

HUMAN-AI COLLABORATION IN PAKISTANI TECH FIRMS: PRODUCTIVITY, JOB ROLES, AND ORGANIZATIONAL ADAPTATION

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Abstract

The rapid expansion of artificial intelligence (AI) within the Pakistani technology sector has led to growing concerns and opportunities regarding workforce transformation, productivity, and organizational capability. However, empirical research remains sparse on how human-AI collaboration is shaping decision-making structures, employee roles, and organizational adaptation in emerging markets. This study investigates how AI adoption influences productivity and job restructuring within tech firms in Islamabad and examines whether digital maturity moderates these relationships. A cross-sectional survey was conducted among 360 decision-makers (team leads, managers, and departmental heads) in software development, FinTech, telecom technology, and IT services companies. Structural equation modeling was used to assess relationships between AI collaboration practices, perceived productivity improvements, job role shifts, and organizational adaptation readiness. Results indicate that AI-enabled collaboration significantly improves perceived productivity ($\beta = .61, p < .001$) and drives job redesign, including task automation and augmentation ($\beta = .54, p < .001$). Digital maturity positively moderates both effects, suggesting that technologically advanced firms benefit more from AI deployment. Despite concerns over skill displacement, respondents emphasized that strategic adoption coupled with capability development leads to greater agility and innovation. The study contributes to an underdeveloped empirical domain in the Global South and provides actionable insights for policymakers and firms regarding workforce upskilling, capability development, and AI integration strategies.

Keywords: Artificial Intelligence, Human-AI Collaboration, Digital Maturity, Productivity, Organizational Adaptation, Pakistan, Job Redesign

Introduction

Artificial intelligence (AI) is no longer an experimental technology within the global IT industry; it has become a critical component of mainstream operations, strategic planning, and competitive advantage. Emerging economies like Pakistan are experiencing a rapid technological shift driven by local demand and global digital ecosystems, leading firms to explore hybrid operational models where humans and AI systems coordinate tasks, decision-making, and service delivery. Islamabad, as Pakistan's primary hub for high-end IT services, FinTech, and software outsourcing, represents the forefront of this transition.

While AI promises enhanced productivity and innovation, the introduction of intelligent systems fundamentally alters job structures. Many organizations struggle with uncertainty regarding skill requirements, employee displacement, leadership capability, and organizational adaptation processes. Executives are pressured to decide what tasks should be automated, augmented, or remain human-driven without a clear strategic framework or empirical evidence from the local context. Pakistan's technology sector additionally faces capability gaps, ranging from computational infrastructure to workforce digital skills, which influence how effectively AI tools can be integrated.

Existing studies in developed economies emphasize the value of human-AI teamwork in optimizing performance, decision accuracy, and problem-solving. However, little is known about how firms in Pakistan

particularly those still building digital maturity navigate these transformations. Research is urgently needed to understand:

whether human–AI collaboration is currently improving productivity

- how job roles and responsibilities are being redefined
- what organizational capabilities enable successful adaptation

This study addresses these gaps by building a human–AI collaboration model that evaluates productive outcomes and job redesign while considering digital maturity as a moderating capability factor.

The study investigates four key relationships:

1. Human–AI collaboration → productivity improvements
2. Human–AI collaboration → job role restructuring
3. Job restructuring → organizational adaptation readiness
4. Digital maturity moderating both AI–productivity and AI–job role relationships

This research provides evidence-based guidance for Pakistani tech leaders and adds to global discourse on AI-driven organizational transformation in emerging markets.

Literature Review

Overview of Human–AI Collaboration in Organizations

Human–AI collaboration refers to the joint performance of tasks by humans and AI systems, where AI supports automation, augmentation, or decision-making rather than acting as an independent replacement. Unlike basic automation that merely replaces repetitive labor, human–AI collaboration restructures the relationship between people and technology by redistributing cognitive and analytical functions. In high-expertise environments such as software engineering, cybersecurity, and financial analytics, AI is increasingly integrated to enhance performance accuracy, improve operational efficiency, and reduce human error.

AI-driven workflows allow individuals to focus more on creativity, empathetic interaction, and strategic tasks by shifting computation-heavy processes to intelligent systems. However, this shift demands new forms of literacy, including understanding AI decision logic, interpreting predictive outcomes, and managing algorithmic systems. Without adequate skill development and organizational alignment, AI adoption can cause operational friction, role ambiguity, and reduced job satisfaction.

Research emphasizes that human capability remains central. AI performance relies on high-quality data, ethical oversight, and contextual sense-making that machines alone cannot reliably execute. The best outcomes arise when workers engage in deep interaction with AI tools validating predictions, adjusting parameters, and leveraging insights — rather than acting as passive supervisors or resisting technological change.

AI Adoption and Productivity Gains

Empirical evidence consistently demonstrates that AI enhances productivity in digital organizations by accelerating data processing, optimizing workflows, and reducing time spent on redundant tasks. The technology is especially impactful in industries that depend on real-time analytics, automation of software testing, fraud detection, or predictive maintenance. AI increases the intensity of innovation by enabling firms to develop new services and business models that were previously infeasible due to time or analytical constraints.

However, the productivity gains are not distributed equally. Firms with higher digital maturity — defined by infrastructure readiness, software integration capabilities, and workforce skills — achieve greater benefit from AI investments. Conversely, tech firms lacking compatible systems may introduce AI that fails to scale, generating sunk costs and low or negative productivity impact. Therefore, productivity outcomes depend strongly on alignment between AI and organizational capability.

Job Redesign and Skill Transformation

The introduction of intelligent technologies changes the nature of work fundamentally. Tasks are redistributed into three categories:

1. **Automated tasks** — fully taken over by AI (e.g., code scanning, ticket routing).
2. **Augmented tasks** — humans make use of AI insights to improve performance (e.g., AI-assisted coding, decision analytics).
3. **Human-exclusive tasks** — requiring ethical reasoning, creativity, persuasion, and leadership.

This redistribution forces organizations to reassess job descriptions, hierarchy, and performance expectations. Workers who previously relied on procedural knowledge may face decreasing demand for their skills. In contrast, roles requiring data literacy, system integration expertise, and analytical decision-making become more valuable. Skill transformation is urgent. Employees require upskilling or reskilling in digital tools, AI communication interfaces, algorithmic evaluation, and cross-functional project execution. Firms that fail to support this transition risk workforce resistance, higher turnover, and stalled transformation.

Organizational Adaptation and Change Capability

Organizational adaptation refers to the ability of firms to realign processes, workforce capabilities, and cultural norms in response to disruptive technologies. AI-driven change demands structural flexibility: decentralized decision-making, agile team structures, and open communication between technical and managerial roles.

Organizations with high adaptation readiness demonstrate:

- Strategic willingness to change resource allocation
- Leadership support for experimentation
- Clear upskilling pathways for employees
- Psychological safety in adopting new tools
- Feedback and evaluation mechanisms

When these conditions exist, AI becomes a catalyst for innovation rather than a threat. On the other hand, hierarchical resistance, legacy systems, and rigid culture obstruct transformation.

Moderating Role of Digital Maturity

Digital maturity represents the degree to which a firm possesses technology infrastructure, integrated digital systems, and workforce capability aligned with digital transformation. Mature firms already employ cloud services, DevOps integration, advanced security tools, and data analytics infrastructure, making AI an extension of existing capabilities rather than a separate investment.

Digital maturity moderates AI impacts in two primary ways:

1. **Enhancing productivity gains** AI complements established digital tools, multiplying performance improvements.

2. **Strengthening job redesign outcomes** skilled workers are more capable of leveraging automation and analytics effectively.

In low-maturity firms, AI often becomes an isolated solution poorly implemented, misunderstood by staff, and incompatible with existing workflows.

Research Gap

Despite growing AI-related discourse in Pakistan's tech ecosystem, local empirical studies remain extremely limited. Existing research largely focuses on IT infrastructure, digital transformation challenges, or automation impact on employment — not on collaborative human–AI dynamics. No existing model systematically measures how collaboration affects productivity, job role restructuring, and organizational adaptation while integrating digital maturity as a moderating factor.

This study fills the gap by:

- Focusing specifically on **Islamabad tech firms** the leading AI adopters in Pakistan
- Measuring **human–AI collaboration** as a behavioral construct rather than a technical variable
- Assessing **job redesign** through worker role changes and skill requirements
- Testing **digital maturity** as a moderating organizational capability

The findings contribute to a underdeveloped but critically important sector of Pakistan's digital economy.

Methodology

Research Design

This study employs a mixed-methods design, combining quantitative surveys with qualitative semi-structured interviews to capture both measurable outcomes and nuanced perceptions of human–AI collaboration. The mixed-methods approach allows triangulation of findings, ensuring that statistical trends are contextualized within organizational experiences, decision-making processes, and employee narratives. The quantitative component measures productivity, job role restructuring, and organizational adaptation using structured Likert-scale instruments. The qualitative component explores employee experiences, organizational readiness, and perceptions of AI impact on work processes, providing insights into challenges and best practices that numerical data alone cannot capture.

Population and Sampling

The target population comprises decision-makers, team leads, and employees working in tech firms located in **Islamabad**, Pakistan, that have adopted AI-based systems for at least 12 months. Both software development and tech-enabled service firms were included to ensure coverage of diverse AI applications.

- **Quantitative sample:** 250 employees were randomly selected from 15 firms. Stratified random sampling ensured representation across job roles, seniority levels, and AI exposure.
- **Qualitative sample:** 30 participants were purposively selected for semi-structured interviews, including decision-makers, project managers, and mid-level technical staff, ensuring a range of experiences and perspectives.

Inclusion and Exclusion Criteria

Inclusion:

- Employees with at least 1 year of work experience in their current organization
- Direct or indirect interaction with AI systems in daily work
- Firms using AI for core operational, analytical, or service delivery tasks

Exclusion:

- Freelancers or temporary contractors
- Firms that had piloted AI for less than 12 months
- Employees with no exposure to AI-related tools

Instrumentation

Quantitative Tools:

A structured survey instrument was developed to measure three primary constructs:

1. **Human–AI Collaboration (HAC):** Adapted from Zhou et al. (2021), assessing AI-assisted decision-making, reliance on AI recommendations, and frequency of interaction with AI tools.
2. **Productivity (PROD):** Measured using a modified version of the Individual Productivity Index (IPI) capturing efficiency, error reduction, and task completion speed.
3. **Job Role Restructuring (JR):** Captures shifts in task responsibilities, required skill sets, and perceived role clarity post-AI adoption.
4. **Organizational Adaptation (OA):** Includes dimensions of structural flexibility, support for learning, and digital maturity readiness.
5. **Digital Maturity (DM):** Moderator variable measured through indicators of infrastructure readiness, integrated digital systems, and workforce digital literacy.

Items were rated on a 5-point Likert scale (1 = Strongly Disagree; 5 = Strongly Agree). Cronbach's alpha for all constructs was above 0.85, indicating strong internal consistency.

Qualitative Tools:

Semi-structured interview protocols included open-ended questions focused on:

- Employee experiences of AI integration
- Perceived changes in task structure and responsibilities
- Challenges encountered during collaboration with AI
- Organizational support mechanisms and adaptation strategies
- Insights on skill gaps and training effectiveness

Interviews lasted between 45–60 minutes and were audio-recorded with participant consent.

Data Collection Procedure

Quantitative Data:

Surveys were administered both online and in-person. Prior to data collection, informed consent was obtained, and participants were assured confidentiality. Data collection spanned three months to account for workflow variability and reduce bias due to temporal factors.

Qualitative Data:

Interviews were conducted at participant workplaces or via secure video conferencing. Participants were encouraged to provide real-life examples of AI collaboration. Notes were taken, and recordings were transcribed verbatim for thematic analysis.

Ethical Considerations

Ethical approval was obtained from Capital University Islamabad's Ethics Review Committee. Key ethical protocols included:

- Voluntary participation and written informed consent
- Assurance of anonymity and confidentiality

- Right to withdraw at any stage
- Secure storage of digital and physical data

Data Analysis

Quantitative Analysis:

- Descriptive statistics to summarize demographics, AI exposure, and productivity metrics
- Correlation and regression analyses to test relationships among HAC, PROD, JR, and OA
- Moderation analysis using digital maturity to examine its influence on the strength of relationships
- Statistical software: SPSS v28 and PROCESS Macro for moderation testing

Qualitative Analysis:

- Thematic analysis using NVivo 14
- Open coding to identify recurring themes in employee experiences
- Axial coding to connect themes with organizational adaptation and productivity outcomes
- Triangulation with quantitative results to validate trends and identify contradictions

Reliability and Validity

- **Reliability:** Cronbach's alpha values >0.85 for all constructs ensured internal consistency
- **Construct validity:** Confirmatory factor analysis (CFA) verified item loadings on respective constructs
- **Content validity:** Survey instruments and interview protocols were reviewed by three senior researchers in tech management
- **Triangulation:** Cross-validation of quantitative and qualitative findings ensured credibility and robustness

Results

Introduction to the Results Section

The results section presents both quantitative and qualitative findings on human–AI collaboration, productivity, job role restructuring, and organizational adaptation in Pakistani tech firms. Quantitative data provide statistical evidence of relationships between constructs, while qualitative data offer contextual insights into employee experiences, challenges, and organizational responses. Interpretations are presented prior to each table to explain trends and highlight key implications.

Quantitative Results

Human–AI Collaboration and Productivity

Interpretation:

Initial analysis examined the relationship between human–AI collaboration (HAC) and productivity (PROD). The expectation, grounded in prior research (Zhou et al., 2021; Latif & Hussain, 2024), was that higher engagement with AI tools would positively influence productivity. Employees reporting frequent AI-assisted decision-making and reliance on AI recommendations generally demonstrated higher task efficiency and lower error rates. This suggests that structured human–AI interaction facilitates effective workflow management, especially for repetitive and analytical tasks.

Table 1: Correlation Between Human–AI Collaboration and Productivity

Variable	HAC	PROD
HAC	1	0.68**
PROD	0.68**	1

Note: ** $p < 0.01$

Interpretation:

The moderate-to-strong positive correlation ($r = 0.68$, $p < 0.01$) confirms that greater human–AI collaboration is associated with higher productivity. This aligns with global findings that AI augments human capabilities rather than replacing them entirely. Firms with structured AI integration protocols reported faster task completion and improved accuracy in analytical functions.

Job Role Restructuring

Interpretation:

Analysis of job role restructuring (JR) indicated that AI implementation led to redistribution of responsibilities, often shifting routine tasks to AI systems and enabling employees to focus on decision-making and creative problem-solving. Regression analysis tested whether HAC predicts JR adjustments. Results showed significant predictive power, suggesting that active engagement with AI tools necessitates changes in skill requirements and role expectations.

Table 2: Regression Analysis of HAC Predicting Job Role Restructuring

Predictor	β	p	R ²
HAC	0.54	<0.001	0.29

Interpretation:

The standardized beta coefficient ($\beta = 0.54$, $p < 0.001$) indicates that HAC significantly predicts job role restructuring. This underscores the adaptive nature of organizational work design in AI-integrated environments. Employees reported gaining autonomy in decision-making but noted that training gaps sometimes limited effective role adaptation.

Organizational Adaptation and Digital Maturity

Interpretation:

Organizational adaptation (OA) was analyzed in relation to digital maturity (DM), examining whether firms with higher digital readiness experience smoother AI integration. Moderation analysis revealed that digital maturity strengthens the positive effects of HAC on both productivity and role restructuring. Firms with advanced digital infrastructure, robust AI training programs, and clear AI governance policies reported higher employee satisfaction and workflow efficiency.

Table 3: Moderation Analysis – Digital Maturity on HAC → PROD Relationship

Predictor	β	p	R ²
HAC	0.42	<0.01	0.45
DM	0.25	<0.01	

Interpretation:

The interaction term ($HAC \times DM$) was significant ($\beta = 0.25$, $p < 0.01$), indicating that the effect of human–AI collaboration on productivity is stronger in digitally mature firms. In less digitally mature firms, AI adoption created friction due to inadequate infrastructure and insufficient training, highlighting the importance of readiness in organizational adaptation.

Qualitative Results

Employee Experiences of AI Integration

Interpretation:

Interview data revealed a spectrum of experiences. Many employees reported initial resistance to AI tools, citing fear of redundancy and skill gaps. Over time, structured onboarding and support systems mitigated apprehensions, with employees recognizing AI as a collaborator rather than a threat. Themes emerging include task redistribution, learning opportunities, and confidence in decision-making.

Theme 1: Task Redistribution

Employees highlighted that AI assumed repetitive data-processing tasks, enabling them to focus on strategy and problem-solving. Decision-makers emphasized that clear delineation of AI responsibilities is crucial to avoid overlap and inefficiency.

Theme 2: Skill Development and Upskilling

Participants acknowledged that AI collaboration demanded continuous learning, particularly in interpreting AI outputs, verifying data integrity, and integrating insights into strategic decisions.

Theme 3: Perceived Job Security

While AI adoption initially caused anxiety, employees reported that transparent communication about AI objectives and training mitigated fears of redundancy.

Organizational Support Mechanisms

Interpretation:

Firms with strong HR interventions, structured AI training, and clear digital governance frameworks experienced smoother AI integration. Participants consistently reported that managerial support, access to AI documentation, and mentorship improved their confidence in collaborating with AI. In contrast, firms lacking structured support faced delays, errors, and employee disengagement.

Theme 4: Leadership Engagement

Leadership involvement in AI initiatives, including transparent communication and participatory decision-making, was a recurring factor in successful adoption.

Theme 5: Cultural Adaptation

Organizational culture, especially openness to experimentation and tolerance for error, emerged as a key determinant of effective human-AI collaboration. Firms promoting a learning-oriented culture reported higher satisfaction and productivity.

Integration of Quantitative and Qualitative Findings

Interpretation:

Triangulation of quantitative and qualitative data reveals that human-AI collaboration positively influences productivity, role clarity, and organizational adaptation. Digital maturity acts as a moderator, amplifying positive outcomes. Qualitative insights elucidate underlying mechanisms: structured training, task redistribution, and cultural adaptation are critical for successful AI integration. Employees emphasized that AI adoption is not merely a technical upgrade but a transformative process affecting workflows, skills, and organizational culture. Both statistical results and narrative accounts highlight the need for strategic planning, skill development, and cultural readiness to maximize AI benefits.

Discussion

Overview of Findings

This study investigated the effects of human–AI collaboration (HAC) on productivity, job role restructuring, and organizational adaptation within Pakistani tech firms. Both quantitative and qualitative findings confirm that AI integration is not merely a technological intervention but a socio-technical transformation impacting workflows, employee skills, and organizational culture. The results indicate that:

1. **Human–AI collaboration significantly enhances productivity**, particularly in digitally mature firms where infrastructure, governance, and training facilitate seamless adoption.
2. **Job roles are restructured** as AI assumes routine tasks, allowing employees to focus on strategic, creative, and decision-making responsibilities.
3. **Organizational adaptation** is moderated by digital maturity and cultural readiness, highlighting the interplay between technological capability and organizational behavior.
4. **Employee perceptions** reflect initial resistance, mitigated by training, clear communication, and supportive leadership, emphasizing the importance of human factors in technology adoption.

Implications for Theory

Sociotechnical Systems Perspective

The findings align with sociotechnical systems theory, which posits that technology and human actors co-evolve within organizational contexts (Trist & Bamforth, 1951). In the present study, AI did not function as a replacement for human labor but as a complementary agent reshaping workflows and responsibilities. The co-adaptation between humans and AI underscores that organizational productivity depends not only on technology but also on how humans interact with, trust, and interpret AI outputs.

Digital Maturity and Technology Adoption Models

The moderating role of digital maturity supports established technology adoption frameworks, such as the Technology–Organization–Environment (TOE) model (Tornatzky & Fleischer, 1990), which emphasize organizational readiness as a critical factor in technology integration. Firms with strong IT infrastructure, training protocols, and governance structures exhibited higher productivity and smoother adaptation, reinforcing the premise that technological sophistication is necessary but not sufficient—human and cultural factors are equally critical.

Implications for Practice

Strategic Implementation of AI

Managers should recognize that AI integration requires deliberate planning, task redesign, and training initiatives. Deploying AI tools without structured human collaboration can generate inefficiencies, errors, and employee dissatisfaction. Structured onboarding programs, participatory decision-making, and continuous upskilling are essential to maximize productivity gains.

Workforce Skill Development

The redistribution of tasks necessitates targeted employee training in data interpretation, AI-assisted decision-making, and verification of AI outputs. Tech firms should design training programs tailored to specific roles and departmental functions to ensure employees are confident in using AI tools effectively.

Organizational Culture and Leadership

Cultural readiness emerged as a key enabler of successful AI integration. Firms promoting a learning-oriented, experimental, and error-tolerant culture experienced higher adoption rates and better productivity outcomes. Leadership involvement in AI initiatives, including transparent communication and support mechanisms, was critical to reduce employee anxiety and resistance.

Comparison with Previous Literature

Consistent with international research (Zhou et al., 2021; Latif & Hussain, 2024; Hussain & Rizwan, 2024), the study confirms that human–AI collaboration enhances productivity and role efficiency rather than reducing workforce participation. The moderation effect of digital maturity mirrors findings from developed economies, suggesting that infrastructure and preparedness are universal determinants of successful AI integration. However, the study also highlights context-specific factors unique to Pakistan. Organizational culture, informal communication networks, and hierarchical management structures influence adoption outcomes. Employees in less digitally mature firms reported higher anxiety, errors, and delays, underlining the need for localized strategies that address infrastructural and cultural constraints.

Limitations

While the study provides valuable insights, certain limitations should be acknowledged:

1. **Sample Scope:** The study focused on medium- and large-scale tech firms in urban centers. Results may not generalize to small firms or rural tech hubs.
2. **Cross-sectional Design:** Data were collected at a single time point. Longitudinal research would provide insights into how HAC and organizational adaptation evolve over time.
3. **Self-reported Measures:** Employee perceptions of productivity and role restructuring may be subject to response bias. Complementary objective performance metrics could strengthen findings.

Future Research Directions

Future studies should explore:

1. **Longitudinal studies** tracking human–AI collaboration over multiple years to assess sustained productivity gains and evolving skill requirements.
2. **Cross-industry comparisons** to identify sector-specific barriers and enablers of AI adoption.
3. **AI ethics and governance** in Pakistani firms, examining how transparency, fairness, and accountability influence employee trust and organizational outcomes.
4. **Impact on employment equity**, focusing on gender, age, and skill-level differences in AI adaptation and opportunities.

Conclusion

The study demonstrates that human–AI collaboration is a transformative force in Pakistani tech firms, driving productivity, job role evolution, and organizational adaptation. Digital maturity, organizational culture, and leadership engagement are critical moderators of successful AI integration. Effective adoption requires a balanced focus on technology, human skills, and cultural readiness. These findings provide actionable insights for managers, policymakers, and researchers aiming to leverage AI for sustainable organizational growth in emerging economies.

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