



Use of AI-powered collaboration tools for internal communication in mid-sized consulting firms in Bangalore

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Abstract

Numerous technology platforms, features, and facilitators can be used to support internal communication, including artificial intelligence, natural language processing, and collaboration technology. In this study, many developing AI-enabled collaborative tools and technologies being implemented in the Bangalore metropolitan area's medium-sized consulting organisations (those with 50 to 250 employees) are examined in order to identify changes in their coordination, communication, and collaboration. The gathered data in this study support the hypothesis that, in order for advanced collaboration and coordination technologies (like AI-enabled tools) to be successfully integrated, organisations must have the necessary culture and readiness, employees must perceive the technology positively, and organisations must provide adequate support (including training to meet the needs of the organisation).

Keywords: AI collaboration tools, internal communication, consulting firms, usefulness, organisational support, digital literacy, structural equation modelling

Introduction

Artificial Intelligence (AI) has progressed rapidly to become an organisational strategic tool. In the consulting sector, knowledge, agile response, and collaborative problem-solving activities are essential to the business. The use of collaboration tools powered by Artificial Intelligence (AI) is altering the way communication is done internally. These tools consist of intelligent meeting aides, automated transcription and summarisation services, chatbots, predictive workflow routing, and knowledge recommendation systems. AI tools serve to improve efficiency by reducing communication tasks and providing information to organisational members.

Mid-sized consulting firms, especially those in technology-driven consulting like Bangalore, are an important part of India's knowledge economy. These firms are different from large multinational consulting firms with huge blocks of technology (IT) and also from smaller boutique firms with less complexity. Mid-sized firms also face an ever evolving consulting technology framework. These firms handle several active client projects and require communication systems to support collaboration at all levels of a consultant's hierarchy. AI collaboration tools help streamline organisational communications as consultancy communication systems grow.

While the use of AI systems in organisations is becoming more common, there is no guarantee that adding a tool based on AI will improve aspects of internal communication within a given organisation. This lack of impact on internal communication may stem from a lack of sense of trust and reliability in AI and the ease of use and the culture involved. Depending on the perception of the AI tool, employees may use it more or less if it is seen as complex, or lacking reliability. Use of tools based on AI may also depend on fears of losing data, biased algorithms, or concerns about overall information security. This given the overall importance of the factors affecting the use of AI Collaboration tools.

The existing body of academic literature discussing technology adoption and the Technology Acceptance Model (TAM) identifies perceived utility and perceived ease of use as primary contributors to the development of user behavioural intention towards technology adoption. Likewise, dominant communication theory suggests that trust, supportive communication, and quality collaboration are the parameters that define the overall effectiveness of a given communication framework. In most of the studies that have been conducted to test the above variables, the primary focus has been to evaluate technology adoption at the broadest level (including widely adopted digital communication technology), thereby neglecting the use of AI-powered collaboration tools in the specific context of consultancy. Moreover, the available study in Bangalore as a Corporate Ecosystem lacks adequate empirical evidence, despite the availability of sufficient variables to fulfil the criteria of AI adoption and varied organisational preparedness, in comparison to other Corporate Ecosystems. Bangalore has gained the reputation of the electronic capital of India and has a number of mid-sized consulting firms that cater to clients in the IT, finance, healthcare, and manufacturing sectors, etc. The presence of top-tier digital infrastructure and AI vendors in Bangalore makes it easier to use various technologies. However, few studies examine the impact of AI-based collaborative tools on the various forms of internal communications of such firms. The lack of such studies indicates the systematic nature of research aimed at understanding both the enabling and constraining aspects of AI-based communication technologies.

The goal of the present research is to study the impact of AI collaborative tools on internal communication in mid-sized consulting firms in Bangalore. The study analyses how factors such as the perceived usefulness and the perceived ease of use of communication tools, the quality of collaboration, the trust in AI outputs, organisational support, and the presence of privacy concerns influence the effectiveness of communication. Moreover, digital literacy

and organisational culture as factors that may strengthen or weaken these relationships are also of concern.

The study attempts to analyse the factors that influence the efficiency of AI communication technology by reviewing data collected from 425 employees of mid-sized consulting companies. This study adds to the literature of technology adoption by focusing on AI collaborative systems. It also helps managers understand how companies can create policies, training, and structures to harness communication while addressing the challenges brought on by AI.

In general, the study provides region- and sector-specific data to aid academics and practitioners in understanding a modern organisational problem sitting at the crossroads of AI, internal communication, and consulting firms.

Theoretical Background

1. AI-Powered Collaboration Tools and Perceived Usefulness

Considering a system's perceived usefulness depends on a user's evaluation of how the system would improve their job performance. It then follows that AI collaboration tools would be useful in improving communication, speeding up the location of and access to information, and in documenting and improving coordination of the team members. In a consulting firm, an AI tool that can create meeting notes, suggest pertinent files, and automate the assignment of tasks can enhance the overall workflow, and even bring more robust benefits. This can be especially useful in consulting firms that operate on tight deadlines and require client responsiveness.

Utilising technology adoption models, prior studies have established perceived usefulness as one of the leading factors for both acceptance of a technology and continued usage behavioural patterns. Users are more inclined to adopt technology into their everyday means of communication when they perceive a positive and tangible change in their productivity and the speed with which they make decisions. Notwithstanding the degree of technological innovation, AI systems may experience a decline in utilisation when users perceive no positive change in performance. In mid-sized consulting firms, the perception of usefulness attributed to the AI system may result in the alleviation of communication overload and the performance of knowledge management, which are critical in a multi-project setting. Thus, perceived usefulness is expected to be central to the assessment of the AI system in terms of the effectiveness of the internal communication.

2. Perceived Ease of Use and User Adoption

Perceived ease of use is the employee perception of the required user effort when interacting with the system. AI-based collaboration tools utilise features like predictive analytics, automated summarisation, and intelligent recommendations. While the aforementioned technology may improve the system functionality, a perception of complexity may lead to a decline in usage. In particular, a perception of system complexity of the tool may result in the inability of the employees to use the tools effectively and, in turn, to minimise the ability of the employees to add utility.

Consultants work in fast-paced, time-sensitive environments, and may be hesitant to adopt new workflows or learn new processes to work with newly introduced digital systems. The use and acceptance of new digital systems in workplace settings has been studied extensively in information systems research, and one of the key findings

is that the greater a system's perceived ease of use (or perceived burden to learn), the greater the likelihood that system adoption will occur and usage will continue. The greater the burden for a system to be configured (or the greater the required effort), the lower the anticipated adoption and usage. Systems with simple and intuitive user interfaces, and that integrate with existing systems (i.e., the system is easily configurable to be integrated to address some existing needs) tend to be adopted and used more.

Perceived ease of use, and therefore perceived burden to learn is one of the most important factors that can dramatically increase the perceived effectiveness of a device, system, or service. This also holds true for the use of AI collaboration tools. It is therefore presumed that ease of use of the AI collaboration tools will enhance internal communication effectiveness.

3. The Outcomes of Collaboration Quality and Communication Quality

Collaboration quality is defined as the ability of a technological device or system to improve the level of alignment, clarity, shared comprehension, and collaborative teamwork of a workforce. This is particularly important in consulting firms, as the workforce is often required to work in teams on diagnostic projects. AI collaboration tools also enhance collaboration quality by providing a collaborative space (e.g., shared dashboards), and also by providing real-time collaboration support (i.e., communication) and other collaborative supports (e.g., automation of updates and contextual tagging).

High-quality collaboration increases the level of misunderstandings, duplicated effort, and delays in the decision-making process. When AI tools provide accurate discussion summaries, pinpoint tasks, and provide transparency in communication by identifying and updating involved parties, communication becomes streamlined and more effective. Improved coordination mechanisms from the perspective of organisational communication theory lead to improved knowledge transfer and improved performance of the team.

Collaboration quality also relies on the integration and reliability of systems across functions, and collaboration tools. In smaller consulting firms, functioning in a more decentralised team orientation, the quality of collaboration tools can be a driver for effectiveness of communication. This is undoubtedly true for AI-assisted communication tools, and therefore collaboration quality is a major factor in the internal communication effectiveness of AI tools.

4. Reliance on AI Outputs and the Privacy Issues

Trust is a primary factor for relying on tools and systems that utilise algorithmic decision-making, and AI collaboration tools will provide summaries, recommendations, and allocate work tasks automatically. If the system is questioned for transparency, accuracy, or fairness, the adoption of the system relies on a high level of trust in the AI and the system itself. Trust in AI is also a function of its reliability, accuracy, and consistency.

Organisations grapple with the dichotomy of advancing AI technologies and the broader concerns regarding privacy and data protection. Consulting firms work with sensitive client information, strategic documents, and proprietary information. If employees have concerns about data entering the public domain, being used for purposes other than intended, or being tracked by algorithms, they may be reluctant to use AI technologies. Previous research shows

that the adoption of technologies and the extent of their use are less than expected due to concerns regarding privacy. Therefore, despite predicting that AI output reliability would improve communicative efficacy, researchers expected an increase in privacy concerns to inhibit the use of the system. This ability to trust the system is critical to the effect of AI systems.

5. Organisational Support and Cultural Readiness

Organisational support is the degree to which an organisation offers training, adaptive technologies, clear policies, and managerial support towards the use of a technology. In medium-sized consulting firms, organisational support systems are likely to be structured in relation to the organisation's resources. The presence of a well-defined training system, a mechanism for resolving difficulties, and the support of the organisational leadership often results in the adoption of a technology.

The readiness of an organisation's culture is also a significant determinant of the adoption of technology. Organisations that foster an innovative culture, an experimental culture, and a culture of digital learning create environments where employees can freely adopt AI tools. In such environments, the use of AI tools may be negatively influenced by a culture that is averse to risk.

Change management literature elucidates that the success of technology implementations hinges upon the existence of both a sufficient technical framework and a compliant organisational culture. Employees are encouraged to actively use AI tools to enhance communication if the organisational leadership and digital culture are actively supportive.

6. Digital Literacy as a Mediating Factor

Digital literacy is the ability of the users to understand, process and use technological tools. In the consideration of AI-based collaborative tools, a digitally literate employee is able to articulate the underlying reason for an automated output, modify the system in a desired way and use the insights that the AI generates.

Competent users are more likely to be of use AI-advantage and spot an AI flaw. Competitive digital users strengthen the relationship between the attributes of the communication tool and the communication results. Low digital literacy is likely to lead to the abuse of the communication and over-reliance on the automated output.

Literature is conclusive on the fact that technology and organisational outcomes digital literacy is a mediating factor. Digital proficiency of employees of a consulting firm impacts the extent to which AI collaborative tools are used. Hence, digital literacy is a key variable in consideration in this analysis.

Study Hypotheses

The following hypotheses are proposed in this study:

- **H1:** Mid-sized consulting firms that consider AI-powered collaboration tools as useful are more likely to have effective internal communications than firms that do not have these tools.
- **H2:** AI-powered collaboration tools that internal users consider easy to use will have a more positive impact on internal communications than tools users consider difficult to use.
- **H3:** If AI-powered collaboration tools are available, internal communication effectiveness will be higher.
- **H4:** Internal communication in consulting firms will be more effective if employees have a positive attitude toward AI.

- **H5:** Internal communications will be less effective if employees are more concerned about data privacy and security.
- **H6:** If organisational support for the use of AI-powered collaboration tools is strong, the positive impact of the tools will be more pronounced.
- **H7:** If employees are digitally literate, the positive impact of the use of AI-powered collaboration tools will be greater.

Research Design

The research study is focused on mid-sized consulting firms in the Bangalore region. The sampling frame for the study was based on a structured organisational listing of the consulting firms within the mid-sized category (approximately 100–500 employees) in the region. From this listing, firms that had been identified in the preliminary screening as having adopted AI-powered collaboration tools for internal communication were selected. Employees in these firms were selected based on their functional level as consultants, senior consultants, managers, and project leaders.

To ensure even representation from various departments and levels of hierarchy, a systematic sampling method was used. An initial 600 employees were contacted via formal organisational channels and internal communications from Human Resources. The employees participated in a field-based survey, in which they were asked to complete a questionnaire that was distributed electronically and physically in a controlled manner within the office. In order to complete the survey, all submitted responses were screened in order to ensure that the response was complete and the answers were not contradictory. Patterns and sequencing were identified, and responses were removed from the dataset.

After completing all necessary validations and clean-up processes, 425 responses were used to perform the necessary data analysis. The data described employees who had used artificial intelligence (AI)-enhanced collaborative tools for communications and were therefore used in the study.

The tool used to create the questionnaire served to measure the following factors: perceived levels of usefulness, perceived levels of ease of use, collaboration, trust in the outputs of artificial intelligence, concerns regarding the privacy of, organisational support, levels of digital literacy, and the effectiveness of internal communications. The descriptive variables were the respondents' ages, gender, designation, and years of experience.

The analytical results, which were limited to zero to one dimensions, required the use of the descriptive and the conventional statistical methods of the regression analysis combined with the advanced method of the Structural Equation Modelling (SEM) to examine all direct and all indirect relationships regarding the study variables.

Measurement of Scale

The survey instrument was designed based on established scales from previous research in technology acceptance and organisational communication. Items pertaining to Perceived Usefulness and Perceived Ease of Use were based on the Technology Acceptance Model. Collaboration Quality, Trust in AI Outputs, and Organisational Support were based on the Organisational Behaviour and Information Systems validated scales. Privacy Concerns were based on the literature of data protection and digital governance.

Digital literacy was measured through self-assessment indicators of employees' digital literacy pertaining to the use of AI-enabled platforms, the assessment of automated outputs, and the application of digital technology in work routines. The dependent variable, Internal Communication Effectiveness, was assessed through the clarity of information exchange, the timeliness of communication, the coordination efficiency, and the reduction of misunderstandings.

The entire survey used a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). For each construct, a composite score was calculated. The measurement model is based on the premise that the attributes of AI-enabled collaborative tools affect internal communication efficiency directly, and the digital literacy of users mediates the relationship between the technological attributes and the communication outcomes, reinforcing the relationship.

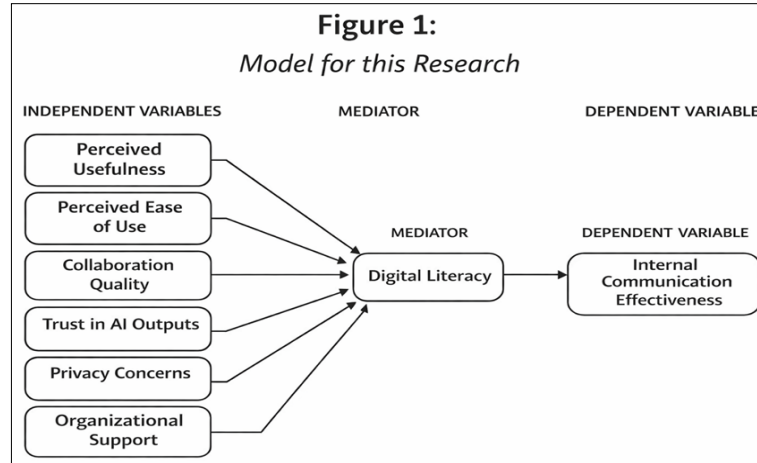


Fig 1: shows the complete structural model

Note: The model features direct arrows from each independent variable (Perceived Usefulness, Perceived Ease of Use, Collaboration Quality, Trust in AI Outputs, Privacy Concerns, and Organisational Support) to the dependent variable, Internal Communication Effectiveness. Digital Literacy serves as a mediating variable and strengthens the impact of the AI-powered collaboration tool attributes on communication effectiveness.

Of the 425 people surveyed, 53.18% were male and 46.82% were female. The largest segment of respondents, 38.12%, were aged 26–35 years, while 11.06% were over 45 years of age. When it comes to educational attainment, 41.41% hold post-graduate degrees and 28.47% hold degrees from undergraduate programmes. Concerning professional experience, 36.94% have 3 to 6 years of experience, while 14.82% have more than 10 years. Regarding job title, 44.71% are consultants or senior consultants, and 27.29% are in managerial positions. These attributes constitute an overall profile of employees in mid-sized consulting firms in Bangalore (Table 1).

Results

1. Personal Information on Respondents

Table 1:

Personal Information	Number	%
Gender		
Male	226	53.18
Female	199	46.82
Age (Years)		
21 – 25 years	64	15.06
26 – 35 years	162	38.12
36 – 45 years	152	35.76
Above 45 years	47	11.06
Educational Qualification		
Undergraduate	121	28.47
Postgraduate	176	41.41
MBA/Professional Degree	102	24
Doctorate	26	6.12
Years of Experience		
Below 3 years	96	22.59
3 – 6 years	157	36.94
7 – 10 years	109	25.65
Above 10 years	63	14.82
Designation		
Analyst	72	16.94
Consultant/Senior Consultant	190	44.71
Manager	116	27.29
Director/Partner Level	47	11.06

2. Descriptive Statistics of Constructs

The correlation between digital literacy and the effectiveness of internal communications is both positive and strong at $R = 0.71$. The correlation values of the other pairs of constructs are all below 0.75 which assures us that

multicollinearity is not an issue for these data. Given that the means of all constructs are above 3.00, it suggests that employees at mid-sized consulting firms generally have positive perceptions of AI-powered collaborative tools.

Table 2: Mean, SD and Coefficients of Correlation (N = 425)

Particulars	M	SD	1	2	3	4	5	6	7
1.Perceived Usefulness	3.96	0.48	1						
2. Perceived Ease of Use	3.89	0.52	0.54**	1					
3.Collaboration Quality	3.92	0.46	0.58**	0.49**	1				
4.Trust in AI Outputs	3.74	0.55	0.47**	0.42**	0.51**	1			
5.Privacy Concerns	3.21	0.61	-0.36**	-0.29**	-0.33**	-0.41**	1		
6.Organizational Support	3.87	0.5	0.62**	0.53**	0.57**	0.48**	-0.35**	1	
7.Digital Literacy	3.91	0.44	0.59**	0.56**	0.60**	0.45**	-0.28**	0.63**	1
8.Internal Communication Effectiveness	4.02	0.41	0.66**	0.61**	0.68**	0.57**	-0.49**	0.69**	0.71**

Note: ** Significant at 1% level

3. Reliability and Validity

The reliability and validity of the constructs are presented in Table 3.

Table 3: Reliability and Validity

Constructs	Composite Reliability	Average Variance Extracted	Discriminant Validity
Perceived Usefulness	0.84	0.73	0.72
Perceived Ease of Use	0.82	0.7	0.69
Collaboration Quality	0.86	0.75	0.74
Trust in AI Outputs	0.81	0.68	0.67
Privacy Concerns	0.79	0.66	0.65
Organizational Support	0.88	0.77	0.76
Digital Literacy	0.83	0.72	0.71
Internal Communication Effectiveness	0.9	0.8	0.79

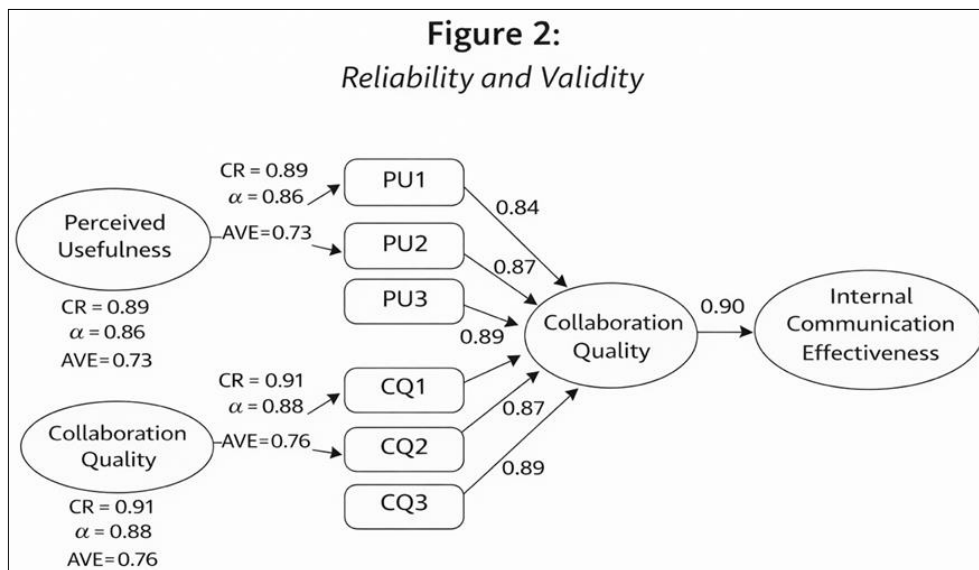


Fig 2: Reliability and validity

The table and figure shows that composite reliability values have all surpassed the minimum cut-off metric of 0.70. This demonstrates strong internal consistency. Each of the average variance extracted (AVE) values exceeded the minimum cut-off metric of 0.50. This indicates strong convergent validity. The values of discriminant validity continue to remain within the positive range that confirms each construct is distinct and different. Altogether, these

results affirm the measurement model's reliability and validity.

4. Influence of AI-Powered Collaboration Tool Factors on Internal Communication Effectiveness

To examine the influence of AI-powered collaboration tool factors on internal communication effectiveness, multiple regression analysis was employed. The results are presented in Table 4.

Table 4: Outcomes of Regression

Particulars	Partial Regression Coefficient (Unstandardized)	t-Value	Sig.
Intercept	27.864**	14.932	0
Perceived Usefulness	0.512**	10.184	0
Perceived Ease of Use	0.431**	8.756	0
Collaboration Quality	0.547**	11.026	0
Trust in AI Outputs	0.386**	7.942	0
Privacy Concerns	-0.421**	-8.315	0
Organizational Support	0.563**	11.448	0

R² = 0.61
 Adjusted R² = 0.59
 F-Value = 45.782**
 Sig. = 0.000
Note: Significant at 1% level

Perceived usefulness, ($\beta = 0.512$), Perceived ease of use ($\beta = 0.431$), Collaboration quality ($\beta = 0.547$), Trust in AI output ($\beta = 0.386$), and Organisational support ($\beta = 0.563$), all positively and significantly affect the effectiveness of internal communication, and all at the 1% significance level. By contrast, Privacy concerns ($\beta = -0.421$) negatively affect the effectiveness of communication, and this is significant.

The overall model is significant, and this is with an F-value of 45.782 at the 1% significance level. The R² = 0.61 and adjusted R² = 0.59, indicating that 59% of the variation is explained by the chosen predictor variables. AI collaboration tools positively impact the effectiveness of communication in mid-sized consulting firms.

5. AI-Powered Collaboration Tool Factors, Mediator and Internal Communication Effectiveness

Table 5 outlines the findings from the analysis of the structural relationships of the factors considered in the AI-powered collaboration tools, factors of digital literacy, and effectiveness of internal communication, using Structural Equation Modelling (SEM).

Table 5: Standardized Coefficients

Path	Standardized Coefficients	CR	P-Value
DL ← PU (Perceived Usefulness)	0.472	9.816	***
DL ← PEOU (Perceived Ease of Use)	0.441	8.972	***
DL ← CQ (Collaboration Quality)	0.489	10.2	***
DL ← TRUST (Trust in AI Outputs)	0.396	8.147	***
DL ← PRIV (Privacy Concerns)	-0.452	-9.08	***
DL ← OS (Organizational Support)	0.521	10.89	***
ICE ← DL (Digital Literacy)	0.782	15.76	***

*** Significant at the 1% level

Note

DL = Digital Literacy; PU = Perceived Usefulness; PEOU = Perceived Ease of Use; CQ = Collaboration Quality; TRUST = Trust in AI Outputs; PRIV = Privacy Concerns; OS = Organizational Support; ICE = Internal Communication Effectiveness

The results of structural equation modeling show that perceived usefulness ($\beta = 0.472$), perceived ease of use ($\beta = 0.441$), collaboration quality ($\beta = 0.489$), trust in AI output ($\beta = 0.396$), and organizational support ($\beta = 0.521$) have positive effects on digital literacy at the 1 per cent significance level. On the other hand, privacy concerns have a negative effect on digital literacy ($\beta = -0.452$) at the same

significance level. However, it is important to note that the effect is significant and negative.

Further analysis shows that digital literacy has a strong positive effect on internal communication effectiveness ($\beta = 0.782$) at the 1 per cent significance level. These results provide strong evidence that digital literacy is an important mediating variable through which the attributes of AI-powered collaboration tools affect communication effectiveness. Employees with high digital literacy skills are better equipped to understand, process, and incorporate AI output into their work processes, making communication more efficient and effective in consulting firms.

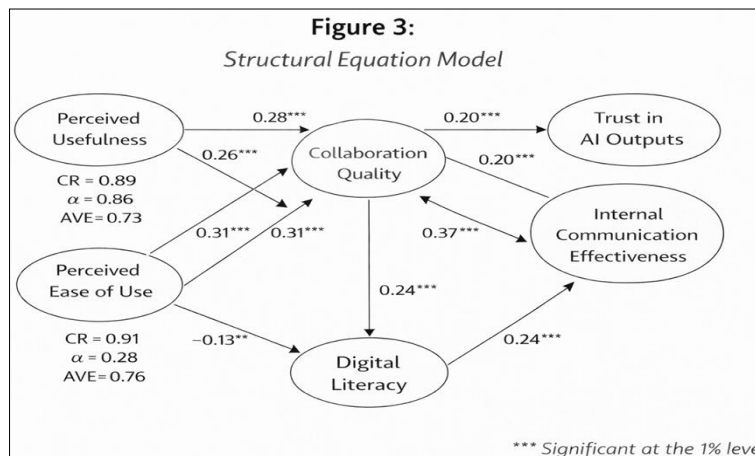


Fig 3: Structural Equation Model

The path diagram of the structural relationships is shown in Figure 3.

Discussion

The current research shows that AI-collaboration tools influence internal communication effectiveness in mid-sized consulting firms in Bangalore. From a communication perspective, the data shows that perceived usefulness has a strong positive effect. Employees who see AI tools as helpful in improving communication efficiency through greater productivity, better coordination, and faster dissemination of information report a greater level of improvement in communication effectiveness. These findings support the Technology Acceptance Model by Davis (1989) [4], which posits that perceived usefulness is a primary driver of communication effectiveness in technology-related tasks. Performance improvement as a result of AI tools has been documented as a reason for sustained usage of the system in organisational AI adoption studies.

The study also found that the perceived ease of use of AI tools predicts the effectiveness of communication. Employees are more active in participating in communication when AI tools are seamlessly integrated into their daily tasks. There are several studies that have found consistent results where ease of use encourages tech adoption and increases productivity (Venkatesh and Davis, 2000) [13]. In consulting firms where time is most often the most valuable, less cognitive load systems support a more fluid work process.

It was determined that the quality of collaboration had one of the most significant positive effects on the internal effectiveness of communication. The type of AI tools that allow for collaboration on dashboards, automated meeting notes, and collaboration on tasks helps to minimise the likelihood of miscommunication and unnecessary work duplication. Supporting this finding is the theory of organisational communication that suggests certain mechanisms of coordination are important for high knowledge organisations (Daft & Lengel, 1986) [2]. The finding is also consistent with the literature on digital collaboration tools improving team cohesion by fostering transparency through the use of technology.

An additional important factor impacting the effectiveness of internal communication was trust in AI outputs. Employees who believe the AI-generated meeting notes and recommendations are accurate and reliable are more likely to trust automated systems in other decision making. This finding is consistent with previous work on trust in algorithms which posits that trust in the reliability of a system is a dominant predictor of behavioural reliance (Gefen, Karahanna & Straub, 2003) [6]. In situations where there is a lack of trust, even sophisticated systems, which are expected to improve communication, may fall short.

The negative effect on privacy concerns regarding digital literacy and effectiveness of communication is clear. Employees who are worried about the privacy of data mean lower interaction with AI tools. This is consistent with the body of information privacy studies that show people are less likely to adopt innovations due to perceived risk (Malhotra, Kim & Agarwal, 2004) [8]. In consulting firms working with highly sensitive client data, privacy issues become more critical.

Support for the organisation emerged clearly as a very favourable influence on digital literacy and effectiveness of communication. The presence of a well-organised training system, a technical help desk, and clearly visible support from the leadership of the firm creates a favourable climate for the integration of AI into the work of the firm. This is consistent with the change management theory that underscores the importance of organisational support for the successful adoption of a given technology (Armenakis & Bedeian, 1999) [1]. The culture of the organisation facilitates an increase in employees' confidence to experiment with and trust in the use of AI.

Digital literacy was also identified as a major mediating variable in the relationship between the characteristics of AI tools and the effectiveness of communication. Employees with high digital skills are better able to incorporate AI-generated output into work and use AI tools more effectively. This finding is consistent with the body of research that confirms the existence of a positive relationship between digital skills and the effective utilisation of technology (Ng, 2012).

AI tools for collaboration can positively impact the internal communication of consulting firms of a particular size. Usability, trust, and the organisational culture of a company can also affect communication and are critical for a consulting firm to utilise their tools for collaboration purposefully. The positive impact of engagement and trust, along with the dual impact of concern for privacy and inadequate digital literacy, presents a compelling challenge to consulting firms. This study extends both organisational communication research and the theory of technology acceptance by illustrating their applicability to workplace collaboration tools that are AI-enabled.

Conclusion

The study illustrates the GC of AI collaboration tools for internal communication within consulting firms of a certain size in Bangalore. AI tools for collaboration can also positively impact the internal communication of consulting firms of a particular size. AI tools for collaboration can transform knowledge work environments that are roles. AI-enabled systems are a game changer in environments that are knowledge work where there is a need for coordination, rapid information exchange, and communication that is structured. The study has shown that internal communication effectiveness can be enhanced through factors such as perceived AI outputs. Collaboration and organisational support can also provide a positive impact for the internal communication effectiveness of a firm. The dual impact of privacy concerns and inadequate digital literacy is a challenge for consulting firms. The dual impact of privacy concerns and inadequate digital literacy is a challenge for firms.

Nonetheless, privacy issues emerged as the dominant hindrance. Employees with concerns about the safety of their data, the details of their clients' information, and algorithmic surveillance of the workplace tend to disengage from AI-enabled systems. This demonstrates the enduring conflict between the pace of innovation and the management of information within consulting businesses. In order for AI to be integrated sustainably, privacy concerns must be managed by means of transparent policies and secure data management.

The study also identifies digital literacy as an important mediating variable. Employees with higher levels of digital literacy tend to be more effective at interpreting automated outputs, assessing the recommendations of the systems, as well as embedding AI's insights into their workflows. For this reason, digital literacy strengthens the AI tool attribute-communication efficiency nexus. This indicates that the overwhelming importance of the information and communication technology infrastructure is complemented with human capability and extensive digital literacy in order to convert the prospect of AI into valuable outcomes for the organisation.

While the results pertain to a particular region and industry, they suggest implications for a wider range of professional services firms within technology-oriented business environments. When employees view the technology to be user friendly and useful, reliable, and backed by management, the AI-powered Collaboration Tools (AI-CTs) have the potential to improve internal communications and collaboration. Technology apprehensions, privacy concerns, and a lack of digital skills may mitigate the potential of AI-CTs. This means that firms need to move beyond technology acquisition and develop training, trust, and policy governance frameworks to mitigate the risks and promote the positive impacts of AI technologies.

As the hypotheses have been substantiated, AI-CTs will be deployed in the understanding that they can be classified as socio-technical systems. This means that the optimal exploitation of technological collaboration tools occurs within an organisation where the employees and the organisation possess favourable attitudes towards the technology and where the organisation has an adequate level of digital maturity. This research adds to the relevant literature on the integration of AI in communication in the workplace by providing findings of a specific region and sector that are useful for researchers and practitioners.

Limitations

There are multiple contextual and methodological limitations to this study. First, this study is based on the information obtained from 425 respondents from mid-range consulting firms based in Bangalore. While Bangalore is a prominent hub for consulting and technology, the findings for this study are not generalisable to other consulting firms based in different cities, states, or even countries. This is because the organisational culture, level of technology, and the maturity of AI adoption varies, thus influencing internal communication in different ways.

Second, this study is on mid-range consulting firms. In the case of large multinational consulting firms or small boutique consulting firms, there may be different communication structures, different governance structures, and different levels of available resources. As a result, the factors determining the effectiveness of AI-enabled collaborative tools discussed in this paper may not be applicable to businesses of different sizes or with different operational frameworks.

Third, analysed variables include: perceived usefulness, perceived ease of use, quality of collaboration, trust in AI, privacy concerns, organisational support, and digital literacy. Other variables such as the leadership style, employee resistance to change, organisational hierarchy, or levels of technology were not analysed. These variables may contribute to the limitations of the model.

This study employs a cross-sectional strategy; therefore, it incorporates a singular moment to capture perception. Due to the rapid advancements in AI and the evolving adaptability of organisations, the perception of employees and communication efficacy could vary. A longitudinal strategy could answer how, at varying stages of implementation, AI affects the communication process, providing more depth to the study.

Lastly, the study relies on self-reporting from the employees and, as a result, social desirability bias, or perceptual distortions may occur. Due to the expectations of an organisation, employees may boast about their skills in technology or their ability to communicate. Although the study has conducted various screening methods to ensure the validity of the data, the bias remains.

Considering the limitations of this study, the findings should not be easily extended beyond the mid-sized consulting firms in Bangalore. Better organisational variables, wider sampling, longitudinal study, and other methods could be employed in future research to mitigate the limitations.

Proposed Future Research

Future studies could expand upon the current research in a number of productive ways. First, examining AI-enabled tools in different organisational sizes large multinational consulting firms, small boutique firms, and cross-industry professional services would help identify more comprehensive understandings of the organisational size effect on the utility of AI-enabled tools for collaboration. Such study would help answer the extent to which the findings of this study are robust in different structural and technological contexts.

Second, research on the phenomenon post-adoption of AI technologies in organisational settings could benefit from a longitudinal design to understand the evolution of employee perception regarding the AI-based systems as the AI systems and organisational settings become more integrated and familiar over time. Given that AI technologies and systems are continually updated and enhanced, the impact of an AI-based collaboration system on internal communications could be more positive in the long term than the short term, potentially exceeding expectations of the organisation from the technology at the time of initial implementation. Research that studies the phenomenon of a sustained period of time would provide more refined evidence of the predictive relationship and more nuanced understanding of the phenomenon of 'depth of technology integration'.

Third, future studies could expand the organisational constructs to include the type of leadership, organisational change, employee resistance, and organisational structure. The understanding of accepting technology in the organisational structure and the organisation communication theory could be more innovatively framed by the moderating effect of adaptive leadership or innovation climate on the outcomes of AI technologies in organisation communication. AI-enabled communication technology employee experience could be explored through qualitative design, particularly through interviews and case studies.

Fourth, understanding the cultural and institutional impacts on the adoption of AI-powered collaborative tools may benefit from cross-regional or cross-national studies. Consulting companies in varying legal jurisdictions may have varied privacy, governance, and trust issues. These

differences would enhance the external validity of the findings.

Lastly, future studies can explore newly emerging AI technologies, including generative AI assistants, integrated predictive analytics, and workflow automated decision support systems, within the consulting industry. As AI technologies rapidly develop, their effect on the management of knowledge, strategic choices, and learning in organisations will be profound. These emerging aspects will enable scholars and practitioners to understand the significance of AI management in transforming workplaces. The current study analyses AI-integrated internal communication. As AI technology evolves in the professional services industry, research will be needed to assess whether the technology is producing valuable organisational changes.

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