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**Exploring the Impact of AI Adoption on Job
Insecurity: The Mediating Role of Leadership
Support in Saudi Organizations**

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Introduction

Artificial Intelligence (AI) is one of the most talked-about technologies in the modern world. It is being used in many different areas such as healthcare, education, business and even in homes. AI refers to machines or computer systems that can do tasks that usually need human intelligence. These tasks can include understanding language, making decisions, solving problems and learning from data (Frey & Osborne, 2017). As technology continues to grow, AI is also becoming more advanced and more common in everyday life.

In recent years, businesses around the world have started using AI to make their work easier and more efficient. Companies use AI to help them make better decisions, understand their customers and save time. For example, AI can help in hiring new employees, managing customer service or even predicting market trends. In many ways, AI is helping businesses grow faster and become more competitive. It is also making it easier for companies to reduce costs and improve their services. According to Bughin et al. (2018), companies that use AI in the right way can increase their profit margins and improve productivity.

In Saudi Arabia, the use of AI is growing fast. The Saudi government has made AI a part of its Vision 2030 strategy. This shows how serious the country is about using technology to improve its economy and services. The goal is to use AI to bring innovation in sectors like healthcare, education, energy and transportation. The government has also created the Saudi Data and Artificial Intelligence Authority (SDAIA) to lead the efforts in AI development. According to Almarashdeh (2022), Saudi Arabia is investing heavily in AI and is planning to be one of the world leaders in this area. Many private companies in Saudi Arabia are also adopting AI in their operations. As a result, employees are starting to feel the impact of this change in their work environments.

While AI brings many benefits to organizations, it also creates some challenges. One of the major issues is the fear among employees that their jobs may be taken over by machines. This fear is known as job insecurity. Job insecurity means that workers feel unsafe about the future of their job. They may worry that they will lose their job or that their role will change in a way that makes them feel less important. When AI is introduced in a workplace, some employees may feel that machines can do their work better or faster. As a result, they might feel scared, anxious or unmotivated. According to Frey and Osborne (2017), many jobs that involve repetitive or routine tasks are more likely to be replaced by AI. This makes employees in such roles feel insecure about their future.

In Saudi Arabia, job insecurity due to AI is becoming a growing concern. As more businesses adopt smart systems, employees are starting to think about how this will affect them. Some workers feel that they will need new skills to stay relevant. Others feel unsure about how their roles will change. This feeling of uncertainty can affect their mental health, job satisfaction and performance. According to Alshehri (2021), many employees in Saudi Arabia feel they are not ready for the changes brought by digital transformation. They also feel that their organizations are not doing enough to help them prepare. This makes it even harder for them to deal with the stress of job insecurity.

Another important factor in this situation is leadership support. When leaders in an organization are supportive, they can help employees feel safe and confident during times of change. Leadership support means that managers or supervisors are open, understanding and willing to guide their teams. They communicate clearly, listen to concerns and offer help when needed. In times of technological change, such as the adoption of AI, strong leadership can make a big difference. According to Bass and Riggio (2006), transformational leaders who inspire and support their employees can reduce fear and increase trust. This kind of leadership can help employees see AI not as a threat but as an opportunity to learn and grow.

In the context of AI adoption, leadership support can act as a bridge between the new technology and the people who are affected by it. Leaders can help employees understand why AI is being used and how it will improve their work. They can also

provide training and development programs to help employees learn new skills. When employees feel that their leaders care about their growth and well-being, they are more likely to accept change positively. According to Zhou and George (2001), supportive leadership not only reduces stress but also encourages creativity and innovation. This is especially important in a time when many workers are worried about losing their jobs.

In Saudi Arabia, leadership plays an important role in how employees respond to AI adoption. Since many organizations are going through digital transformation, leaders need to guide their teams through this process. A lack of support can increase feelings of job insecurity and resistance to change. On the other hand, good leadership can reduce fear and help employees adapt. According to Alhazmi and Alzahrani(2020), leadership behavior in Saudi companies greatly influences how employees deal with changes in technology. Leaders who communicate well and show empathy can make their teams feel more secure and motivated.

This study is important because it focuses on the human side of technology. While many studies talk about how AI helps companies grow, fewer studies explore how it affects the people working inside these companies. In particular, the feelings of job insecurity and the role of leadership support are often not given enough attention. By focusing on organizations in Saudi Arabia, this study will provide insights into how AI adoption is shaping the workforce in the region. It will also help us understand what employees are going through and how leaders can make a positive difference.

The goal of this research is to explore how the use of AI in organizations affects employees' feelings of job insecurity and how leadership support can help manage those feelings. Since this is a qualitative study, it will focus on collecting real stories and experiences from people who are working in Saudi organizations. The research will look into how employees feel about AI, how it is changing their roles and what kind of support they are receiving from their leaders. It will also explore how different leadership styles affect employees' ability to cope with change. This approach will help in understanding the full picture rather than just looking at numbers.

This study is also timely. As AI continues to spread across all types of industries, the need to understand its impact on employees is more important than ever. If organizations want to use AI successfully, they must also take care of their employees. Ignoring the human aspect can lead to problems such as low morale, high turnover and poor performance. Leadership plays a key role in balancing technology with human needs. Leaders who are aware of their team's concerns and who take action to support them can help make AI adoption smoother and more successful.

Research problem

The use of artificial intelligence in organizations is growing quickly. Many companies are using AI tools to improve their services and make faster decisions. This change is happening in many parts of the world including Saudi Arabia. While AI helps businesses work more efficiently it also brings new challenges. One of the biggest

concerns is how employees feel about their job security. Many workers are worried that AI might replace them or change their roles in ways they cannot control. This fear can lead to stress low motivation and poor performance at work.

At the same time leadership in organizations plays a very important role in how employees react to changes. When leaders communicate clearly offer support and help their teams learn new skills employees may feel more confident and less afraid. But when there is little support from leaders workers may feel lost or unsure about the future. In Saudi Arabia many companies are still learning how to manage digital changes. There is not enough understanding of how AI is affecting employees and what leaders can do to help them during this shift.

There is also limited research that connects all three ideas together in the Saudi context. While there are studies on AI and some on job insecurity few have looked at how leadership support may reduce the negative effects of AI on workers. This creates a gap in knowledge. Without knowing how these factors connect organizations may fail to handle change in a way that protects their people. This study will try to explore how AI affects job insecurity and whether leadership support can make that experience easier for employees in Saudi organizations.

Significance of the study

This study is important because it looks at how technology affects real people in the workplace. AI is becoming a big part of many businesses but its impact on workers is still not fully understood. By focusing on job insecurity this study will help us learn how employees are feeling during a time of fast change. It will give a voice to workers who may be worried about their future. Understanding their experience can help companies make better decisions when bringing new technology into the workplace. The study also shows the role of leadership during digital transformation. When companies introduce AI the way leaders support their teams can shape how successful the change will be. If leaders provide guidance training and open communication workers may feel more positive and willing to adapt. This research will explore what kind of leadership behavior helps reduce fear and makes employees feel more secure. In the context of Saudi Arabia this study is especially meaningful. The country is moving quickly toward digital innovation under its Vision 2030 goals. Many Saudi companies are introducing AI but they may not be fully aware of how it affects their employees. This research will provide useful insights for business owners managers and policy makers. It can help them create better strategies to support their teams during change and make sure the use of AI benefits both the company and the people working in it.

Finally this study can help future researchers who want to understand the human side of AI. It adds to the limited research on AI job insecurity and leadership support in the

Saudi workforce. It may also be useful for other countries going through similar changes. By sharing the experiences of workers and leaders in Saudi Arabia this study hopes to support a more balanced and thoughtful approach to using AI in business.

Research Questions

- 1.How was AI adoption experienced by employees in terms of its impact on their sense of job security in Saudi organizations
- 2.What were the common concerns expressed by employees about AI replacing or changing their roles
- 3.How was leadership support perceived by employees during the digital transition caused by AI
- 4.In what ways did leadership behavior influence employees' ability to cope with AI-related job insecurity
- 5.How were employees' reactions to AI adoption shaped by the type and quality of support provided by their leaders

Research Objectives

- 1.To explore how employees working in Saudi private sector organizations experienced job insecurity due to the adoption of AI technologies
- 2.To identify what specific fears and emotional responses were triggered by the introduction of AI in the workplace

- 3.To understand how leadership support was provided during this period of change and how it was received by employees
- 4.To examine the relationship between perceived leadership behavior and employees' ability to adjust to new AI-related responsibilities
- 5.To generate insights that could help organizations manage digital transformation in a way that protects employee wellbeing and reduces fear about job loss

Research Hypotheses

Although this was a qualitative study and no statistical testing was planned some exploratory assumptions were made based on existing literature and the research direction

- H1: It was assumed that employees who experienced strong leadership support would report lower levels of job insecurity even when AI tools were being introduced
- H2: It was assumed that job roles involving routine or repetitive tasks would be more likely to cause fear of replacement by AI compared to creative or analytical roles
- H3: It was expected that organizations where leaders were more transparent and communicative about AI-related changes would see a more positive employee response
- H4: It was assumed that the lack of leadership support would increase employee anxiety resistance to change and overall dissatisfaction during digital transformation

Research Model

A conceptual model was used in this study to understand how AI adoption influenced job insecurity and how that relationship was shaped by leadership support. This model was based on the following structure:

- Independent Variable: AI Adoption in the organization
- Mediating Variable: Perceived Leadership Support
- Dependent Variable: Employee Job Insecurity

The model was used as a guide to understand how employees described their experiences and what factors made them feel secure or insecure about their roles during the shift to AI-based systems

Industry Analysis

The focus of this study was on private sector organizations in Saudi Arabia especially in industries that were actively undergoing digital transformation such as healthcare finance education telecommunications and retail. These sectors were chosen because they were directly impacted by Vision 2030 which placed a strong emphasis on modernizing the economy through smart technologies including artificial intelligence. Saudi Arabia was considered a fast-changing and ambitious market where AI was being seen as a key part of national progress. Organizations were being encouraged

to adopt digital systems and use data-driven tools to improve productivity reduce costs and make faster decisions. However while organizations were moving forward technologically many of them were still in the early stages of managing the human impact of these changes. Employees in these sectors were found to be facing uncertainty due to new technologies being introduced without enough preparation or communication. At the same time leadership styles across organizations were not always aligned with employee needs during such transitions. This situation made the Saudi market highly relevant for studying the connection between AI adoption job insecurity and the role of leadership support.