., 2023). A layered training framework is proposed: foundational AI literacy for all staff, specialized upskilling for decision-makers, and scenario-based simulations to enhance ethical reasoning. Accordingly, FRA should invest in diverse training programs for employees and leaders, such as data-driven decision-making, tailored leadership development, talent management, improved communication, and ethical considerations. This presents a challenge in investment decisions, funding these resourceful initiatives, and necessitates broader partnerships and administration for the implementation of these programs in public services. To address this, FRA can seek cross-institutional cooperation in accordance with resource availability.

Collaboration between the FRA and academic institutions is crucial, as the co-development of AI-centric leadership curricula, provision of practical internships, and participation in collaborative research projects will establish a talent pipeline equipped to address the digital requirements of contemporary public service. Organizational leaders should adopt agile work practices, flatten hierarchical decision-making, and reward experimentation to foster this cultural shift. This calls for a deliberate transformation in organizational culture, emphasizing flexibility, innovation, and learning. The ability of AI to process extensive data, provide predictive insights, and facilitate personalized employee engagement can transform leadership from a directive to a collaborative model.

Continuous professional development programs guarantee that current leaders stay informed about developing AI capabilities and their ethical implications. Potential institutional resistance or the absence of regulatory guidance could impede these collaborations. To resolve this, organized memoranda of agreement and multi-stakeholder advisory boards might assist in fostering collaboration across sectors. This emphasizes the importance of ethical and sustainable practices in AI. Leaders must understand the societal implications of AI implementation, including privacy, transparency, and algorithmic fairness. Ethical literacy should commence at the executive level and inform AI policy decisions across the organization, ensuring AI applications are consistent with public trust and institutional integrity overseen by an AI ethics committee. Integrating these ethical considerations into policy audits, evaluation checklists, and leadership KPIs can promote continuous accountability.

Ultimately, in the realm of leadership decisions augmented by AI technologies, critical considerations encompass potential algorithmic bias, the exploitation of personal or institutional data, and the absence of transparency in automated decision-making that must be considered, particularly in regulatory bodies like the FRA, where decisions must be both fair and auditable. Consequently, any implementation of AI must adhere to ethical norms like data privacy, informed consent, and algorithmic responsibility. Therefore, leaders should receive adequate training not only on technical AI skills but also in ethical AI literacy to guarantee that technological integration maintains public trust and regulatory integrity.

Limitations and Future Research

This study provides important insights into the role of AI-driven leadership capabilities on organizational performance within the FRA. However, several limitations must be acknowledged to contextualize the findings and inform future research efforts.

First, the research utilized **self-reported survey tools** as the primary data collection method. This constraint may affect the accuracy of the observed correlations between leadership behaviors and organizational outcomes, resulting in **response biases**, as participants may provide socially desirable or expectation-conforming responses rather than their genuine opinions. Future studies may address this issue by integrating multi-source data, including peer evaluations, supervisor assessments, or performance analytics, to triangulate conclusions and mitigate subjective bias.

Furthermore, adopting a mixed-methods approach, combining quantitative surveys with in-depth qualitative methods such as interviews or focus groups, could provide richer contextual insights and allow for deeper exploration of discrepancies between reported and actual behaviors. This would help uncover underlying mechanisms and attitudes that cannot be captured through closed-ended survey items alone. In addition, convenience sampling may introduce selection bias and limit generalizability. It is suggested that future research use probability sampling (e.g., stratified or random sampling) where feasible.

Second, the study's contextual scope is limited to a single regulatory authority within one national setting, potentially restricting the generalizability of its findings. The FRA serves as an appropriate case for examining AI-enabled leadership within a Public Sector context; however, cross-institutional and cross-sectoral comparisons would enhance the comprehension of DMCs in diverse settings. Including additional governmental bodies, private sector organizations, and regulatory institutions from various geographic regions and administrative cultures would improve the understanding of AI capabilities in the context of diverse institutional pressures. Third, the current analysis did not explicitly model contextual constraints, including AI maturity, organization size, and digital readiness, which may significantly affect the manifestation and evolution of leadership capabilities. Future research could incorporate firm-specific variables to examine the effect of institutional characteristics on the development and deployment of dynamic leadership capabilities.

Fourth, the research was cross-sectional, documenting leadership behaviors and perceptions at a specific time point. Given the evolving nature of AI technologies and organizational structures, there is a need

for **longitudinal research** to track how AI-driven leadership capabilities development and adaptation evolve over time. Longitudinal designs allow researchers to examine the dynamic element of DMC theory, along with The Data-driven business model (DDBM), providing insights into how leaders adapt their strategies in response to technological and environmental shifts. Fifth, the study examined **three dimensions of AI-driven leadership capabilities**: technical, adaptive, and transformational, within the DMC framework. Although these dimensions are fundamental, subsequent empirical research may enhance the conceptual model by incorporating additional moderating variables, including organizational culture, leadership identity, and digital trust. These variables may enhance explanatory power and elucidate the conditions under which DMCs exhibit optimal effectiveness.

Moreover, future studies could extend the DMC model by embedding explicit ethical considerations such as transparency, fairness, and accountability in AI applications. Examining how these ethical dimensions interact with leadership capabilities may provide a richer understanding of sustainable performance in AI-driven contexts. Finally, one limitation of this study is the omission of control variables that could act as potential confounders, such as department affiliation, years of professional experience (tenure), or the digital maturity level of respondents. These factors may influence how leadership capabilities are perceived or how performance outcomes manifest, particularly in a public-sector regulatory context. Moreover, future studies are encouraged to explore these psychological and behavioral responses to AI integration, such as technostress and fears of job displacement, providing a more holistic understanding of AI's organizational impact.

Conclusion

This study emphasizes the crucial function of AI-driven leadership capabilities, specifically in technical, adaptive, and transformational aspects, in improving sustainable organizational performance at the Egyptian Financial Regulatory Authority. Employing the Dynamic Managerial Capabilities (DMC) framework, the results indicate that leaders who incorporate AI into their strategic operations are more proficient at forecasting emerging trends, seizing innovation opportunities, and reconfiguring organizational resources to enhance agility and sustained effectiveness. AI is transforming leadership by facilitating data-informed decisions, optimizing operational chores, and strengthening the leader's capacity to concentrate on strategic foresight and human-centered issues.

This advancement has practical implications for leadership development, including the design of AI-supported leadership pathways, succession planning, and digital talent management. The results emphasize that effective leadership in an AI-driven environment involves more than just technical expertise. Future leaders must cultivate digital awareness, ethical sensitivity, and strategic agility to be responsible and sustainable leaders in increasingly complicated contexts.

Although these findings advance DMC theory in the era of AI, several limitations must be noted. The dependence on self-reported data and the application of convenience sampling may limit the generalizability. Additionally, the study's cross-sectional design captures a single point in time, limiting causal inferences. As such, the conclusions should be interpreted with caution, particularly when applied to different institutional settings or across sectors. Despite these limitations, this research provides a timely and original perspective on how AI technologies are redefining leadership in public institutions. It offers both theoretical insight and practical guidance for cultivating the next generation of leaders who must be agile, ethical, and digitally competent as AI becomes an integral part of strategic decision-making.

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Appendix

The Impact of AI-driven leadership Capability on Sustainable Performance in the Egyptian Financial Regulatory Authority

Appendix (1): Survey

Please rate each statement based on your level of agreement, using the scale below:

Statement	Strongly	Disagree	Neutral	Agree	Strongly
	Disagree				Agree
Technological Capability					
AT 1: 1 1					
AI driven leaders can:		1	1	1	1
Equip themselves with AI technologies.					
Intend to invest more in emerging AI technologies.					
Use AI technologies in various situations.					
Acquire new AI technology-based skills.					
Possess knowledge on AI technologies.					
Remain updated on emerging AI technologies.					
Use AI-based information in various situations.					
Access to AI-based information processes.					
Always encourage to use AI-based information.					
Possess cutting-edge training on AI-based information processes.					
Adopt AI-based information as a part of Organization's AI effort.					
Learn new skills to use AI based information.					
Adaptive Capability					
Use AI to solve existing organizational problems.					
Rely data over experiences to make various decisions.					
Stress on using AI creatively to decide on unique organizational					
issues.					
Estimate the impact AI on individual and organizational					
productivity.					
Evaluate the role of AI in making relatively quicker decisions.					
Evaluate the impact of AI adoptions on jobs and employment					
scope.					
Consider the overall organizational strategy to adopt AI					
technologies.					

	 , 1 001. 2	11	
Openly discuss the difficulties of AI adoptions in the			
organization.			
Arrange cross-functional meetings on AI implementation issues.			
Ensure involvement of functional leaders to the AI adoption			
processes.			
Properly assign responsibilities during AI adoption processes.			
Appraise AI-based proposals with adequate time and efforts.			
Understand the performance criteria of AI-based systems.			
Monitor the performances of various AI-based systems.			
Transformational capability			
Communicate the long-term fate of AI initiatives with employees.			
Represent the short-term result of AI initiatives to the employees.			
Transmit a message on the urgency of AI based changes.			
Stress on resolving old organizational issues in AI-driven ways.			
Encourage employees to come up with AI-based business			
models.			
Challenge old assumptions of works based on using AI			
technologies.			
Consider the uncertainty of AI-based changes on work			
environment.			
Understand the severity of AI effects on work units.			
Consider the uncertainty of AI-based changes on supply chain.			
Try to handle the uncertainties by using AI-based technologies.			
Sustainable organization performance			
AI- Driven leaders help the organization:			
reduce waste across its processes.			
achieve resource efficiency throughout its processes.			
lower energy consumption.			
improve compliance with environmental standards.			
enhance productivity.			
improve turnover rates.			
decrease operation costs.			
experience profit growth.			
improve work safety.			
enhance the work environment.			
strengthen relationships with stakeholders.			
improve the living quality of the surrounding community.	1		

Demographics

- Gender:
 - Male
 - o Female
- Age
 - o less than 25 years
 - o 25 less than 35
 - \circ 35 45 years
 - o more than 45
- Department
 - o Media and Communication
 - Research and Business Development
 - Trading Oversight in Capital Markets
 - Financial Literacy and Awareness
 - Financing Management in the Capital Market Sector
 - Legislation and Regulatory Instructions
- Work experience
 - o 1-4 years
 - 5-9 years

- o more than 9 years
- **Educational Level**

 - Bachelor Degree,Master/PhD degree
 - Other