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Exploring Artificial Intelligence and Work Agility: Towards an Institutional Perspective

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Abstract:

The adoption of artificial intelligence (AI) is rising to change business processes. The rapid implementation of AI technology can generate negative outcomes for businesses and institutions, through replacing job opportunities and raising ethical and systemic challenges, in the developing countries. Even though agile practices have gained increasing impetus through the use of AI in business institutions, agile methods remain without established integration system standards continue to be a challenge. The combination of AI and agility in workplaces may result in unsteady automation systems and digital gaps, coupled with employees resisting the new practices. The study explores agility in enabling artificial intelligence in institutions. A leading financial institution in South Africa has been chosen to explore these challenges. The qualitative study explored documents from a financial institution. Data was analysed to draw themes on how AI-Agile operations work together, amid ethical and systemic issues. The study finds that financial institutions are likely to maintain flexible work environments, in addition to developing ethical guidelines for AI deployments, together with equal resource distribution and agile business process transformation. The financial institutions gain operational ability to synchronise technological development and financial distribution practically. AI deployment requires businesses to integrate human values to ensure sustainable development across quick technological transformations which follow institutionally defined requirements.

Keywords:

Artificial Intelligence, Work Agility, Institutional Theory, Operational Efficiency, Developing World, Financial Institutions

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Introduction

Artificial intelligence (AI) functions as a strong transformative force that modifies economic systems, organisational operating approaches and jobs. The functioning of AI in organisational agility receives continuous discussion by Shafiabady et al. (2023), since agility serves as a necessary business characteristic to assist employees in a rapidly changing marketplace and technological transitions. Employees adapt to changes quickly through AI tools because these systems allow data-based decision-making, automation and help improve customer interactions (Soto-Acosta 2020). For example, financial institutions have undergone rapid digital transformation following the outbreak of COVID-19 to achieve sustainable market achievement (Amankwah-Amoah et al,. 2021).Yet, the integration of transformative AI faces problems due to employee reluctance to change and costly expenses, as well as a shortage of specialized expertise (Yoo et al., 2022). To explore the transformative effects thereof, the study explores the role of agility in AI in institutions.

The implementation of AI faces ongoing challenges due to employer reluctance, ethical issues and inadequate infrastructure which create obstacles to smooth adoption (Lobschat *et al*. 2021). Most executives understand AI offers strategic worth but only a minority have managed extensive implementation which demonstrates that purpose differs from practical execution (Ransbotham *et al*. 2024). Research remains insufficient for determining the effects of combining workplace agile principles with AI solutions to confront financial institutional challenges. Current research examines AI capabilities independently or agile project methods separately rather than showing how these methods can work together to develop working agility as the ability to rapidly change processes and technologies in response to disruptions. This concern perpetuates inefficiencies, as institutions struggle to balance AI's transformative potential with ethical and operational risks.

The international monetary fund (2023) reports that approximately 60% of jobs in developed economies are exposed to AI and have a chance to increase workplace agility. AI acts as both a productivity-enhancing tool and an employment system-transforming force that demonstrates contradicting features (Acemoglu & Restrepo 2020). According to Amankwah-Amoah et al. (2021), the global pandemic forced financial institutions to adopt AI systems for maintaining operational resilience. AI integration in financial institutions needed agile methods which focus on flexible development and continuous advancement to help institutions achieve better volatility management (Shafiabady et al. 2023).

Financial institutions face difficulty from the quick AI integration into business operations. While AI boosts productivity, it causes workforce displacement as well as ethical concerns combined with operational inefficiencies affecting areas with limited infrastructure and lacking skilled workforce (IMF, 2023; Gwagwa et al., 2021). Financial institutions has elevated their focus on agile methodologies, yet they still lack understanding about combining agile principles with AI to develop dynamic process adaptability

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known as working agility (Ransbotham *et al*. 2024). Research today overlooks how AI operates independently or agile functions separately from each other to overcome core organisational challenges of workforce opposition, ethical dilemmas and regulatory incompatibilities (Yoo et al., 2022).

When financial institutions fail to develop practical solutions between agile practices and AI applications, it creates situations where stagnation along with digital divide expansion and unsustainable automation can become significant problems. In addition, the South African mining sector uses AI in autonomous vehicles for enhanced productivity while lacking human capital development efforts that generate employment insecurities (Molopyane, 2021). The solution of overcoming the concern between AI and agile procedures would create an opportunity for ethical human-focused agility solutions that prioritise ethical AI use, workforce reskilling, and inclusive decision-making to align with sustainable development goals. The study closes the theoretical and practical aspects by providing conceptual tools which merge AI systems and agile development processes. Hence, the main research question is: How does the implementation of artificial intelligence influence working agility? And sub questions are”

- How does AI affect institutional efficiency?
- What challenges and opportunities exist in institutionalising AI for working agility?
- How do employees view AI and their jobs?

Literature Review

Institutional Theory

The study adopts the institutional theory to explore how financial institutions implement AI throughout operations. Organisations use institutional theory to study responses to external influences and normative requirements combined with cultural-cognitive schemes as well as technological innovation adoption. Organisations adopt practices according to DiMaggio and Powell (1983) and Scott (2008) theory of institutionalism to acquire legitimacy beyond finding operational efficiency. Yet, financial institutions faces challenges with integrating technical benefits with public acceptance of new technologies within their AI decision-making process

Historically, institutional theory became established in 1977 when Meyer and Rowan introduced it before DiMaggio and Powell performed an extensive analysis in 1983. The theory assumes that drivers of behavioural modifications in organisations originate from external pressures instead of economic apects. The study further assumes that organisations demonstrate institutional legitimacy by adopting equivalent structures and practices enabled through coercive mechanisms derived from rules and cultural norms. In addition, mimetic mechanisms based on following successful organisations under uncertain conditions, and normative mechanisms build on professional practices and regulations (Alvesson et al., 2022).

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Financial institutions can explain established AI programs often exist independently from how information technology operates within the organisation. The framework shows how organisations struggle to integrate AI properly with agile methods although they publicly support concepts. Essential mechanical processes are considered through institutional isomorphism that consist of financial institutions which follow coercive isomorphic rules by complying with official regulations and unofficial demands from regulatory bodies and government policies while meeting social standards regarding AI deployment alongside privacy and ethical requirements. Financial institutions adopt AI along with agile practices in response to uncertainty by imitating what other profitable institutions implement. Financial institutions base their AI adoption methods as well as working-agility strategies on professional norms, industry practices and executives who share educational backgrounds.

The study requires the theory to provide an essential framework because it offers an efficient approach to analyse external factors that influence AI adoption decisions in organisations. Organisations implement AI solutions through institutional factors to preserve their legitimacy because of their need to comply with their regulatory environment (Zhang et al., 2023). AI implementation procedures follow regulatory standards combined with industrial requirements and cultural expectations that influence their development. The banking sector organisations place these elements first because maintaining regulatory compliance and institutional legitimacy stands as essential operational requirements for their functions (Viale and Gendron 2023).

Institutions demonstrated application to the current research while establishing internal limiting factors. Hampel et al. (2022) argue that organisations receive limited importance for strategic decisions whereas institutions remain the central element of analysis in this perspective. Suddaby et al. (2020) is of the view that the framework lacks adequate explanation regarding the methods through which individual actors manipulate organisational adaptation based on institutional expectations. The analytical power of institutions remains limited for assessing rapid technological progression beyond institutional reaction capabilities related to AI technology development (Hinings et al., 2023).

Literature showed extensive use of this theory to study where Moll and Yigitbasioglu (2019) examined how institutional pressures affect digital technology adoption in accounting firms. The adoption patterns of technological innovation by South African financial institutions were significantly shaped by regulatory pressures according to Jackson et al. (2021). The studies verified that institutional theory does well to explain technological change within complicated institutional settings. Institutional theory provides a suitable conceptual basis for understanding how artificial intelligence affects working agility within South African banking institutions. Financial institutions respond to regulatory mandates through coercive pressures and adopts AI solutions from competitors through mimetic pressures and faces normative pressures in their operations. AI adoption studies benefit from this theoretical perspective which enables

researchers to assess institutional elements that affect links between AI adoption and working agility results.

Artificial Intelligence

Researchers have achieved exceptional discoveries that shift human understanding of artificial intelligence away from conventional thinking. AI conceptual development evolves similarly to the broader expansion of its frameworks across different human activities. Wang (2019) describes AI as computational systems which handle duties normally requiring human intelligence by learning from experience together with pattern recognition and natural language processing and unknown condition decision-making capabilities. AI operates as an operational system exceeding mere attempts to recreate human intelligence systems based on this definition. A produce a detailed artificial intelligence definition through their statement: Kaplan and Haenlein (2020 p. 17) "a system's ability to correctly interpret external data, to learn from such data, and to use those learnings to achieve specific goals and tasks through flexible adaptation". The current AI systems adopt learning functions and adaptive characteristics as explained by Kaplan and Haenlein (2020).

A group of autonomous computer systems defined by Raisch and Krakowski (2021) enhance organisational operations by processing automated decisions along with predictive models and classifying data and optimising functions while operating at speeds beyond human capability. Within their definition the authors explain how AI serves organisations by improving their operational capabilities. Jobin et al. (2023) explain AI as systems which retain human values and power structures together with biases for automation while showing influence on information understanding and decision-making systems and interpersonal relationships. Their definition foregrounds ethical considerations inherent in AI development and deployment. Multiple stakeholders put their effort toward building unified definitions. (Dwivedi et al. 2024) AI operates as a multi-level system of technological practices which forms an interconnected framework of computational systems performing human-level intellectual tasks. The ecosystem view reveals how AI operates within extensive technological frameworks and social systems.

Conceptualising Working Agility

The essential capability for today's organisations stems from quick technological transformations and market conditions and changing workplace models. Modern working agility definitions advanced past traditional organisational agility definitions through their evaluation of individual-level alongside team-level and structural elements. Organisations display working agility as their speed to transform tasks along with managing resources and decision-making processes in response to unexpected business environment modifications (Walter 2021:143). Working agility in organisations can be understood

through this definition as it shows responsiveness in its agile work systems. Working agility represents a dynamic organisational capability that enables entities to recognise environmental changes along with using future opportunities to adapt their operational methods according to Teece and Leih (2021). Their definition links working agility to the broader framework of dynamic capabilities. Organisations use work agility as a systematic approach to design work along structured processes and organisational frameworks that aid swift adjustments and productive testing and valuable output creation in uncertain settings (Holbeche, 2022, p. 62). The definition reveals how organisations create plans for building adaptable workplace areas.

People display individual working agility when they quickly learn to perform new assignments using acquired abilities and effectively transfer between various job locations per Muduli and Pandya (2023:412). The definition focuses on determining how much workers must adjust themselves for dynamic operational spaces. Three unified components from individual working agility which combines cognitive flexibility with emotional resilience along with behavioural adaptability to support staff managing complex business operations while sustaining their welfare and performance levels according to Joiner and Josephs (2020:37). The described definition shows that individual agility combines many distinct interpersonal elements. Working agility describes the temporal speed that employees use for problem-solving through innovative approaches when familiar procedures fail according to Rodriguez and Walton (2023:156). According to the definition agile working comprises cognitive operations which form its core principles.

Integration of Artificial Intelligence and Working Agility

Understanding how artificial intelligence works with working agility requires examination of institutions that guide business operation. The integration of artificial intelligence in the South African banking sector functions under both the guidelines of regulatory systems and required industry standards as well as societal norms. The conceptual approach of institutional theory delivers relevant tools to understand structural factors which guide Artificial Intelligence adoption processes and their influences on working agility. Mazmanian (2022:78) shows that financial institutions must follow strict regulations during AI system implementation which determines how fast they adopt these systems as well as how they use them. These mandatory organisational constraints establish an ongoing struggle between innovative development and risk management that organisations need to manage. Organisations under mimetic pressure implement AI solutions identical to those used by competitors especially when faced with uncertain times (Venter & Masilela, 2023:211).

AI integration receives significant influence from normative pressure factors. Organisations adopt responsible AI use standards set by professional associations and industry bodies because they need to fulfil these requirements (Thompson, 2022:156). Organisations face a demanding setting because

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institutional influences force them to weigh multiple obligations when implementing AI systems that boost working agility. AI deployment in South Africa faces distinctive environmental factors that affect implementation possibilities within the country. South African financial institutions which operate under the regulatory framework of data protection and financial inclusion determine the deployment of AI technologies according to Nyoni and Mtshali (2021:89). The institutional environment requires organisations to take a detailed approach for analysing AI's impact on working agility

Research about AI and working agility continues to expand but the field still faces various important knowledge deficiencies. Little research exists about institutional factors that affect AI adoption and working agility outcomes in South African organisations. There exists insufficient evidence to explain the unique impact that coercive and normative and mimetic pressures have on AI implementation and its resulting effect on working agility. The analysis of this relationship happens infrequently within the banking industry because institutional pressures reach their peak in this sector. This study explores a conceptual model to study the association between AI adoption and working agility while institutional variables function as intermediate variables. AI deployment affects working agility through three pressure-generated mechanisms which include maintaining regulatory compliance (coercive), monitoring competitive standards (mimetic) and following professional code of conduct (normative).

The application of institutional theory to AI together with working agility demonstrated essential aspects regarding the adoption and implementation process of AI technologies by organisations. Organisations adopt AI at various levels because institutional forces create guidelines for their AI methodology and working performance systems. Financial institutions need to comply with data protection laws while adhering to ethical guidelines because regulatory pressures represent the main reason for coercive isomorphism according to Scott (2021:45). South African banks tend to replicate the same AI solutions used by industry leaders for maintaining both competitive advantages and industry recognition as Jackson et al. (2021:118) point out. Organisations face external pressure regarding AI integration as part of their adoption efforts. Professional associations together with industry standards bodies set responsibility standards for AI usage which organisations adopt as mandatory guidelines (Naidoo & Smith, 2022:67). Organisations must cope with multiple conflicting institutional requirements to optimize working agility through artificial intelligence implementation. By using institutional theory and data, this study brings forward several propositions.

The first proposition is that having too many rules can block the positive impact of AI adoption on working agility, causing organisations to prioritize compliance and follow the rules instead of finding better ways to work. The second propositions is: When organisations try to match their competitors' AI efforts, they may choose the same solutions which may not be ideal for their company, reducing effectiveness.

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Finally, sustainable AI-working agility can be achieved if normative institutional pressures guide the formation of professional standards that link technological development to work focused on employees.

Methods and Data

This study employed a cross-sectional, inductive, interpretivist, qualitative research design Bryman and Bell (2019:62). The research design used the procedure of collecting data during a single point in time to display current conditions under examination (Saunders et al., 2023). The design served as a proper method to investigate the ongoing perceptions along with experiences of AI deployment and working agility. The study adopted the cross-sectional design methodology because operational considerations restrict researchers to time and budget constraints. The current research explored AI working agility relationships by studying their status instead of a time-lapse analysis through longitudinal design.

The study implemented a qualitative case study research design within the cross-sectional method. The research of cases deepens understanding of real-life phenomena by analysing them in their original situational environments (Yin, 2018). The methodology provided an opportunity to explore AI implementation for working agility in their natural work environments through comprehensive analysis. The case study process provided proper context for researching the multifaceted connection between AI systems and working agility.

A financial institution deployed AI systems with distinct implementation strategies that probably determine how working agility is affected through multiple contextual elements. According to Eisenhardt and Graebner (2021:25) case studies provide optimal value when researchers study real-life phenomena through their natural environment where the study area and its observational context cannot be clearly separated. The research investigated a financial institution in South Africa which was selected because of its advanced implementation of using AI. The financial institution has documented its AI transformation journey since 2019, making it an ideal case for examining AI role on working agility.

The targeted individuals in this study consist of decision-making managers who implement AI technologies along with technical personnel deploying AI systems and workers whose operations change because of these technologies. The research adopted purposive sampling which is a non-probabilistic approach that uses participant selection criteria aligned with the research goals (Saunders et al., 2023). The study used participants with first-hand experience and knowledge of AI implementation practices and its effects on working agility for recruitment purposes. The researcher justified the use of purposive sampling to acquire participants who specifically understand the impact of AI technologies on working agility. The research sample contained five participants who were interviewed with semi-structured inquiry sessions spanning thirty minutes each. These procedures followed the method guidelines stated in the research design document. The sample included:

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- Two managers responsible for AI implementation decisions
- Two employees whose duties depend on AI systems' operations.
- One IT expert who deploys AI technologies and maintains them.

The study used a financial institutions documents about AI implementation along with working practices as its data source. The researcher gathered several financial institutions documents such as policy documents as well as implementation plans alongside training materials and internal communications. Document analysis stands out for qualitative case study research because it suits in-depth examinations that yield extensive details about Standard Bank according to Bowen (2019:27). The research used thematic analysis as a methodology to extract patterns (themes) from qualitative information (Braun & Clarke, 2022). A six-phase method makes up this approach to analysis. Many readings of the data allowed a researcher to become familiar with it. The process started by creating initial coding methods to spot important elements within the data collection. The researcher merged original coded information into potential thematic categories to develop thematic patterns. The researcher examined themes for their effectiveness in relation to original extract data to present results.

Results

This section presents the results based on important themes extracted from thematic analysis of data while examining theoretical and practical implications of the study. Table 1.1 below demonstrates the demographic information about the interviewed participants, including their roles in the financial insitutions and their experience as well as involvement with AI implementation. Five interviews were conducted with experience varying betweeen three and eight years in different roles within the financial institution. The participants represented the roleplayers involved in the roll-out of artificial intelligence in different department within the financial institution. The role players are also varied by seniority in the organisations creating data variance.

Participant ID	**Role**	**Years of experience**	**Experience with AI Implementation**
M1	Senior Manager (Digital Innovation)	8	Led AI strategy development
M2	Branch Operations Manager	6	Implemented AI in customer service
E1	Financial Analyst	5	Uses AI analytics tools daily
E2	Customer Service Representative	3	Works with AI Chabot's and systems

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IT1	IT Systems Specialist	7	Develops and maintains AI platforms

Table 1: Demographic Profile of Interviewed Participants

The study coded the data, categorised it and drew themes as shown in Figure 1.1. First, the themes were financial insitution's pressures characterises by process automation, customer experience, risk and data-based decision making. Second, implementation strategies of process automation, customer experience, risk and data decision making. Third, theme was the key stakeholders of executives, information technology specialists, customer service personnel and regulators. Last, the work agility revealed adtapability, flexibility, speaad, resilience and responsiveness. The themes underscored the AI's effects on working agility at a financial institutions which emerged through the thematic analysis of both interviews and organisational reports as shown in Figure 1.1.

Thematic Map of AI's and Working Agility

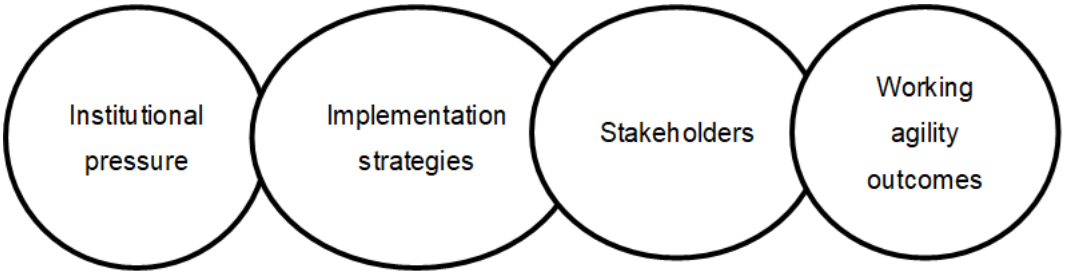

Figure 1: AI and Working Agility themes

Institutional Pressures Influencing AI Adoption

The results show that institutional theory explains the way financial institutions adopt AI isystems. For example, manager 1 said '*We have to make sure every AI choice is compliant with rules before giving full attention to how it can work*', revealing that making AI choices is based on defending and meeting regulations before personal benefits. When there is uncertainty, organisations try to follow successful competitors to improve. When faced with uncertainties relating to technology, a financial institution is pressured to imitate the AI approaches used by most successful institutions. This statement confirms that institutional theory's assumption that organisations try to copy their peers when faced with uncertainty. In addtion, manager two confirmed that "*To decide on Chatbot, we imitated…….. by seeing what they were doing first"*.

The existence of professional standards means that organisations follow the standards set out in the sector as one manager stated: "*All AI implementation requires complete compliance verification of data protection regulations before deployment".* As Jackson et al. (2021) explore patterns of technology

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adoption within South African financial institutions, organisations experience intense mimetic pressure when operating within uncertain conditions. The establishment of professional standards and industry expectations expressed normative pressures. As noted by another manager: " *initiated its own AI Chabot project after competitors began deploying these bots".*

The IT specialist emphasized the institutional pressures that "*the banking sector requires professionals to uphold specific standards when deploying technology especially for implementing AI which is considered sensitive"*. In addition, an employee noted: "*The AI analytics tools enhance my ability to analyse large datasets to provide improved recommendations that generate enhanced value for the team"*. "*Older systems in our network experience bottlenecks because AI technology integration is not possible with these outdated configurations". Some AI tools received instant approval from departments yet others experienced strong rejection".* Therefore instutional pressures were based on the extent to which there was adoption of AI across departments during institutionalisation.

During implementation of the strategy, it was not AI that drove changes in working agility directly, but instead it was guided by the pressures of institutions, leading to three unique forms of change. When it was required by regulations, AI helped make procedures more flexible but limited the ability to adapt. Speeding up compliance helped organisations, but they lost some ability to be innovative. The competitive environment resulted in the use of the same AI, allowing faster operations but making it harder for businesses to be different from each other. While achieving industry-standard speed, there were few things organisations could do that made them stand out.

Adhering to professional standards led to fair agility improvements that boosted efficiency as well as staekeholder's capability. Adopting this strategy gave rise to the most stable and flexible as well as agile employees. It is difficult to legitimize an organisation while ensuring it runs efficiently. The results showed that that there was often a conflict between gaining acceptance in the society and running the organisation efficiently. AI adoption choices may not result in the best working agility when they are mostly guided by a company's existing system. Sometimes, due to regulatory demands, financial institutions had to make AI choices that didn't help the company become more agile. In a similar fashion, there was competition among organizations which meant they chose technology for reputation but with less flexibility. The investigation showed results which emerged from working agility at both the organisational level and individual level as shown in Figure 1.3

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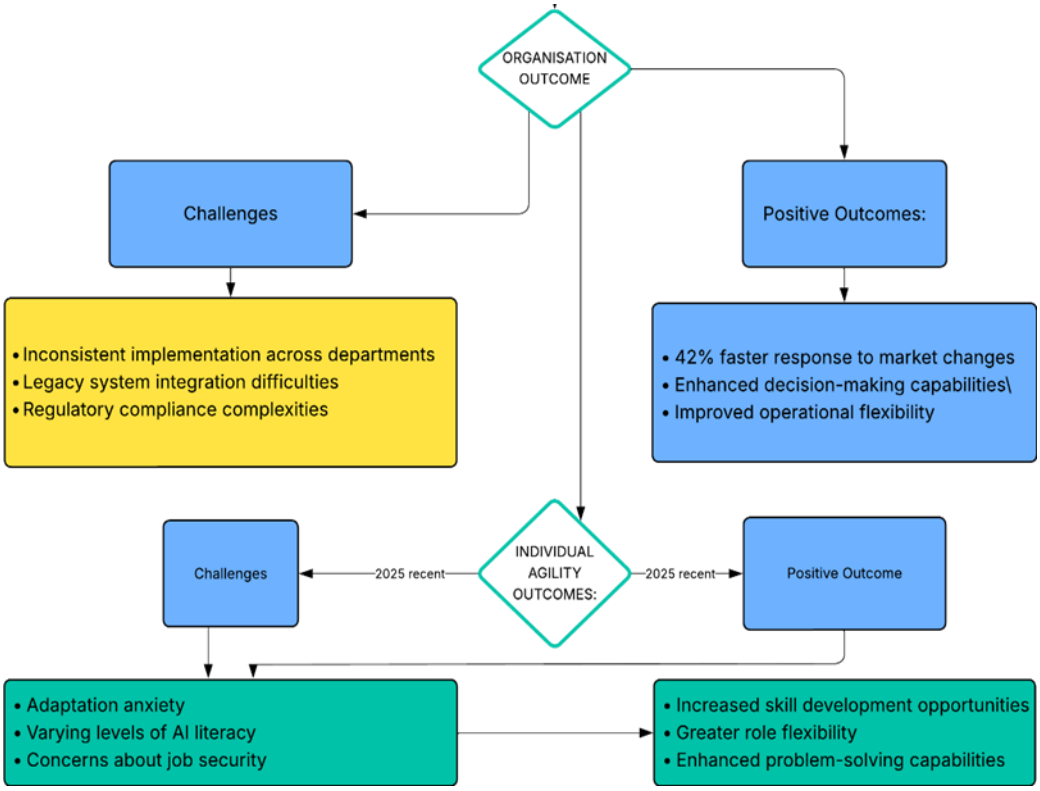

Figure 2: AI and Working Agility outcomes

Discussion

The study explored the institutionalisation of artificial intelligence and working agility in the financial sector. The study finds that implementation of artificial intelligence plays a role in workplace agility in financial institutions. The finding suggests that the utility of institutionalisation to explain technological adoption decisions in financial institutions. Furthermore, the adoption decisions at a financial institution displayed three mechanisms identified by DiMaggio and Powell (1983) in their model demonstrating the theoretical assumptions. The main regulatory duties stemming from financial regulations and Protection of Personal Information established firm parameters for AI deployment in the South African context. The regulatory environments shaped the institutionlisation of artificail intellienge in financial institutions. South African financial institutions demonstrate their technology adoption patterns as reported by Jackson et al. (2021).

The professional standards together with industry requirements operated as normative pressures. The finding further confirms Naidoo and Smith's (2022) research which demonstrates the impact of professional associations on South African organisations' responsible AI utilisation. Institutionalisation rationalises technological adoption decisions. Three isomorphic mechanisms pointed out by DiMaggio

and Powell (1983) were evident in bank's AI implementation process. Coercive pressures, mostly as regulatory requirements from Protection of Personal Information and financial regulations, placed pressures and boundaries around AI deployment. Such regulatory frameworks required a harmonious balance between creative and regulatory actions, in many cases, introducing tension in the implementation system. The financial institutions oblige by portraying how coercive pressures influence technological adoption in highly regulated industries.

The implementation of AI by the competitors most especially in customer-facing applications such as chatbot has implication fort the financial sector. The observartions is consistent with the premise of the institutional perspective that organisations have a tendency to replicate successful peers particularly during the times of uncertainty. The changing nature of the financial field in South Africa places mimetic pressure on financial institutions to make similar AI solutions adopted by the top financial institutions. Normative pressures related to professional standards and industries expectations played a major role in influencing implementation of AI across departments with legacy and ethical issues. Adherence by financial institutions to responsible AI principles and professional institutional standards depicts the way in which normative pressures influence not only the decision to embrace AI but also how it is enacted. The assertion is consistent with Naidoo and Smith (2022) study on the influence of professional association on the use of responsible AI in South African organisations.

The study investigated the challenges and opportunities arising from implementation of artificial intellienge and agility in a financial institution. The study found that AI deployment maintains a dual-way connection with employee agility levels. AI technology improved agility capabilities of employees and businesses creating opportunities and better outcomes. Yet it led to new challenges that demanded organisation-wide adjustments. AI accelerated response times to market changes through documentary evidence showing a reduction in specific operations processing duration. The findings support Walter's (2021) approach to organisational working agility as the rate at which organisations transform workflows and decision systems when unexpected business issues arise. In contrast, personal working agility showed mixed effects for employees at individual level. People who received functionality enhancements through augmentation strategy indicated the greatest improvement in personal working agility. The idea of being able to rapidly learn new job responsibilities using previously acquired competencies mirrors Muduli and Pandya (2023) presentation for individual working agility.

The study examined the employee views about implication of artificial intelligence for their jobs. The study found that the integration between the AI implementation ways impacts on working agility outcomes. Work agility faced potential disruptions because employees expressed concerns regarding the automation strategy. According to Raisch and Krakowski (2021) organisations ought to establish equilibrium between optimising production process efficiency and nurturing employee skills because

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they call it the automation-augmentation paradox. Therefore, financial institutions faced integration difficulties when systems and workflows combined impeding the realisation of agility benefits for employees. Legacy systems contributed to technical integration concerns. The assertion supports Yoo et al. (2022) documented technical barriers that prevent AI deployment for employees. Also, the resistance against cultural changes proved to be a concern for employees. The concern overlaps with the work of research conducted by Sopoć (2021) who established barriers organisations face while adopting digital transformation. In addition, ethical considerations created additional complexity. The research of Jobin et al. (2023) found support in mentioning AI decision-making bias and transparency issues.

Technical integration problems especially with legacy systems-built bottle necking which prevented the realisation of benefits of agility. Cultural resistance to change took shape as a significant barrier whereas the different adoption rates across the departments pointed to the need for change management during implementation of AI. Besides, moral issues related to AI decision bias and transparency added complexity in the implementation phase. The evidence indicates that the implementation at a technical level is not enough for realising the maximum advantage from AI for working agility. Organisations need to counter cultural, ethical, and infrastructural aspects. Hence AI literacy and job insecurity arises amongst employees and adaptation anxiety emerges. The concerns create opportunities for skills development, role flexibility and problem solving are created.

Conclusion

Theoretical Implications

The study advances the theoretical understanding of how institutional pressures affect technological adoption as follows: First, the study applies institutional theory to the context of AI adoption in financial institutions. Previous research has been mainly conducted within the context of the West, but this study uncovers that financial institutions in the developing world operate under unique pressures of institutions which require deepening theoretical assumptions. Second, the study reveals the function of pressures from institutions about not only whether the organisations embrace the new technologies, further, it reflects on how the organisations undertake system of new technologies.

Coercive, mimetic and normative pressures affect implementation strategies, which have an impact on the working agility outcomes. Such an insight with this subtlety deepens institutional theory by establishing the link between institutional pressures and implementation modes. Third, the study finds the necessity of striking a balance between the institutional legitimacy and the operational efficiency in technological innovation. The findings imply that, financial institutions balances institutional demands to utilise AI in accordance with institutional expectations and to promote operational abilities. The balancing

act is an important theoretical contribution to an understanding of the institutional theory under conditions of radical technological change.

Practical Implications

There are several practical implications of the study for deploying AI technologies: First, the study finds the augmentation as the most adequate AI implementation approach that can be utilised to bolster working agility. Organisations should work with AI systems that augment human capabilities instead of concentrating on automation. Cooperative ties between human beings and AI systems present opportunities for the working agility both at organisational and individual levels. Second, organisations should create approaches that would combine the technical, cultural and ethical perspectives of AI implementation. The broad perception is quintessential in the true exploitation of AI to improve working agility.

Third, the findings emphasize the need for organisations to respond to institutional pressures strategically. Financial institutions ought to build capacity to understand and address regulatory demands, competition, and professional expectations in the light of their strategic objectives. The process entails creation of institutional awareness and adaptive capacities. Last, the study underscores the role of managing the human aspects of implementing AI. Institutions should make investment in change management; skills development; and communication strategies to avert employee concern and resistance. The human centric approaches are vital in ensuring a perfect integration of AI, to improve working agility.

Limitations and Direction for Future Research

Although the findings of research reveal useful information about the implementation of AI and working agility, there are certain limitations: The use of the qualitative case study approach and with a limited sample size limits its generalizability. Although the in-depth interviews offered a rich background of knowledge and document analysis was done, the small sample may not allow for capturing of the diversity of opinion. The cross-sectional structure of the study provides only a moment of time to show AI's implementation and working agility. As rapid development of AI technologies ensues, the longitudinal approach would present a more thorough consideration of how AI adoption occurs in financial institutions. The study cannot reflect the dynamic nature of AI implementation and dynamic responses to working agility.

An aspect of geographical and sectoral narrowness related to a financial institution restricts the applicability of findings elsewhere. The institutional pressures differ from country to country and from industry to industry and it may not be easy to generalise specific findings to other settings. South African banking poses its specific regulatory, competitive, and cultural environment, which shapes the findings.

The study used self-reported data from respondents which may be affected by social desirability issues and confined by respondents' knowledge and perceptions, triangulating findings through document analysis notwithstanding.

The current research prospects some promising lines for future studies for the relationship between AI and working agility. Longitudinal studies should be implemented to track changes in the implementation of AI for working agility, ensuring the understanding of how technological changes emerge and organisations adjust. Comparative studies with several financial institutions in various geographical contexts would provide better understandings on variation in the institutional pressure and influence on AI. Articulating and verifying metrics of AI implementation success and working agility outcomes would permit quantitative research possible. Examining the effects of certain AI applications like machine learning, natural language processing, and robotic process automation in various aspects of working agility would give more detailed intelligence of what AI solutions will have the most value for working agility. Lastly, explication of the ethical implications of AI implementation especially in the way ethical considerations inform agility outcomes at work can be used to design better ethical governance frameworks for AI.

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