

ABSTRACT

The digital transformation and Industrial 4.0 era require companies to adopt technologies such as Artificial Intelligence (AI) to enhance operational efficiency and employee productivity. Telkomsel, as the largest cellular telecommunications company in Indonesia, has utilized AI through Hyper AI technology to support its operations and customer services. However, there are indications of declining employee productivity, measured by Earnings per Employee (EPE), despite an increase in the number of employees. Research shows that employee productivity is influenced by employee engagement, which is closely related to leadership aspects and technology implementation.

This study aims to explore the influence of AI implementation on employee engagement and productivity at Telkomsel, with change leadership as a moderating factor.

The method used in this study is quantitative, presenting the research results using descriptive data analysis. Data collection was conducted through questionnaires utilizing a Likert scale. The study population consisted of 377 employees of Telkomsel. The collected data were analyzed using the outer model, inner model, and path analysis through the SEM- LISREL application to examine the relationships between variables.

Based on literature reviews and initial survey results, this study proposes five hypotheses. First, AI has a significant positive effect on employee productivity. Second, AI has a significant positive effect on employee engagement. Third, employee engagement has a significant positive effect on employee productivity. Fourth, AI has a significant positive effect on employee productivity mediated by employee engagement. Fifth, AI has a significant positive effect on employee productivity moderated by change leadership at Telkomsel.

Keywords: Artificial Intelligence, Employee Engagement, Employee Productivity, Change Leadership