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**Reframing AI: Strategic Leadership for Inclusive Growth  
and Innovation**

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## Reframing AI: Strategic Leadership for Inclusive Growth and Innovation

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### Abstract

**Purpose:** Artificial Intelligence (AI) is transforming industries by improving operations, enhancing predictive capabilities, and supporting sustainability initiatives. Yet, as adoption accelerates, many organizations lack the strategic leadership capacity and governance foresight to guide integration responsibly. This paper reframes AI not merely as a technical instrument but as a strategic leadership imperative essential for building resilient, innovative, and inclusive organizations. It aims to provide leaders, especially non-technical decision-makers, with a structured approach to navigate AI adoption intentionally, fairly, and effectively.

**Materials and Methods:** The study adopts a conceptual and analytical approach, drawing from strategic leadership theory and innovation management. It synthesizes interdisciplinary insights to design the Leadership Readiness Framework (LRF), a tool that helps leaders assess organizational readiness, identify value-aligned AI opportunities, and mitigate ethical and operational risks. The framework integrates findings from documented patterns of organizational AI adoption with established leadership practices in digital transformation contexts.

**Findings:** The framework illustrates that successful AI integration depends less on technical capability and more on leadership

mindset, governance culture, and ethical orientation. Organizations that view AI as a catalyst for inclusive growth rather than solely as an automation tool tend to demonstrate greater adaptability, stakeholder trust, and long-term sustainability. The LRF supports these outcomes by bridging strategic foresight with actionable decision-making tools, helping leaders align AI initiatives with organizational purpose and social responsibility.

**Unique Contribution to Theory, Practice, and Policy:** The paper advances a leadership-centered perspective on AI adoption, highlighting the interplay among ethics, inclusion, and innovation. Practically, it provides the Leadership Readiness Framework (LRF) as a roadmap for executives, policymakers, and consultants seeking to translate AI potential into equitable business value. At the policy level, the study advocates for governance models that integrate human-centered leadership principles into AI strategy, encouraging responsible innovation that benefits diverse communities. Overall, it positions leadership as the critical enabler of an inclusive and sustainable AI-driven future.

**Keywords:** *Artificial Intelligence (O33), Strategic Leadership (M10), Digital Transformation (O32), Inclusivity (M14), Organizational Resilience (M19)*

## INTRODUCTION

### Background and the AI Leadership Imperative

Artificial Intelligence (AI) is rapidly transforming industries, economies, and societies. From predictive analytics and automation to personalized services and sustainability solutions, AI is increasingly embedded in organizational strategy and operations [1], [2]. Its influence extends beyond technical domains, shaping decision-making, team collaboration, and organizational adaptability [3], [4].

In the oil and gas sector, AI supports predictive maintenance, reservoir modelling, and emissions tracking, enhancing performance and sustainability. Businesses leverage AI for competitive benchmarking, scenario planning, and capital investment analysis [5]. In STEM education, AI enables adaptive learning systems and institutional planning, while NGOs apply AI to donor engagement and program evaluation [6]. These diverse applications underscore AI's broad scope and highlight the urgent need for responsible leadership integration.

While AI's capabilities are widely celebrated, a deeper challenge persists in leadership readiness. Much of the discourse remains technology-centric, overlooking how leaders can guide adoption with foresight, values, and inclusivity [7]. Existing scholarship has examined AI adoption from operational, ethical, and policy perspectives, with limited attention to the strategic and human capabilities that determine successful integration. This creates a knowledge gap in understanding how leadership readiness enables inclusive and sustainable AI transformation. Drawing on strategic leadership theory and socio-technical systems thinking, this paper positions leadership readiness as a critical integrative capability connecting technological innovation with human and institutional adaptation. Consequently, it reframes AI as both a technological and strategic leadership imperative that demands vision, adaptability, and ethical stewardship to deliver inclusive outcomes.

### The Problem: Leadership Readiness Lag

While these diverse applications underscore AI's transformative potential, they also reveal a critical leadership-readiness gap. Despite widespread adoption, leadership readiness lags behind technological capability. Many organizations invest heavily in AI tools without equipping non-technical decision-makers with frameworks for responsible integration. This gap manifests in three ways:

- **Evaluation:** Leaders often rely on vendor-driven narratives rather than strategic alignment.
- **Short-termism:** AI adoption focuses on immediate efficiency gains, neglecting long-term transformation.
- **Ethics and inclusivity:** Many initiatives proceed without adequate consideration of values or societal impact.

Traditional leadership models, designed for predictable environments, are insufficient for navigating AI's complexity. Without strategic guidance, organizations risk undermining AI's transformative potential and reinforcing inequality [8].

### Purpose of the Paper

This paper reframes AI as a strategic leadership tool for enhancing resilience, driving innovation, and fostering inclusive growth. It introduces the Leadership Readiness Framework (LRF), which

equips non-technical leaders to evaluate opportunities, mitigate risks, and align AI adoption with long-term organizational and societal goals.

By translating strategic leadership theory into actionable decision frameworks, the LRF bridges academic insight and leadership practice.

Theoretically, the LRF fills a critical gap in the digital transformation and AI adoption literature, particularly the lack of frameworks to guide non-technical decision-making in navigating complex technological change. Existing studies emphasize infrastructure and algorithmic performance but provide limited insight into the leadership processes that enable responsible, inclusive adoption. The LRF therefore extends current theory by embedding leadership foresight, ethical judgment, and inclusivity within AI strategy formulation and implementation, with a novel lens that bridges strategic leadership theory and socio-technical systems thinking in the context of digital transformation.

### **Research Objectives**

- To explore the intersection of AI, strategic leadership, and inclusive innovation.
- To identify leadership competencies for guiding AI adoption.
- To develop the LRF to support non-technical leaders in navigating AI transformation

### **Research Question**

How can organizational leaders reframe AI as a strategic leadership tool to drive resilience, inclusive growth, and innovation?

### **Contribution to Scholarship and Practice**

This study advances strategic leadership theory by integrating socio-technical and inclusivity perspectives into the discourse on digital transformation. It also provides practical tools for values-driven, agile adoption of AI. By reframing AI as a leadership priority, it emphasizes the importance of embedding human values, inclusivity, and resilience at the core of technological progress.

## **THEORETICAL REVIEW**

### **AI and Digital Transformation: Current Research and Debates**

Artificial Intelligence (AI) has become central to digital transformation, enabling organizations to reconfigure operations, enhance decision-making, and pursue new forms of value creation. Foundational work positions AI not merely as a tool for automation, but as a general-purpose technology capable of reshaping economic and organizational structures [7].

More recent scholarship extends this view, highlighting emerging trajectories such as agentic AI, physical AI, and sovereign AI, which introduce new challenges of governance, legacy system integration, and regulatory oversight [2].

Conceptual scholars further frame AI as a transformative production paradigm that redefines how organizations create, capture, and scale value through data-driven learning systems [7]. Sustainable digital transformation, however, depends not only on technology deployment but on strategic leadership capacity to integrate AI into decision-making, innovation, and governance [9].

AI is therefore no longer a siloed technical function. Its integration requires coordinated strategies addressing workforce capability, organizational learning, and ethical deployment [9]. Despite

widespread investment, relatively few organizations demonstrate mature AI adoption. Scholars attribute this gap less to technical barriers than to leadership misalignment and organizational unreadiness [10]. Many senior executives continue to frame AI primarily in terms of efficiency and automation, rather than as a driver of strategic innovation and societal impact.

Current debates in the literature reveal three critical tensions:

1. **Efficiency versus innovation:** Should AI primarily automate existing processes or enable new value creation models?
2. **Centralization versus democratization:** Should AI capabilities reside in specialized technical units or be distributed across the enterprise?
3. **Speed versus responsibility:** How should leaders balance rapid deployment with ethical, inclusive adoption?

These tensions highlight that AI's challenges are increasingly strategic and leadership-driven, emphasizing the need for frameworks that bridge socio-technical understanding with executive decision-making and translate academic insight into practice.

### **Strategic Leadership and Innovation: Theories Guiding AI Adoption**

Strategic leadership theory emphasizes the role of senior leaders in shaping organizational direction during disruption. Drawing on Upper Echelons Theory (UET), scholars argue that leaders' values, experiences, and cognitive frames strongly influence AI adoption decisions [11], [12]. In the AI era, this extends to competencies such as digital literacy, ethical foresight, and adaptive capacity [5], [13].

A systematic review of 63 academic articles identifies three clusters in AI-related leadership research:

- **AI-driven leadership skills:** Digital governance, cross-sector collaboration, and sense-making.
- **Decision-making frameworks:** Strategic alignment, risk evaluation, and societal impact.
- **Strategic integration:** Using AI to enable new business models and resilience.

However, the literature remains fragmented, with limited tools for non-technical leaders. The dynamic capabilities perspective stresses the ability to integrate, reconfigure, and renew organizational capabilities in response to technological change [14].

Together, these theories suggest a shift from command-and-control to adaptive, values-driven leadership, where decision-makers act as stewards of innovation and inclusivity [15].

### **Inclusive Growth and Resilience: Linking AI to Societal and Organizational Outcomes**

AI's impact extends beyond efficiency into equity, resilience, and inclusion. The World Economic Forum's Blueprint for Intelligent Economies emphasizes democratizing AI access and promoting multi-stakeholder engagement to achieve equitable outcomes [16]. Without this, benefits risk being concentrated among a few firms or geographies [17].

Responsible AI integration must address resilience on two levels:

- Organizational resilience: Preparing workforces for skill shifts and embedding adaptive learning systems.
- Societal resilience: Managing inequality, algorithmic bias, and exclusion while leveraging AI for sustainability and public good.

The inclusive innovation paradigm argues that technological advances should serve diverse communities, not just corporate efficiency [8], [18]. For example, in oil and gas, AI supports predictive maintenance and carbon management, but its broader value becomes evident when aligned with societal goals. In education and NGOs, AI can personalize learning or scale mentoring, but leadership choices determine whether these technologies empower or exclude.

Therefore, inclusivity and resilience are fundamental leadership duties in guiding AI's societal impact.

### **Rationale for the Review: Leadership Frameworks for Non-Technical Decision Makers**

While technical AI adoption frameworks abound, few are tailored to non-technical leaders. Much of the literature assumes technical fluency, creating a disconnect between AI strategy and executive leadership capacity [3], [19].

Emerging responses, such as executive education and AI literacy guides, are promising but fragmented. Few offer actionable tools to help leaders evaluate opportunities, mitigate risks, and align AI adoption with organizational values.

This paper addresses that gap by proposing the Leadership Readiness Framework (LRF), which integrates strategic leadership theory, dynamic capabilities, and inclusive innovation principles. The LRF provides non-technical leaders with practical tools to guide AI adoption intentionally, embedding resilience, inclusivity, and a long-term strategic vision

### **MATERIALS AND METHODS**

This study adopts a conceptual and integrative methodology to develop the Leadership Readiness Framework (LRF) for AI adoption. Rather than relying on empirical data, the framework is grounded in a synthesis of literature across strategic leadership, digital transformation, and inclusive innovation. This approach is well-suited to conceptual papers that aim to bridge scholarly insight with practical leadership tools, offering theoretical grounding for practice in an under-theorized domain.

### **Conceptual and Theoretical Lens**

The framework draws on three complementary streams:

- **Strategic Management Theory:** Upper Echelons Theory highlights how leaders' values, experiences, and cognitive frames shape strategic choices during disruption [20], [12]. Dynamic Capabilities emphasize the role of leaders in integrating, reconfiguring, and renewing organizational resources during technological shifts [21], [14].
- **Digital Transformation Literature:** This stream examines how AI reshapes business models, decision-making, and agility, underscoring the limitations of traditional leadership approaches and the need for new competencies such as digital literacy, ethical foresight, and adaptive capacity.

- **Inclusive Innovation Paradigm:** This perspective emphasizes the societal and ethical dimensions of technology adoption, ensuring that AI is not only a tool for efficiency but also a driver of equity, resilience, and inclusive growth [15].

Collectively, these perspectives capture the multifaceted nature of AI integration across technical, strategic, and societal domains.

### **Framework Development Process**

The methodology is informed by design science principles that emphasize the creation of artifacts that address both theoretical and practical gaps [22]. It also aligns with Jabareen's approach to conceptual framework building, which involves systematic integration of theoretical insights into a coherent structure for practice [23].

The LRF was developed through a three-phase synthesis:

### **Process of Framework Development**

The LRF was developed through a three-phase synthesis process: (1) Literature synthesis and gap analysis across AI, leadership, and innovation. (2) Conceptual integration of insights into coherent leadership dimensions. (3) Framework structuring, organizing components such as opportunity evaluation, risk mitigation, purposeful integration, and societal alignment into an accessible model.

### **Justification and Contribution**

This methodology is justified by:

- Integration of fragmented insights across strategic, technological, and societal domains,
- Structured tools for non-technical leaders navigating AI adoption with confidence and clarity.
- Extension of existing theories into a novel leadership configuration tailored to AI transformation.

Although empirical validation lies beyond the scope of this paper, the LRF provides a foundation for future research and applications.

### **Leadership Readiness Framework (LRF)**

The Leadership Readiness Framework (LRF) is a conceptual and integrative model designed to help non-technical organizational leaders navigate the complexities of adopting Artificial Intelligence (AI). Unlike technical frameworks that emphasize algorithms, data, or systems integration, the LRF prioritizes leadership capacity, strategic decision-making, and values-based alignment.

The central premise is that successful AI adoption requires more than technical proficiency; it demands intentional leadership that is resilient, inclusive, and purpose-driven [5], [13]. AI initiatives must not only deliver efficiency but also advance long-term organizational vision and positive societal outcomes.

Grounded in strategic management theory [20], [21], [14], digital transformation literature [3], [24], and the inclusive innovation paradigm [15], [18], the LRF reframes AI as a leadership enabler. It equips decision-makers with structured guidance to evaluate opportunities, mitigate risks, shape purposeful integration, and embed societal value into technology strategies.

## **Core Components of the LRF**

### **Evaluate Opportunities**

Leaders must identify and prioritize AI opportunities not just for efficiency, but for strategic alignment and broader impact [24]. This involves:

- Scanning intersections between AI, organizational strategy, and stakeholder needs.
- Benchmarking emerging industry and sectoral trends.
- Linking AI initiatives to business performance, innovation, or social purpose.

For non-technical leaders, evaluation requires developing the ability to ask the right strategic questions and interpret expert insights [12].

### **Mitigate Risks**

AI introduces ethical, operational, and strategic risks. Leaders must anticipate and manage these through:

- Governance structures that promote fairness, privacy, and accountability [25].
- Risk frameworks addressing technical, cultural, and organizational challenges.
- Long-term safeguards against vendor dependence, bias, and regulatory non-compliance [16].

Embedding such mechanisms ensures that adoption builds trust, resilience, and sustainability rather than reinforcing inequalities.

### **Shape Purposeful Integration**

AI adoption should extend beyond technical deployment to reinforce the organization's values, culture, and mission [15]. Leaders are accountable for:

- Embedding AI in ways that enhance collaboration and decision-making.
- Designing projects that reflect ethical principles and stakeholder inclusivity.
- Strengthening workforce capabilities through human AI collaboration.

Purposeful integration positions AI as a driver for innovation and resilience, not just disruption.

### **Align with Long-Term Vision and Societal Impact**

AI adoption must contribute to enduring organizational goals and positive societal outcomes. This involves:

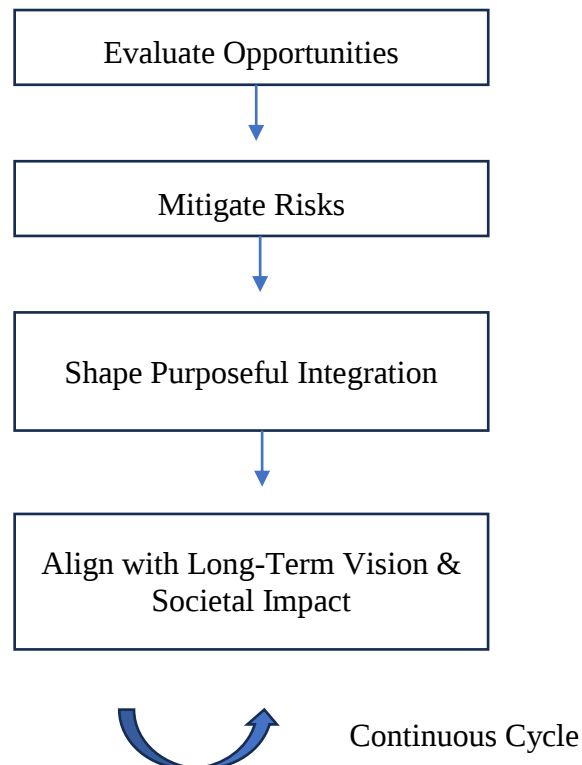
- Aligning initiatives with sustainability, resilience, and inclusive innovation.
- Considering impacts on employment, equity, and community well-being.
- Embedding human values at the core of AI strategies to avoid short-termism.

This component shifts the focus from technology for its own sake to technology that benefits both organizational success and the public good.

### **Visual Representation of the LRF**

The LRF is best understood as a cyclical and iterative model, emphasizing that leadership readiness is not a one-off exercise but a continuous process. Leaders must regularly reassess as technologies evolve, strategies shift, and societal expectations change.

This cycle, where leaders progress through four interlinked stages, is illustrated in Figure 4: Evaluating Opportunities, Mitigating Risks, Shaping Purposeful Integration, and Aligning with Long-Term Vision and Societal Impact. A looping arrow returns to the start, symbolizing that readiness is an ongoing responsibility rather than a final state.



*Figure 1: The Cyclical Process of the Leadership Readiness Framework (LRF)*

LRF as illustrated in Fig. 4 shows how leaders assess opportunities, manage risks, integrate AI intentionally, and align adoption with long-term societal and organizational goals. The loop indicates ongoing reassessment and improvement.

### **Application for Non-Technical Leaders**

The LRF is designed for executives, policymakers, and organizational leaders who may not have technical expertise but are responsible for strategic direction and values-based oversight. It provides:

- A structured language to engage with technical experts and vendors.
- Decision frameworks that balance efficiency, ethics, and strategy.
- Practical tools to evaluate opportunities and anticipate risks.
- A leadership development pathway that moves leaders from passive oversight to active stewardship of AI transformation.

By applying the LRF, non-technical leaders can ensure AI adoption is practical, innovative, responsible, inclusive, and aligned with long-term organizational and societal impacts.

## **FINDINGS**

### **Addressing the Leadership Gap in AI Adoption**

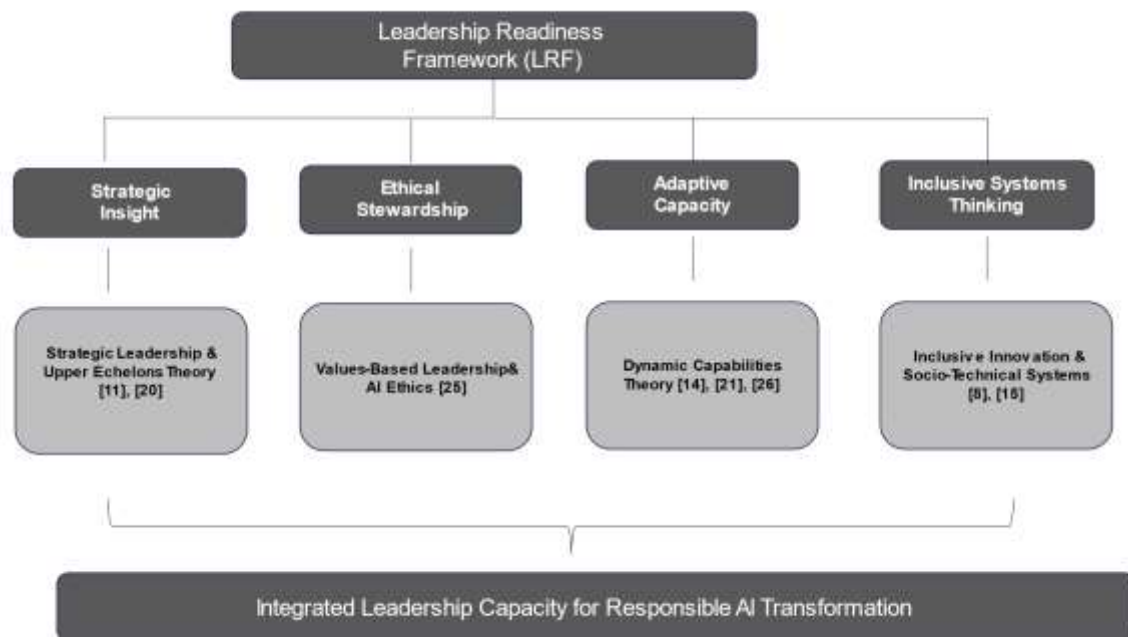
The Leadership Readiness Framework (LRF) addresses the persistent gap between AI's accelerating capabilities and the limited preparedness of non-technical leaders to steward responsible adoption. Most existing approaches assume technical fluency, leaving executives without structured tools to interrogate AI proposals or guide integration [19].

The LRF reframes AI as a strategic leadership priority, not merely a technical project. It equips leaders to ask critical questions: What value, for whom, under what risks, and in alignment with which mission? Without requiring algorithmic expertise, the LRF enables organizations to shift from reactive adoption to proactive, purpose-led transformation, reducing the risk of efficiency-driven approaches that neglect ethics, resilience, or societal impact [13], [25].

### **Boundary Conditions and Limitations**

The effectiveness of the Leadership Readiness Framework (LRF) is entirely dependent on the organizational setting. It may be less effective in environments with low digital exposure, where foundational data infrastructure and process digitization are still developing. Similarly, in highly centralized organizational cultures, where decision-making authority is hierarchical and disagreement is discouraged, the inclusive and repeating elements of the LRF may be restricted. In settings where resources are limited, leaders may prioritize short-term efficiency gains over long-term strategic alignment, reducing the capacity for reflective, values-driven adoption.

These boundary conditions suggest that while the LRF offers a versatile model, its successful application depends on a minimum level of digital infrastructure, openness to organizational learning, cross-functional collaboration, and a commitment to long-term strategic alignment. In environments characterized by weak regulatory oversight or broader institutional uncertainty, even well-intentioned leadership may find it challenging to sustain inclusive and ethical AI adoption, further constraining the LRF's effectiveness.



*Figure 2: Theoretical Foundations of the Leadership Readiness Framework (LRF)*

Fig 5 illustrates how the Leadership Readiness Framework (LRF) integrates four core leadership dimensions, Strategic Insight, Ethical Stewardship, Adaptive Capacity, and Inclusive Systems Thinking, each anchored in established theoretical traditions. Strategic Insight draws on Strategic Leadership and Upper Echelons Theory, emphasizing foresight and cognitive framing. Ethical Stewardship builds on Values-Based Leadership and AI Ethics, reinforcing accountability and trust.

Adaptive Capacity reflects Dynamic Capabilities Theory, highlighting organizational flexibility and renewal. Inclusive Systems Thinking integrates Inclusive Innovation and Socio-Technical Systems Theory, promoting equity, collaboration, and stakeholder engagement. Together, these dimensions constitute an integrated leadership capacity that enables responsible, human-centered AI transformation.

### Implications for Organizational Leadership

The LRF broadens the leadership toolkit for the AI era by emphasizing:

- **Strategic insight:** understanding how AI redefines value creation, business models, and competitive positioning [24].
- **Ethical stewardship:** elevating bias, privacy, and accountability to board-level decision-making.
- **Systems thinking:** anticipating ripple effects across people, processes, reputation, and policy.
- **Adaptive leadership:** normalizing iteration, experimentation, and course correction [26].

It also informs governance structures that integrate strategy and technology, such as AI ethics committees, cross-functional leadership councils, and stage-gate reviews linked to opportunity,

risk, and outcomes [16]. Cultural implications are equally vital: the LRF promotes psychological safety around experimentation, human-AI collaboration by design, and reskilling pathways that support a fair workforce transition [27], [19], [17].

In practice, the framework adapts across sectors: in the oil and gas sector, it balances predictive maintenance, safety, and decarbonization with community trust [28]; in NGOs and academia, it aligns AI with mission and public value [18].

### Implications for Policy and Governance

Regulation alone cannot ensure the responsible adoption of AI; leadership readiness is the missing complement [29]. The LRF equips policymakers to focus on executive capability, enabling leaders to evaluate trade-offs, commission audits, and take accountability for outcomes. it supports:

- **Principles with agility:** risk and impact lenses that sustain evolving, principles-based regulation (fairness, transparency, accountability).
- **Cross-sector tailoring:** adaptation to diverse risk profiles while harmonizing shared principles.
- **Public-sector application:** embedding transparency, explainability, and citizen trust into AI systems.

Essentially, regulatory frameworks and leadership capacity must co-evolve. Regulatory agility without leadership foresight risks producing static compliance, while leadership readiness without supportive policy structures may lack the legitimacy and coordination needed to scale inclusive innovation. The path to inclusive AI outcomes, therefore, requires synchronized development, adaptive governance mechanisms, and visionary leadership evolving together to ensure that innovation remains equitable, ethical, and responsive to societal needs.

### Implications for STEM and Education

Education remains central to cultivating AI-ready leaders. The LRF provides a scaffold for embedding leadership reasoning alongside technical competence in STEM pathways through:

- **Curriculum design:** integrating ethical risk scenarios, human-centered design, and systems mapping.
- **Leadership formation:** interdisciplinary casework and simulation labs where students apply LRF principles to real-world dilemmas.
- **Educator guidance:** equipping ministries and schools to assess AI platforms for equity, privacy, and alignment with values.

In doing so, it links AI adoption to inclusive growth, preparing future leaders to harness technology for the benefit of society [15].

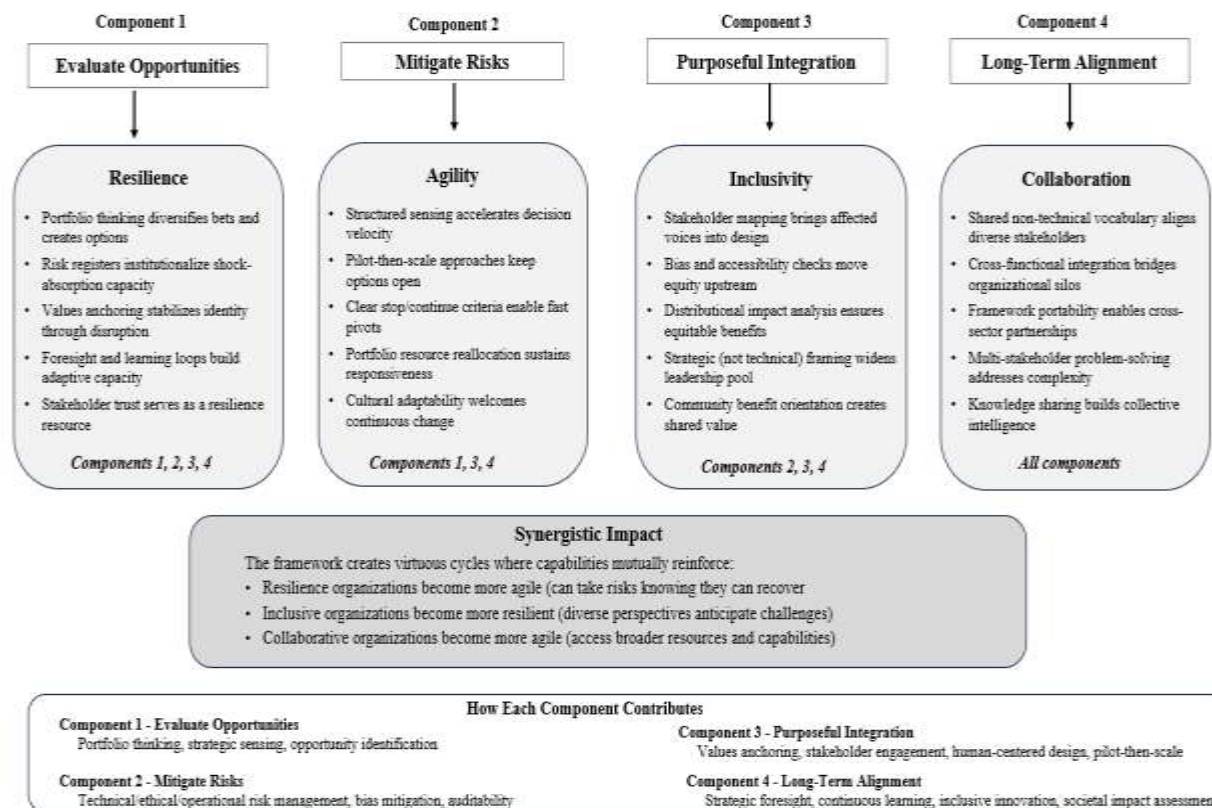


Figure 3: Leadership Outcomes Enabled by the LRF

Each component contributes to resilience, agility, inclusivity, and collaboration in reinforcing cycles. Together, these outcomes bridge innovation with impact, positioning leaders to shape a more inclusive, agile, and resilient future.

### Advancing Resilience, Agility, Inclusivity, and Collaboration

The LRF enables four mutually reinforcing leadership outcomes as shown in (Figure 6):

Resilience: foresight loops and stakeholder trust strengthen adaptability [14].

- **Agility:** pilot-then-scale approaches and flexible resource allocation enhance responsiveness [30].
- **Inclusivity:** bias mitigation and equitable benefit analysis ensure fair value distribution [8], [18].
- **Collaboration:** shared vocabulary and cross-functional integration enable multi-stakeholder problem solving [31].

Each component contributes to resilience, agility, inclusivity, and collaboration in reinforcing cycles. Together, these outcomes bridge innovation with impact, positioning leaders to shape a more inclusive, agile, and resilient future.

## **Contributions to Scholarship and Practice**

### **Academic Contributions**

This study advances scholarship at the intersection of strategic leadership, digital transformation, and inclusive innovation by reframing AI adoption as a leadership priority rather than a purely technical exercise. The Leadership Readiness Framework (LRF) contributes in four distinct ways:

#### **Extending Strategic Leadership Theory:**

The LRF demonstrates how leadership competencies must evolve in AI-intensive contexts. It highlights capabilities such as digital strategic thinking, ethical technology stewardship, systems thinking, and adaptive leadership. By integrating Upper Echelons Theory with digital transformation, it shows how leaders' values and cognitive frames shape AI adoption outcomes, even without technical expertise [20], [12], [4].

#### **Enriching Digital Transformation Literature:**

While much research emphasizes platforms, infrastructure, and technical capacity, the LRF positions leadership as a driver of transformation. It clarifies the distinction between AI adoption (technical deployment) and AI transformation (strategic and cultural reconfiguration), explaining why many organizations fail to capture long-term value [3], [5], [24].

#### **Advancing Inclusive Innovation Theory**

The LRF operationalizes inclusive innovation by embedding equity, stakeholder engagement, and societal benefit into leadership practice. It introduces tools for distributional impact analysis and community value creation, addressing gaps where innovation research often overlooks social responsibility [8], [15], [18].

Using a framework development approach, this study demonstrates the value of conceptual integration across theories to create actionable tools. This design-science orientation establishes a foundation for empirical validation, comparative case research, and cross-sector adaptation [22], [23].

Together, these contributions position the LRF as both a conceptual advance and a springboard for future empirical research on leadership in AI-driven transformation.

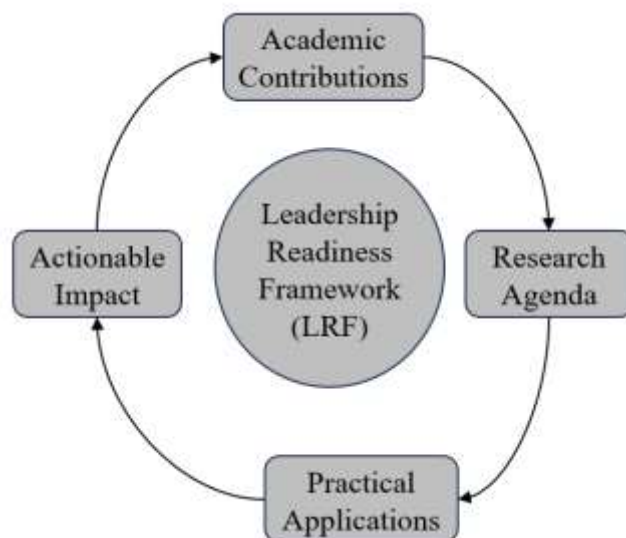
### **Practical Contributions**

Beyond academia, the LRF provides a structured, actionable tool for non-technical leaders, policymakers, and educators to steward AI adoption responsibly. Its practical value extends across six domains:

- **Strategic Decision-Making:** Evaluating AI opportunities in alignment with mission, values, and long-term goals [13].
- **Risk Mitigation:** Embedding safeguards to address bias, privacy, and operational risks. [25], [32].
- **Organizational Agility:** Supporting adaptive leadership through portfolio thinking, pilot-then-scale experimentation, and continuous learning [26].
- **Governance and Policy:** Offering boards and regulators a lens to balance innovation incentives with principles-based safeguards [29], [33].

- **Cross-Sector Applicability:** Adaptable across industries (energy, finance, healthcare, NGOs, academia, public service), organizational sizes, and cultural contexts.
- **Educational Integration:** Providing a scaffold for embedding leadership reasoning into STEM curricula, executive programs, and interdisciplinary training.

By translating academic insights into leadership practice, the LRF enables executives, policymakers, and educators to guide AI adoption in ways that are efficient, ethical, inclusive, and future-oriented.



*Figure 4: Bridging Research and Practice through the LRF*

This cyclical model shows how the LRF connects academic contributions and practical applications in a continuous loop. Scholarship shapes research agendas, while practice translates insights into tools for decision-making, risk governance, agility, and education. Together, these cycles generate actionable impact and refine theory, bridging the gap between research and practice in the AI era.

## CONCLUSION AND RECOMMENDATION

### Conclusion

#### Reaffirming the Central Thesis

This paper argues that artificial intelligence (AI) should be understood not merely as a technical implementation challenge, but as a strategic leadership priority [13]. The Leadership Readiness Framework (LRF) addresses this imperative by providing non-technical leaders with a structured tool to evaluate opportunities, mitigate risks, integrate AI purposefully, and align adoption with long-term societal impact. By reframing AI adoption as an issue of stewardship rather than infrastructure, the LRF advances both scholarship and practice, bridging the gap between research and leadership action [3], [25].

### **The Value of the LRF**

The Leadership Readiness Framework (LRF) extends existing models of AI and digital transformation by placing leadership judgment and organizational values as core determinants of responsible adoption.

Existing frameworks often prioritize either ethical principles or technical capabilities. For instance, the EU High-Level Expert Group's *AI Ethics Guidelines* outline normative principles such as fairness, explainability, and accountability but provide limited direction on how leaders can apply these principles in everyday decision-making [34].

Similarly, frameworks like the Dynamic Capability and AI Maturity Models highlight the importance of data infrastructure, analytical expertise, and iterative learning, but pay less attention to leadership inclusivity, cultural readiness, and stakeholder trust [35], [36].

In comparison, the LRF contributes value in three distinct ways:

- **Accessibility for Non-Technical Leaders:** LRF provides decision-making supports that do not require advanced technical expertise, addressing the “translation gap” between data specialists and strategic leadership [37].
- **Integrated Strategic-Ethical Orientation:** It connects organizational performance imperatives with ethical and societal impact considerations, exceeding the scope of compliance-oriented guidelines [38].
- **Leadership Capacity Development:** The LRF foregrounds agility, reflective judgment, inclusivity, and collaborative governance as repeatable leadership capabilities, aligning with emerging scholarship linking leadership culture to responsible AI deployment [39].

Put together, these contributions position the LRF as a practical, leadership-centered complement to existing ethical and maturity models. A framework that aims not just to govern AI systems, but to shape the judgment and readiness of those who implement them.

### **Recommendations**

#### **For Organizational Leaders**

- Elevate AI to the boardroom agenda, framing it as a strategic and ethical leadership issue.
- Build competencies in digital strategic thinking, adaptive leadership, and systems thinking.
- Foster inclusive, collaborative cultures that encourage experimentation, reskilling, and human-AI collaboration.

#### **For Educators and Academic Institutions**

- Integrate LRF principles into STEM and executive curricula, pairing technical literacy with leadership reasoning [6].
- Use case-based learning, interdisciplinary projects, and simulation labs to prepare students to evaluate opportunities, anticipate risks, and embed ethics in technology use [40].
- Equip educators with tools to assess AI platforms for transparency, equity, and learning value [41].

### **For Policymakers and Governance Bodies**

- Complement technical regulation with leadership readiness initiatives, including executive training and board education.
- Embed principles-based regulation; fairness, accountability and transparency, that evolves alongside technology [40].
- Support cross-sector collaboration to harmonize adoption standards and safeguard public trust [42].

### **Future Research**

Future scholarship should validate and refine the LRF through:

- Comparative case studies across sectors such as energy, healthcare, finance, and education.
- Development of metrics and assessment tools for leadership readiness in AI contexts.
- Exploration of cross-cultural adaptation, particularly in emerging economies [15].
- Integration with STEM learning pathways to test how early exposure to leadership reasoning shapes responsible innovation [18].

### **Closing Reflection**

Ultimately, the Leadership Readiness Framework positions leaders not as passive recipients of technological disruption but as active stewards of transformation [20], [14]. By embedding foresight, inclusivity, and responsibility into AI strategies, leaders can harness intelligent technologies to advance organizational goals while safeguarding societal values. In doing so, they ensure that AI serves as a force for resilience, innovation, and equity in the future of work and society [24].

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