Digital Transformation Through the Lens of Organizational Psychology

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Abstract

This study explores the psychological impact of digital transformation on employees through the lens of organizational psychology, focusing on stress, engagement, motivation, and organizational support during the transition to digital technologies. This qualitative study employed semi-structured interviews with 21 participants, recruited from online platforms, to explore their experiences with digital transformation. Data were analyzed using NVivo software to identify emerging themes and subthemes. The participants were diverse in terms of gender, age, and industry, ensuring a broad range of perspectives on the psychological effects of digital transformation. The study aimed to reach theoretical saturation, ensuring a comprehensive understanding of the topic. The study identified four main themes: (1) Stress and Anxiety Related to Technological Changes, highlighting the fears of job insecurity and the pressure to upskill; (2) Employee Engagement and Motivation, where digital tools were seen to enhance creativity and job satisfaction; (3) Leadership and Organizational Support During Transformation, emphasizing the importance of transparent communication and supportive leadership in reducing anxiety and fostering trust; and (4) The Impact of Digital Culture on Employee Adaptation to Change, where a culture of continuous learning was found to facilitate smoother adaptation to new technologies. These themes reflect both the challenges and potential benefits of digital transformation on employee well-being. The findings suggest that while digital transformation can lead to significant stress and anxiety among employees, it also holds the potential to enhance engagement and motivation when managed effectively. Leadership, communication, and organizational culture play critical roles in mitigating negative psychological effects and promoting a positive transition. Organizations should prioritize training, support, and a culture of continuous learning to optimize the psychological outcomes of digital transformation.

Keywords: Digital transformation, organizational psychology, employee engagement, stress, leadership, organizational culture, motivation, psychological impact

1.   Introduction

Digital transformation (DT) has become an essential process for organizations striving to adapt to a rapidly evolving technological landscape. At its core, digital transformation refers to the adoption and integration of digital technologies that fundamentally alter business models and processes. This can include the implementation of cloud computing, artificial intelligence (AI), big data analytics, automation, and other emerging technologies (Andriushchenko et al., 2020; Steiber et al., 2020). While digital transformation can drive strategic renewal and foster innovation, it also brings challenges that impact the psychological well-being and behavior of employees (Bughin et al., 2021). The human element of digital transformation,

which includes employee experiences, engagement, and leadership approaches, remains an under-explored area of research. This gap in understanding is critical, as organizations must manage not only the technological aspects of transformation but also the human factors that can either enable or hinder success.

The influence of digital transformation on organizational culture and employee well-being is profound. Rapid technological changes can lead to feelings of stress and uncertainty among employees, as they struggle to keep pace with evolving demands (Li, 2020; Li et al., 2022). However, these shifts also present opportunities for employee empowerment and engagement, as digital tools can enable greater flexibility, autonomy, and innovation in the workplace (Appio et al., 2021). The role of organizational psychology in the context of digital transformation is pivotal. Organizational psychology examines the ways in which employees' behaviors, attitudes, and well-being are influenced by their work environment. In the context of digital transformation, this involves exploring how technological changes affect work-related stress, job satisfaction, employee engagement, and leadership styles (Chen & Yang, 2022). Research suggests that the psychological effects of digital transformation are multifaceted, involving both positive and negative outcomes depending on how these changes are managed (Nadkarni & Prügl, 2020).

The psychological impact of digital transformation is particularly important in the context of employee well-being. While the implementation of new technologies can streamline operations and improve productivity, it also introduces a range of psychological challenges. These include job insecurity, stress due to the need for constant learning, and the fear of obsolescence as automation and AI technologies replace traditional roles (Pittaway & Montazemi, 2020). On the other hand, digital tools can offer opportunities for employees to engage in more meaningful and creative work by automating repetitive tasks and providing platforms for innovation (Bughin et al., 2021). How employees perceive these changes and how well they are supported during the transformation process can significantly influence their engagement and productivity.

Leadership plays a critical role in shaping the psychological outcomes of digital transformation. Leadership styles and communication strategies can either foster a supportive environment that promotes employee engagement or exacerbate feelings of alienation and stress (Teng et al., 2022). Transformational leadership, characterized by vision, inspiration, and support for employee development, is particularly effective in guiding employees through the uncertainties associated with digital transformation (Li, 2020). However, autocratic or overly hands-off leadership approaches can lead to confusion and resistance, hindering the successful adoption of new technologies (Li et al., 2022). Leadership's role in fostering a culture of openness, trust, and continuous learning is crucial in mitigating the negative psychological effects of digital transformation and ensuring that employees remain motivated and engaged throughout the process (Nadkarni & Prügl, 2020).

Organizational culture is another key factor that shapes the success of digital transformation initiatives. A culture that is resistant to change can severely hinder the implementation of new technologies. As organizations undergo digital transformation, it is essential for leaders to cultivate a culture that is adaptable, innovative, and open to new ways of working (Tangi et al., 2021). The alignment between an organization's culture and its digital strategy is critical in ensuring that technological changes are accepted and effectively integrated into the existing business model.

The process of cultural adaptation during digital transformation is complex and often requires a shift in mindset at all levels of the organization. Employees must develop new digital skills, adopt new ways of working, and engage with new technologies that may initially feel foreign or intimidating (Steiber et al., 2020). Research suggests that a culture of continuous learning, where employees are encouraged to experiment with new tools and share their knowledge, is crucial for overcoming resistance to change and fostering innovation (Dunayev et al., 2021). Furthermore, a digitally transformed organization must embrace collaboration, as digital tools often require more fluid communication and teamwork across different departments and levels of the organization (Liu et al., 2022; Liu et al., 2023).

Despite these benefits, the introduction of digital technologies can also create tensions within the workplace. For example, the rapid pace of technological change can lead to feelings of anxiety and insecurity among employees, particularly those who feel that their roles are threatened by automation or digital disruption (Nzekwe-Excel, 2023). As organizations strive to maintain their competitive edge through digital transformation, they must ensure that they are not only investing in technology but also in the psychological well-being of their workforce.

The psychological impact of digital transformation on employees is profound, affecting their well-being, motivation, and engagement in the workplace. One of the most significant psychological effects is stress, which arises from the pressure to continuously adapt to new technologies and the fear of job displacement due to automation (Wu, 2023). Employees who feel that their skills are outdated or that their jobs are at risk may experience anxiety, leading to decreased productivity and job satisfaction (Zhang & Zhang, 2023). However, digital transformation also has the potential to reduce stress by automating repetitive tasks and providing employees with tools that enable more flexible and efficient work processes (Timotheou et al., 2022). As such, the psychological impact of digital transformation is not uniform, and it is essential to consider how different employees experience and respond to these changes.

Employee engagement is another critical factor influenced by digital transformation. Engagement refers to the emotional and cognitive commitment that employees have toward their work and organization. When digital tools are introduced in a way that is aligned with employees' needs and expectations, they can lead to increased engagement and job satisfaction (Liu, 2022). However, when digital tools are perceived as a threat or are poorly implemented, they can lead to disengagement and resistance (Teng et al., 2022). Therefore, understanding the psychological responses of employees to digital transformation is crucial for designing interventions that foster positive outcomes.

Furthermore, leadership's role in managing the psychological effects of digital transformation cannot be overstated. Leaders who communicate effectively, provide support during the transition, and foster a positive organizational culture can mitigate the negative psychological effects of digital transformation and ensure that employees remain engaged and motivated (Li, 2020). A clear vision for digital transformation, combined with ongoing support and development opportunities for employees, is essential for facilitating a smooth transition and enhancing employee well-being.

As organizations continue to undergo digital transformation, it is essential to understand the psychological factors that influence the success of these initiatives. This article explores the intersection of digital transformation and organizational psychology, focusing on how these technological shifts impact employees, leadership, and organizational culture. Understanding these dynamics is crucial for organizations as they navigate the challenges and opportunities presented by digital transformation.

2. Methods and Materials

This study adopts a qualitative research design to explore the impact of digital transformation on organizational psychology. The research utilizes a constructivist approach, focusing on the perceptions, experiences, and interpretations of individuals within organizations undergoing digital transformation processes. A semi-structured interview methodology was chosen to allow flexibility in exploring key themes while ensuring consistency across interviews.

The study involved 21 participants recruited from various online platforms, ensuring a diverse representation of professionals across different industries. Participants were selected based on their experience with digital transformation initiatives within their organizations. Inclusion criteria required participants to have at least one year of involvement in organizational digital transformation projects, either as employees, managers, or consultants. This ensured that participants had sufficient insight into the psychological dynamics at play during such transformations. The participants represented a mix of genders, age groups, and organizational roles, providing a comprehensive perspective on the subject matter.

Data were collected through semi-structured interviews, conducted remotely via video or audio calls to accommodate the participants' schedules and geographical locations. The interview guide consisted of open-ended questions designed to elicit in-depth responses regarding the participants' experiences with digital transformation and its psychological effects on themselves and their colleagues. Topics covered included organizational change, employee engagement, leadership styles, coping mechanisms, and perceptions of digital tools and technologies. Interviews lasted between 45 to 60 minutes, and all sessions were audio-recorded with participants' consent for transcription and analysis.

The collected interview data were analyzed using NVivo software, a qualitative data analysis tool that supports the coding, categorization, and interpretation of large datasets. The analysis process followed a thematic approach, where the transcribed interviews were coded inductively to identify key themes and patterns related to organizational psychology in the context of digital transformation. The research team used a constant comparative method, iteratively refining the codes and themes as new

data were analyzed, until theoretical saturation was reached—indicating that no new significant themes emerged from additional interviews. This ensured that the study captured a comprehensive understanding of the phenomena under investigation.

3. Findings and Results

A total of 21 participants were included in the study, with a balanced representation of gender, age, and organizational roles. Of the 21 participants, 12 were male (57%) and 9 were female (43%). In terms of age distribution, 8 participants (38%) were between the ages of 25 and 34, 7 participants (33%) were between 35 and 44 years old, 4 participants (19%) were aged 45 to 54, and 2 participants (10%) were over 55 years old. Regarding organizational roles, 10 participants (48%) were employees at various levels (e.g., junior to senior staff), 7 participants (33%) were mid-level managers, and 4 participants (19%) were executives or consultants involved in digital transformation initiatives. The participants were recruited from a range of industries, including technology (33%), finance (19%), healthcare (14%), manufacturing (14%), and education (10%), with 10% of participants working in various other sectors. All participants had at least one year of experience with digital transformation processes within their organizations, ensuring a diverse range of insights into the psychological effects of such changes.

Table 1. The Results of Qualitative Analysis

Category	Subcategory	Concepts
Impact on Employee Well-being	Psychological Stress	Job insecurity, workload increase, fear of job loss, cognitive overload, adaptability challenges
	Employee Engagement	Motivation levels, emotional connection to work, involvement in digital initiatives, perceived value of transformation, alignment with personal goals
	Work-Life Balance	Flexible working hours, remote work impact, boundary setting, burnout risk, family life disruption
	Coping Mechanisms	Resilience strategies, emotional regulation, seeking social support, mindfulness practices, self-efficacy in navigating change
Leadership and Organizational Change	Leadership Styles	Transformational leadership, supportive leadership, autocratic leadership, hands-off management, change-oriented leadership, emotional intelligence in leadership
	Leadership Communication	Transparency, clarity of vision, trust-building, feedback mechanisms, conflict resolution, openness to employee concerns
	Decision-Making in Digital Transformation	Centralized decision-making, participatory decision-making, data-driven decisions, adaptability in decision-making, leader-follower interaction
Technology Adoption	Digital Tools and Employee Interaction	User-friendliness, resistance to technology, trust in digital tools, training adequacy, perceived usefulness
	Training and Skill Development	Onboarding processes, digital literacy, continuous learning opportunities, formal vs. informal training, personalized training
	Technological Anxiety	Fear of obsolescence, unfamiliarity with tools, comfort with automation, lack of control over technology, trust issues with AI
Organizational Culture and Change	Cultural Adaptation to Digital Transformation	Openness to change, organizational learning, innovation culture, resistance to change, adaptability of workplace norms, role of HR in cultural shift
	Social Dynamics in a Digitally Transformed Workplace	Collaboration tools usage, remote team dynamics, peer support systems, team identity, relationship building online, group conflict
	Employee Autonomy and Innovation	Freedom to experiment, decision-making authority, initiative-taking, creative problem-solving, ownership of outcomes

Impact on Employee Well-being

The digital transformation process often resulted in heightened psychological stress among employees. Many participants reported an increase in job insecurity and workload, with some expressing fear of job loss due to automation or organizational restructuring. As one participant noted, "The constant fear that our roles could be automated has been draining. Every new tech implementation feels like a step closer to being replaced." Additionally, several interviewees mentioned cognitive overload as a challenge, with one participant stating, "Adapting to new systems while maintaining my regular workload is overwhelming; it's hard to keep up with everything." These feelings of stress were exacerbated by the rapid pace of technological change and the perceived need for constant upskilling.

Employee engagement levels varied significantly depending on how participants perceived their involvement in digital transformation initiatives. Those who felt emotionally connected to the transformation and saw it as aligned with their personal career goals reported higher levels of motivation. As one participant explained, "When I was actively involved in the decision-

making about the new system, I felt motivated. It gave me a sense of purpose." Conversely, those who felt disengaged or had little input into the process expressed frustration, with a participant stating, "We were told to just use the new software with no explanation of why it was important. It felt like we were just following orders without understanding the bigger picture."

The shift to digital tools and remote working had a significant impact on work-life balance. Many participants highlighted the benefits of flexible working hours and remote work, while others noted that these advantages came with challenges. One participant shared, "Working from home was great at first, but it quickly blurred the lines between work and personal life. I found myself working late into the night." Concerns about burnout also surfaced, with several interviewees describing how the expectation to be constantly connected to digital platforms added stress to their personal lives. As one respondent put it, "There's always an expectation that you're available, even outside of office hours. It's hard to disconnect."

Participants utilized various coping mechanisms to manage the psychological stress associated with digital transformation. Strategies such as resilience building, emotional regulation, and seeking social support were commonly mentioned. One participant explained, "I've learned to take short breaks during the day to reset my mind. It helps me keep my energy up when the work feels too overwhelming." Others emphasized the role of mindfulness practices, with one individual noting, "Mindfulness has been crucial for me. It allows me to focus and stay calm amid the chaos of change."

Leadership and Organizational Change

Leadership played a pivotal role in shaping employees' experiences of digital transformation. Transformational leadership was particularly valued, as leaders who inspired and supported their teams through change were more likely to foster a positive environment. As one participant mentioned, "My manager has been really supportive, guiding us through each change. It made the transition much smoother." In contrast, participants who experienced autocratic or hands-off leadership expressed frustration. One respondent stated, "There was no clear direction from leadership. It felt like we were left to figure it out on our own."

Effective communication from leadership was identified as a key factor influencing employee adaptation to digital transformation. Transparency about the reasons for technological changes, clear articulation of the transformation vision, and trust-building practices were highlighted as critical. As one participant noted, "Our leadership communicated openly about the goals of digital transformation, and it helped me feel more secure about the future." However, some interviewees expressed dissatisfaction with the lack of communication. One participant commented, "We didn't hear much from leadership. It left us guessing about how we were expected to adapt."

Decision-making processes during digital transformation were also explored, with participants noting varying levels of involvement. Those who had a say in the decision-making process felt more invested in the changes. As one participant shared, "Being part of the discussions about how we'd integrate new tools made me feel more confident in the process." In contrast, others described centralized decision-making as a barrier to successful adaptation. One respondent said, "The decisions were made at the top without consulting those of us who had to use the tools every day. It created a lot of frustration."

Technology Adoption

Employee interactions with digital tools were influenced by factors such as ease of use, trust, and training. Several participants described initial resistance to new technology, with some admitting they were skeptical about the effectiveness of new tools. One interviewee stated, "At first, I didn't trust the new software. It was clunky and difficult to use, and I didn't see how it would make my work easier." Trust in the technology, however, improved as employees became more familiar with it, and participants noted that adequate training played a significant role in overcoming resistance.

Training programs were critical in helping employees adapt to new digital tools. Participants appreciated structured onboarding processes but also mentioned the importance of ongoing training. As one participant explained, "I found the initial training helpful, but I think it would've been better if there was more continuous learning to keep up with the updates." Additionally, the role of informal learning was emphasized, with employees often relying on peer support and self-directed learning. One respondent shared, "I learned a lot by asking my colleagues how they were using the tools and experimenting on my own."

Technological anxiety was a common concern among employees, particularly related to the fear of obsolescence and the complexity of new systems. Many participants described feelings of unease about their ability to keep up with rapid technological change. As one participant noted, "I worry that I'll become irrelevant if I don't master these new tools quickly." Others expressed concerns about losing control over their work processes due to automation. One respondent stated, "I feel like

I'm losing control of my tasks. The software is doing a lot of the work for me, and I'm not sure where I fit into the process anymore."

Organizational Culture and Change

Adapting organizational culture to support digital transformation was a significant challenge for many participants. Openness to change, innovation, and organizational learning were crucial elements in this adaptation process. One participant shared, "Our company's culture was very traditional, and it took a lot of effort to shift towards a more innovation-driven environment." However, resistance to change was also evident, with some participants noting that longstanding organizational norms made adaptation difficult. "Some people were set in their ways and didn't want to change. It created a lot of tension," one participant commented.

The shift to digital tools also influenced social dynamics within the workplace. Participants noted changes in collaboration and team interactions, especially with the rise of remote work and virtual teams. "We're all working from different locations now, so it's harder to build relationships," one respondent remarked. Others highlighted the role of digital platforms in facilitating collaboration, with one participant noting, "Even though we're remote, we still feel connected through tools like Slack and Zoom. It's helped maintain a sense of teamwork."

Digital transformation provided employees with greater autonomy in some cases, as new tools allowed for more flexibility in decision-making and problem-solving. Many participants appreciated having the freedom to experiment with new ideas. As one participant said, "I've been able to take more ownership of projects since the digital tools give me more control over how things are done." However, some employees felt that the emphasis on efficiency sometimes stifled creativity. One participant explained, "There's less room for innovative thinking now because everything has to be done according to the new system."

4.   Discussion and Conclusion

The aim of this study was to explore the psychological impact of digital transformation on employees through the lens of organizational psychology. Our findings highlight the multifaceted nature of these psychological effects, as digital transformation influences employee stress, engagement, motivation, and overall well-being. The study identified four main themes that emerged from interviews with 21 participants: stress and anxiety related to technological changes, employee engagement and motivation, leadership and organizational support during transformation, and the impact of digital culture on employee adaptation to change. This section discusses these findings and their alignment with existing research on digital transformation and organizational psychology.

A primary theme identified in this study was the stress and anxiety experienced by employees due to digital transformation. As organizations implement new technologies such as artificial intelligence, automation, and big data analytics, employees often feel overwhelmed by the need to acquire new skills and adapt to unfamiliar work processes. This finding is consistent with previous studies that highlight the psychological challenges associated with the adoption of digital technologies. For instance, Wu (2023) emphasizes that the rapid pace of technological change can lead to heightened levels of anxiety and stress among employees, particularly when these changes threaten their job security (Wu, 2023). Similarly, Bughin et al. (2021) found that digital transformation often leads to employee fears of obsolescence, as automation and AI replace traditional roles (Bughin et al., 2021).

Participants in our study expressed concerns about the need to continuously upskill, fearing that failure to keep pace with new technologies could result in job loss or diminished career prospects. This aligns with findings from Li (2020), who noted that employees' concerns about the risks associated with digital transformation can lead to resistance to change and decreased productivity (Li, 2020). The psychological impact of these changes, if not managed properly, can have significant implications for both individual well-being and organizational outcomes (Andriushchenko et al., 2020). To mitigate these effects, it is crucial for organizations to provide employees with adequate training and support systems that can alleviate feelings of uncertainty and help them navigate the digital transformation process with confidence.

Despite the stress associated with digital transformation, our findings also suggest that digital technologies have the potential to enhance employee engagement and motivation when implemented effectively. Many participants reported that the introduction of digital tools, such as collaborative platforms, cloud computing, and AI-driven processes, allowed them to focus more on innovative tasks and less on repetitive manual labor. This finding is supported by Appio et al. (2021), who argue that

digital transformation can lead to higher levels of employee engagement by enabling more meaningful work (Appio et al., 2021). Digital technologies can foster a more dynamic and creative work environment by automating mundane tasks and empowering employees to engage in more complex, value-added activities (Pittaway & Montazemi, 2020).

Additionally, participants highlighted how digital transformation provided them with greater flexibility, which allowed for improved work-life balance. This aligns with the work of Li et al. (2022), who found that digital tools can enhance job satisfaction and motivation by offering employees greater autonomy and control over their work processes (Li et al., 2022). However, it is important to note that the degree of employee engagement and motivation is contingent upon how the transformation is managed. If digital tools are perceived as a threat to job security or are poorly implemented, they can lead to disengagement and resistance (Li, 2020). Therefore, organizational leaders must carefully design and implement digital transformation initiatives that prioritize employee well-being and foster a sense of empowerment.

The study also found that leadership plays a crucial role in mitigating the negative psychological effects of digital transformation. Participants emphasized the importance of clear communication, transparency, and support from leadership in navigating the uncertainties of digital transformation. Transformational leadership, characterized by vision, inspiration, and empathy, emerged as a key factor in ensuring that employees felt supported throughout the transition process. This finding is consistent with research by Nadkarni and Prügl (2020), who argue that leadership plays a pivotal role in guiding employees through the complexities of digital transformation (Nadkarni & Prügl, 2020).

Effective leadership not only provides strategic direction but also fosters a culture of trust and psychological safety. As participants in our study highlighted, leaders who were transparent about the challenges and opportunities of digital transformation were more likely to create a supportive environment where employees felt empowered to embrace change. This aligns with the work of Tangi et al. (2021), who found that leadership that emphasizes trust and open communication can significantly reduce employee anxiety and resistance to digital transformation (Tangi et al., 2021). Furthermore, Li (2020) suggests that leaders who actively support skill development and provide opportunities for professional growth are more likely to facilitate successful digital transformation initiatives (Li, 2020).

The final theme that emerged from the data relates to the role of organizational culture in shaping employee adaptation to digital transformation. Participants emphasized that a culture of continuous learning and collaboration was crucial in helping employees navigate the digital transformation process. This finding echoes the work of Steiber et al. (2020), who found that a supportive organizational culture that encourages experimentation and innovation can significantly enhance employees' ability to adapt to digital changes. In organizations where digital transformation is viewed as a collaborative and ongoing process, employees are more likely to engage with new technologies and integrate them into their work routines.

However, some participants noted that in organizations with a more traditional culture that values stability and hierarchy, digital transformation efforts were met with resistance. This is consistent with findings from Liu et al. (2022), who argue that organizations with rigid, hierarchical cultures may struggle to implement digital transformation initiatives, as employees are less likely to embrace change in such environments. A culture that values flexibility, creativity, and continuous learning is essential for ensuring the successful adoption of new technologies and fostering a positive psychological environment during the transformation process.

While this study provides valuable insights into the psychological impact of digital transformation, there are several limitations that should be considered. First, the sample size was relatively small, consisting of only 21 participants. Although the sample included a diverse range of individuals from various industries, the findings may not be fully generalizable to larger populations or different cultural contexts. Future studies could expand the sample size and include participants from a wider variety of sectors and geographical regions to enhance the generalizability of the results. Second, the study relied on semi-structured interviews as the primary data collection method, which, while valuable, may be subject to interviewer bias or participant self-reporting bias. Future research could incorporate mixed methods approaches, such as surveys or observational studies, to validate and triangulate the findings.

Another limitation of the study is that it focused primarily on the psychological experiences of employees, without examining the organizational-level factors that influence the success of digital transformation. Future studies could explore how organizational factors such as leadership styles, digital strategy, and organizational structure interact with employee psychological experiences to shape the outcomes of digital transformation initiatives. Finally, the study did not explore the

long-term effects of digital transformation on employee well-being, engagement, and motivation. Longitudinal studies would provide valuable insights into how the psychological effects of digital transformation evolve over time and whether they lead to sustained changes in employee behavior and organizational culture.

Given the limitations outlined above, several avenues for future research are worth exploring. First, future studies could investigate the long-term psychological effects of digital transformation, examining how employees' attitudes and behaviors evolve as they become more familiar with new technologies. Longitudinal studies could also explore whether the psychological benefits of digital transformation, such as increased engagement and motivation, are sustained over time or whether negative effects, such as burnout or job insecurity, emerge as the novelty of digital tools wears off.

Second, future research could investigate the impact of digital transformation on different demographic groups, such as age, gender, or educational background. Previous studies have shown that the psychological impact of digital transformation can vary across different employee groups (Chen & Yang, 2022). Understanding how these factors influence the adoption and adaptation to digital technologies would provide valuable insights into how organizations can tailor their digital transformation strategies to meet the needs of diverse workforces.

Finally, research could explore the role of organizational factors, such as leadership, culture, and structure, in shaping employees' psychological experiences during digital transformation. While this study focused primarily on the individual level, a more comprehensive understanding of how organizational-level factors interact with employee experiences could provide valuable insights into how organizations can optimize their digital transformation processes.

The findings of this study suggest several practical implications for organizations seeking to manage the psychological effects of digital transformation. First, organizations should invest in comprehensive training and upskilling programs to alleviate employee anxiety and ensure that employees feel confident in their ability to navigate new technologies. Providing employees with the necessary skills and resources will not only reduce stress but also enhance their engagement and motivation by enabling them to take on more meaningful and challenging tasks.

Second, organizations should prioritize open communication and transparency throughout the digital transformation process. Leaders should clearly articulate the goals and benefits of the transformation, as well as the potential challenges. This will help to reduce uncertainty and foster trust among employees. Additionally, organizations should provide ongoing support to employees during the transition, offering opportunities for feedback and addressing concerns as they arise.

Finally, organizations should focus on cultivating a digital culture that encourages continuous learning, collaboration, and innovation. A supportive culture that values flexibility and adaptability will enable employees to embrace change and integrate new technologies into their work routines. By fostering a culture that emphasizes psychological safety and employee well-being, organizations can ensure that their digital transformation initiatives are successful and sustainable in the long term.

Ethical Considerations

All procedures performed in this study were under the ethical standards.

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Conflict of Interest

The authors report no conflict of interest.

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