Driving the AI Transition: Study to Enhance Employee Well-Being in Private Sector Companies in Oman

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Abstract: This research examines how Artificial Intelligence (AI) is influencing employee well-being, stress management, and productivity within Oman's private sector. In Oman, AI technologies are being leveraged to enhance employee well-being by analyzing data related to their management and needs. The study assesses employees' awareness of AI tools, their readiness to adopt them, and the perceived impact of AI on workplace efficiency and well-being. Results indicate that while general awareness of AI remains moderate, employees demonstrate strong openness toward AI-enabled well-being programs and recognize AI's potential to improve their daily work experiences.

The findings reveal that AI contributes significantly to enhancing work–life balance, simplifying tasks, and reducing workload pressure. The survey further shows that employees frequently rely on AI-based systems such as automated reminders, task management tools and wellness applications to manage work-related stress. Majority of the employees reported consistently using AI for stress reduction and a group of employees feel AI improves their well-being and productivity. The study concludes by emphasizing that a hybrid human–AI approach is the most effective model for enhancing employee well-being in the private sector. As Oman advances toward its Vision 2040 goals, the responsible integration of AI can play a vital role in supporting healthier, more productive, and more efficient work environments.

Keywords: *Artificial Intelligence, Employee Well-Being, Work Life Balance, Stress Management, Productivity.*

How to Cite: Mutahar Hussain Kazim; Kawther Jasim Al Ajmi; Anfal Hassan Al Lawati; Yaqeen Hilal Al Siyabi; Sara Salim Al Hosni (2025) Driving the AI Transition: Study to Enhance Employee Well-Being in Private Sector Companies in Oman. *International Journal of Innovative Science and Research Technology*, 10(12), 831-836. https://doi.org/10.38124/ijisrt/25dec418

I. INTRODUCTION

Over the past 20 years, organizations have witnessed significant changes in the environment in which they operate, with a clear shift toward rapid technological transformation and the emergence of new trends. Technology adoption and employee well-being have become topics of increasing interest in academic research. Artificial intelligence (AI) is revolutionizing many organizations around the world. As organizations increasingly rely on AI-powered technologies to enhance productivity, efficiency, and innovation, there is a growing need to address the impact of this transformation on employee well-being. In the Sultanate of Oman, this transformation is part of Oman Vision 2040, which emphasizes the digital factor as a key driver of national economic development and effective organizations. Several official government agencies in the Sultanate have begun adopting AI technologies to improve the national level of occupational medicine. However, there is a need to recognize the impact of AI on employee well-being, and to ensure that this

advancement contributes to their technological accelerators rather than solely focusing on increasing growth. Promoting employee well-being is of great importance.

In Oman, AI technologies are being leveraged to enhance employee well-being by analyzing data related to their management and needs. This helps identify issues or fatigue that need to be addressed, enabling personalized assistance to be provided. These reductions also contribute to creating a more interactive work environment that is more responsive to employee needs. However, to achieve this important goal, an organization must have a comprehensive set of measures, such as a culture of leadership support, employee awareness of digital technologies, and transparency in data usage. Understanding this factor in context is essential, as is the effective and sustainable application of AI, which promotes employee well-being and aligns with national development goals.

➤ *Objective of the Study*
- To explore the role of AI in enhancing employee well-being
- To assess the impact of AI on stress management
- To measure the impact of AI adoption (benefits &challenges) satisfaction in Oman

➤ *Significance and Scope of the Study*

This research investigates the impact of Artificial Intelligence (AI) on Human Resource Management (HRM) in Oman, particularly on talent management, well-being of employees, HR analytics and organizational performance. It explores how the adoption of AI leads to better quality work and efficient operations resulting in higher productivity for Omani firms. At the same time, the study underscores the importance of understanding AI's implication for employee well-being in terms of employees' satisfaction, psychological health and work–life balance. In this manner, by pinpointing the difficulties and opportunities in applying AI in HR systems, the research presents very useful information that indicate the significance of digital transformation and the demand to maintain a healthy and supportive work environment while utilizing AI driven human resource practices.

II. REVIEW OF LITERATURE

Akter, F., et al (2024).The paper discusses the transformative potential of AI-powered workload optimization to improve employee well-being and productivity. AI technologies such as machine learning, neural networks, and intelligent scheduling systems have been shown to enhance efficiency by automating repetitive tasks, streamlining workflows, and enabling more strategic resource allocation. The studies cited in the article highlight the role of AI in improving employee experiences by reducing physical and cognitive stress, enhancing job satisfaction, and supporting work-life balance. The paper also highlights challenges associated with AI, such as job loss concerns, the reduction of

human roles at work, and the erosion of psychological contracts. The researchers emphasize that comprehensive strategies such as emotional support, reskilling programs, ethical AI governance, and human-centered design are essential to mitigate these risks. Trust in AI, leadership engagement, and digital culture also play a critical role in employee acceptance and successful implementation. Studies confirm that a balanced adoption of AI first enhances productivity, then promotes well-being and inclusive growth, thereby aligning organizational performance with broader sustainability goals.

Shajoul and Howie (2020).This study explores the impact of artificial intelligence in the workplace and its impact on employees' digital well-being. The study seeks to understand the psychological and emotional aspects resulting from integrating artificial intelligence into the workplace, focusing on work-life balance, privacy, and the ethical aspects associated with using this technology. The study provides important insights for organizations and decision-makers on leveraging artificial intelligence to maintain employees' digital well-being, while offering recommendations on addressing the challenges that may arise from the increased reliance on this technology in various work environments. The researchers addressed several aspects, including concerns related to employee monitoring through behavioral data analytics tools, which has created some fear, a lack of trust, and a lack of freedom, directly impacting employees' sense of well-being in the workplace. The study also examined the extent to which employee engagement is impacted by the continued use of artificial intelligence as it replaces human roles.

Babu T, et al (2024). The study aims to explore the impact of artificial intelligence in the workplace and its impact on employees' digital well-being, assess the psychological and emotional implications of artificial intelligence in the workplace, and explore its impact on organizational functions and productivity. The study seeks to provide an integrated vision on how to balance the use of artificial intelligence to improve the work environment and ensure employees' digital well-being, which contributes to improving the decision-making process for companies and decision-makers. They also divided the extent of its impact into three levels: individual, collective, and institutional, emphasizing that the interaction between employees and artificial intelligence should be interactive, not competitive. However, the control of artificial intelligence in digital work creates some negatives regarding trust between employees and technology, and some privacy issues in algorithms that need to be consciously managed. The researchers indicated their use of the mya tool in recruitment to reduce concerns about algorithmic bias in evaluations

Al Eisaei, M. S. A., Madun, A. B., & Adnan, M. A. B. M(2023). The paper discusses the rise of Artificial Intelligence (AI) has brought big changes to how companies handle human resources, bringing in systems that are not only quicker but also smarter. In HRM, AI is used in hiring, helping employees grow, and checking how well they're doing by giving solutions that

are based on data and work automatically (Cascio, 2018). By adding AI into HR, employee performance gets better because decisions are more accurate, there's less manual work, and training programs are made just for you. AI helps find the right people for jobs in recruitment by sorting through candidates effectively using algorithms that match job requirements (Al-Assaf, 2016). In training, AI can spot what people need to learn and give them content that's made for them to improve their skills (Khader, 2015). AI-powered systems also let you see how well employees are doing in real-time, which means they can get feedback and improve quickly (Cascio, 2018). This affects performance in many ways. Because they have better tools and make fewer mistakes, employees often do better work (Blyton et al.,2017)

AI systems that are personalized also make people happier and more dedicated to their jobs, which makes them want to stay longer (Heneman & Milanowski, 2011). Also, when AI takes over tasks that are repetitive, employees can focus on more complicated things, which makes them more productive (Bataineh, 2016). Even though there are good things about using AI, there are worries about keeping data safe, trusting AI systems, and making sure employees can adapt to these changes. In Oman, Al Eisaei et al. (2023) show that AI in educational HRM has made work better, more efficient, and has motivated employees. This is especially important in growing economies where careful planning is needed to see real improvements in how people perform.

Most studies have not paid sufficient attention to employee digital well-being, particularly its psychological and emotional aspects, despite its significant role in directly impacting overall performance. Instead, studies have focused on productivity or digital transformation. despite significant technological advancements, there is still a dearth of studies and research in the Gulf region, particularly Oman. Most studies have separated individual and organizational influences, and few have integrated all three levels: personal, group, and organizational. This points to the need for more comprehensive research. The reviewed literature demonstrates the impact of AI

on human resource management, particularly in enhancing employee well-being, increasing productivity, and increasing company efficiency.

III. RESEARCH METHODOLOGY

The purpose of this research is to study how the development of artificial intelligence can radically transform working conditions in companies and its impact on employers in improving employee well-being and raising productivity. The researcher has used exploratory research with quantitative data collection to confirm a comprehensive understanding of the research topic. A deductive method is employed to determine the impact of AI on employee well-being in private organizations in Oman. This study focuses on private sector employees in the Sultanate of Oman who work for companies utilizing AI tools to improve employee well-being across administrative and operational functions. Employing a stratified random sampling technique, the research aims to gather accurate and reliable data from a diverse group of employees, including executives, administrators and technicians. By collecting insights from various disciplines, the study seeks to understand the impact of AI-powered digital transformation on mental and occupational health in the workplace.

IV. DATA ANALYSIS AND INTERPRETATION

Data was collected from questionnaires which has been interpreted considering the research objectives. Its main purpose is to examine how Artificial Intelligence enhances employee well-being in private sector companies by identifying the extent to which it impacts on stress management and its adoption benefits and challenges.

The respondents were asked to provide rankings 1 to 5 as per convenience for the options stated in the questionnaire for the question: In what ways has artificial intelligence (AI) impacted their work life balance.

Table 1: Rank Based on Score with Weighted Average Value (AI's Impact on Employee Work Life Balance)

Rank	Particulars	Rank-1 Count	Weighted Average
1	Helped me achieve more flexibility in managing tasks	10	2.15
2	Improved my work-life balance by saving time and reducing workload	4	2.9
3	Added new challenges such as stress, learning curve, or over-reliance on technology	3	3.4
3	Had no noticeable impact on my work-life balance	3	3.4
5	Made my work-life balance worse due to increased availability and expectations	2	3.15

A. Interpretation of Weighted Average Scores

A weighted average method was used to determine the overall ranking of five different impacts related to work–life balance. In this method, Rank 1 indicates the most favourable or positive impact, while Rank 5 indicates the least favourable

or most negative impact. Because a lower rank represents a more preferred outcome, a lower weighted average score indicates a stronger positive impact, while a higher weighted average score indicates a weaker or negative impact.

The results show clear differences in how respondents perceive each impact:

➤ *Helped Me Achieve More Flexibility in Managing Tasks — Weighted Average: 2.15*

This factor has the lowest weighted score, meaning it received the highest number of Rank 1 and Rank 2 responses. This indicates that respondents strongly agree that flexible arrangements have significantly helped improve their ability to manage tasks more efficiently and independently.

• *Interpretation: This is perceived as the most positive and beneficial impact on work–life balance.*

➤ *Improved My Work-Life Balance by Saving Time and Reducing Workload — Weighted Average: 2.90*

With a moderate score, this factor is also considered positive. Respondents believe that flexible work options help reduce time pressures and ease workload, but the impact is not as strong as the flexibility in task management. This is viewed as a helpful and supportive factor in improving work–life balance.

➤ *Made My Work-Life Balance Worse Due To Increased Availability and Expectations — Weighted Average: 3.15*

This factor ranks in the middle. Some respondents felt that increased expectations and constant availability had a negative impact. This has a mixed but slightly negative impact, where some employees felt pressured by increased demands.

➤ *Added New Challenges Such as Stress, Learning Curve, or Over-Reliance on Technology — Weighted Average: 3.40*

This option has a higher weighted score, meaning more respondents ranked it lower (Rank 4 and Rank 5). This shows that while the challenges exist, they are not seen as the most significant issue, but they still contribute to stress and adjustment difficulties. This is perceived as a noticeable negative impact, but not the most severe one.

➤ *Had No Noticeable Impact on My Work-Life Balance — Weighted Average: 3.45*

This option has the highest weighted average, meaning it received more Rank 4 and Rank 5 responses. Respondents generally agree that this factor had the least positive effect, or no meaningful effect at all. This is considered the least beneficial and lowest-impact factor among all options.

The following below table shows challenges employees face when using AI tools at work (particularly enhancing employee well-being or reducing workplace stress)

Table 2: Rank Based on Score with Weighted Average Value (AI's Tools Enhancing Employee Well-Being)

Rank	Particulars	Rank-1 Count	Weighted Average
1	Data privacy concerns	7	2.25
2	Over reliance on technology	5	2.6
3	Bias and fairness issues	3	3.15
3	Accuracy and reliability	3	3.3
5	Change resistance	2	3.5

➤ *Interpretation*

The weighted average scores help identify how respondents ranked each challenge based on importance or impact. A lower weighted average indicates a higher priority, because Rank 1 carries the lowest numerical weight.

➤ *Highest Priority Concern: Data Privacy Concerns - Weighted Average: 2.25*

This challenge received the lowest weighted average, meaning respondents consider data privacy as the most critical issue. Working individuals perceive significant risk in how their data may be collected, stored, or used, making this the top-ranked concern.

➤ *Second Priority: Over-Reliance on Technology - Weighted Average: 2.60*

This factor is also viewed as a major challenge. Employees feel that becoming too dependent on technology may reduce human oversight, create vulnerabilities, or cause difficulties when systems fail.

➤ *Moderate Concern: Bias and Fairness Issues - Weighted Average: 3.15*

Respondents express a moderate level of concern regarding whether AI systems can treat users fairly and without discrimination. Although important, it is not viewed as urgent as privacy or over-reliance challenges.

➤ *Lower Priority: Change Resistance - Weighted Average: 3.30*

Resistance to new technologies is acknowledged but not considered as severe. This may indicate that employees are becoming more adaptable or that organizations are managing change effectively.

➤ *Lowest Priority Concern: Accuracy and Reliability - Weighted Average: 3.50*

This received the highest weighted average, meaning respondents ranked it as the least critical relative to other concerns. Employees may feel that AI tools are becoming more reliable, or they may prioritize other risks more strongly. The interpretation shows that employees are most concerned about

security and dependency issues, rather than technical performance concerns.

V. MAJOR FINDINGS

➢ Employee awareness of AI tools is still in developing phase, only 5% reported being "very much aware," making it the lowest percentage and about 35% of employees were "somewhat aware," while 20% showed low awareness.

➢ AI's strongest impact appears in work–life balance as a total of 50% feel AI "very often" improves balance and 20% feel "always does balancing which consider to be one of the highest positive findings. This shows AI plays a key role in reducing workload pressure and improving time management.

➢ Employees showed strong acceptance, with 40% strongly willing and 30% somewhat willing to join AI-based well-being programs. Importantly, none unwilling to show a high level of trust and openness.

➢ AI is widely used as a stress-reduction tool, 40% employees consider "always" use AI to manage stress and 42% feel AI "very often" reduces stress. This highlights the importance of AI as a support system for organization and task clarity.

➢ Over 55% employee agreed AI enhances well-being, confirming its role in improving workflow efficiency, reducing manual tasks and supporting digital comfort.

➢ AI is seen as highly effective in improving performance, 63% agreed AI simplifies work, and 53% agreed it boosts productivity with only 5% disagreeing with the lowest disagreement rate in the results.

➢ The most important concern identified was privacy, receiving the lowest weighted average, meaning the highest concern. Employees worry about data misuse and monitoring. Other concerns include over-reliance on technology, system errors, fairness of AI decisions and difficulty adapting to new systems.

➢ About 60% of employees believe that AI helps improve their work-life balance, while another 10% expressed strong agree for this view.

➢ About half of the employees (50%) felt that AI helps ease the pressure of their workload, whereas a small group (10%) disagree.

➢ Around 35% of employees felt that AI occasionally brings challenges, such as learning new tools or becoming more dependent on the system, while 30% stayed neutral.

➢ More than half (53%) agreed that AI enhances productivity and 21% strongly agreed, however 21% disagreed views.

➢ Based on the Weighted Ranking, the greatest positive impact on employees which "helped them achieve more flexibility in managing tasks" (weighted average 2.15), followed by "improved work-life balance" (2.9).

➢ The most notable negative impact included higher expectations, added pressure, and challenges in adapting to new technology (average 3.40) for the employees.

VI. RECOMMENDATIONS

The integration of artificial intelligence (AI) into employee wellbeing and stress management practices has significantly transformed how private sector organizations in Oman support their workforce's well-being. Based on survey results, AI-powered tools demonstrated strong potential for improving work-life balance, reducing work-related stress, streamlining tasks and enhancing employee well-being.

The results also highlighted important challenges with data privacy emerging as a primary concern for employees, followed by worries about over-reliance on technology. These concerns suggest that while employees appreciate the benefits of AI, they expect organizations to adopt transparent, ethical and secure implementation strategies. This balance between AI efficiency and human oversight is essential for maintaining trust, fairness and psychological comfort. A hybrid approach, where AI complements human judgment without replacing it appears to be the most effective and reliable method for organizations seeking long-term success.

• Adopting a model that combines artificial intelligence and human intelligence- Organizations should gradually implement AI tools while maintaining active human engagement to ensure a balance between technological efficiency and emotional intelligence, empathy and contextual understanding such as elements of AI cannot be replaced.

• Strengthening data privacy and security measures- Given that privacy is a major concern for stakeholders, companies should ensure they have clear policies explaining how AI systems collect, store, and use employee data. Ensuring compliance with Oman's Personal Data Protection Law will foster trust and reduce hesitation.

• Investing in AI literacy and employee training- Ongoing awareness programs and practical training will help employees understand AI tools and use them effectively in the workplace, reducing technical stress and improving their acceptance. Equipping employees with digital skills ensures smoother integration and better long-term outcomes.

• Promoting fairness and transparency in AI systems - AI tools must be continuously monitored to ensure their accuracy and fairness. Organizations must also use effective mechanisms to detect any bias and communicate transparently about how AI insights are being used to inform employee wellbeing and workload decisions.

• Expanding the Use of AI to Support Personalized Employees- AI systems can be enhanced to provide personalized wellbeing recommendations, early stress alerts, and tailored workload adjustments. AI-powered insights offer more meaningful support to employees.

• Measurement, Evaluation, and Continuous Improvement- Organizations should use key performance indicators (KPIs), surveys and feedback loops to monitor the impact of AI on employee wellbeing. Regular reviews should be

conducted to ensure AI systems are aligned with employee needs and organizational changes.

VII.   CONCLUSION

This study underlines the significant impact of artificial intelligence on the well-being of employees within Oman's private sector. It is evident from the findings that a majority of employees are open to AI technologies, realizing their potential for reducing working stress and improving productivity with a better work-life balance. However, organizations should take steps to overcome some of the critical challenges related to data privacy and the potential for over-reliability on technology. With adequate data protection frameworks in place, continuous training, and vigilant human oversight, companies can ensure that their decision to employ AI is both responsible and effective. Such a balanced approach will lead to more transparency and operational efficiency, coupled with equity and trust between employers and employees. Ultimately, thoughtful adoption of AI is a progressive move in organizational behavior and helps position the private sector in Oman for success in a sustainable manner by prioritizing its workforce's well-being.

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