

AI-Enabled Employee Relations and Organisational Justice: A Systematic Review and PLS-SEM-Informed Conceptual Framework

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Abstract

Artificial intelligence (AI) is rapidly reshaping human resource management (HRM) and employee relations by transforming communication, decision-making, performance evaluation, and perceptions of workplace fairness. This systematic literature review, conducted using PRISMA guidelines, analyses 262 peer-reviewed articles published between 2000 and 2025. The synthesis identifies major conceptual developments, methodological patterns, and persistent research gaps in AI-enabled employee relations and organisational justice. Four dominant themes emerge: AI-driven decision-making, digital monitoring and surveillance, AI-mediated communication, and trust and transparency in justice perceptions. Across these themes, algorithmic fairness, transparency, trust in technology, perceived control, and digitalised HR practices strongly shape distributive, procedural, interpersonal, and informational justice. Emotional intelligence and cross-cultural sensitivity further moderate how employees interpret fairness and inclusivity in diverse organisational settings. Drawing on these insights, the study proposes a PLS-SEM-informed conceptual framework to guide future empirical research on the mediating and moderating mechanisms linking AI-enabled HR practices to justice outcomes. The review contributes to HRM theory and practice by offering an integrated framework and ethical governance agenda to balance technological innovation with trust, equity, and justice in employee relations.

Keywords: *Algorithmic Fairness; Artificial Intelligence (AI); Employee Relations; Organisational Justice; PLS-SEM*

1. Introduction

Artificial intelligence (AI) is increasingly embedded within contemporary organisational structures and human resource management (HRM) practices, reshaping how employees communicate, receive feedback, are evaluated, and perceive fairness at work. AI-enabled tools

such as algorithmic recruitment platforms, HR analytics dashboards, and machine-learning-based performance monitoring systems are transforming employee organisation interactions and challenging established assumptions about trust, autonomy, communication quality, and equity (Colquitt et al., 2023; Tursunbayeva, 2024; Agrawal, 2025; Boothby, Cooney, & Schweitzer, 2023). As organisations progressively rely on AI to augment or replace traditional HR functions, critical questions emerge regarding accountability, transparency, and the ethical implications of data-driven decision-making. Organisational justice theory provides a central framework for understanding fairness perceptions in the workplace, encompassing distributive, procedural, interpersonal, and informational justice (Colquitt, 2001; Greenberg, 2011). However, the integration of AI into HRM complicates these justice dimensions through issues of algorithmic bias, limited explainability, opaque decision logic, and uneven data quality. These challenges reshape how employees evaluate fairness, respond to managerial decisions, and interpret the psychological contract in increasingly digital work environments. Consequently, emotional intelligence and cross-cultural sensitivity assume heightened importance in maintaining trust, respect, and legitimacy within AI-mediated employee relations (Mayer, Salovey, & Caruso, 2008; Jordan & Troth, 2020; Hofstede, 2001). Prior research across HRM, organisational behaviour, ethics, and information systems highlights both the opportunities and risks associated with AI adoption. On the one hand, AI promises improved consistency, efficiency, and potential reductions in human bias (Meijerink et al., 2021). On the other hand, AI-enabled monitoring and automated decision-making may intensify perceptions of surveillance, diminish employee autonomy, and obscure the rationale underlying managerial decisions (Larsson, 2020; Ebner & Zeleznikow, 2015; Smolinski & Xiong, 2020). Despite the growing body of work on algorithmic management, digital trust, and technology-enabled HR practices, the literature remains fragmented. Crucially, limited research integrates these perspectives to examine how AI-enabled employee relations collectively shape organisational justice perceptions and through which underlying theoretical mechanisms these effects occur. This fragmentation underscores the need for a systematic synthesis of existing scholarship. A structured review can integrate dispersed findings, identify dominant themes and unresolved tensions, and clarify how AI-mediated interactions influence employees' evaluations of fairness across diverse organisational contexts. Moreover, Partial Least Squares Structural Equation Modelling (PLS-SEM) has emerged as a valuable methodological approach for examining complex, multidimensional relationships in HRM and organisational behaviour research. Clarifying how prior studies inform the development of a PLS-SEM-based conceptual framework can provide a robust foundation for future empirical investigation (Hair et al., 2021; Sarstedt et al., 2022).

Accordingly, this study pursues four objectives:

1. to systematically synthesise existing research on AI-enabled employee relations and organisational justice;
2. to identify key thematic patterns and theoretical mechanisms linking AI use to fairness perceptions;
3. to categorise core constructs relevant for PLS-SEM-based modelling; and
4. to propose a PLS-SEM-informed conceptual framework for future empirical validation.

1.1 Definition and Classification of AI-Enabled Employee Relations and Organisational Justice

AI-enabled employee relations refer to the integration of artificial intelligence technologies such as machine learning, natural language processing, predictive analytics, and automated decision-support systems into HRM processes that govern employee organisation interactions. These applications span recruitment, performance evaluation, communication, scheduling, monitoring, and dispute resolution, positioning AI as a socio-technical actor that shapes expectations, rights, and relational dynamics related to transparency, autonomy, privacy, and respect (Leicht-Deobald et al., 2019; Meijerink et al., 2021). Organisational justice reflects employees' assessments of fairness in workplace outcomes, procedures, interpersonal treatment, and information sharing (Colquitt, 2001; Greenberg, 2011). While distributive, procedural, interpersonal, and informational justice constitute the classical framework, AI adoption introduces concerns related to algorithmic justice, emphasising bias mitigation, transparency, and explainability in automated systems (Boothby et al., 2023; Agrawal, 2025). Extant literature commonly categorises AI-enabled employee interactions into four domains: AI-mediated communication, algorithmic HR decision-making, behavioural monitoring and predictive analytics, and AI-supported conflict management. Each domain influences justice perceptions in distinct ways enhancing consistency and efficiency while simultaneously raising concerns about opacity, surveillance, and diminished relational warmth.

1.2 Terminology and Sectoral Breakdown

Research on AI-enabled employee relations spans multiple disciplines, including HRM, organisational psychology, ethics, and information systems. Common terminology includes algorithmic management, AI-driven HR, digital labour platforms, automated decision systems, machine-mediated communication, and HR analytics. Despite contextual variations, these concepts converge on the recognition that AI technologies fundamentally reshape employee experiences, expectations, and workplace relationships. Parallel developments are evident in organisational justice terminology. Alongside traditional constructs such as equity, transparency, and voice, scholars increasingly examine algorithmic transparency, explainable AI (XAI), perceived autonomy loss, digital empathy, and trust in AI systems. In AI-mediated environments, emotional intelligence plays a critical role in enabling employees and managers to interpret digital interactions with empathy and fairness, underscoring the need to integrate psychological and technological considerations in contemporary employee relations research. AI-enabled employee relations manifest across sectors. In private organisations, AI-driven recruitment and workforce analytics primarily affect distributive and procedural justice. Public administration emphasises accountability and transparency, while healthcare and education raise challenges related to professional autonomy and interpersonal justice. Manufacturing, logistics, and gig-economy platforms foreground surveillance, privacy, and voice-related fairness concerns, highlighting the contextual variability of AI-justice relationships.

1.3 Literature Gaps and Rationale for the Systematic Review

Despite rapid growth in AI-related HRM research, several critical gaps persist. Information systems research largely concentrates on algorithmic design, HRM studies emphasise strategic

implementation, and psychological research focuses on individual perceptions. Few studies integrate these perspectives to examine how AI-enabled employee relations jointly shape organisational justice. Existing work frequently isolates constructs such as trust or algorithmic fairness without embedding them within comprehensive justice frameworks. Moreover, justice dimensions are unevenly explored. Distributive and procedural justice dominate AI-HRM research, whereas interpersonal and informational justice remain comparatively underexamined. Emotional intelligence and cultural moderators, despite their relevance in digital work contexts, receive limited empirical attention. Methodologically, qualitative and experimental approaches prevail, while advanced modelling techniques such as PLS-SEM remain underutilised despite their suitability for analysing latent constructs and complex mediation–moderation relationships. These gaps justify a systematic, theory-integrative review.

1.4 Study Scope and Conceptual Framing

This review examines how algorithmic decision-making, automated feedback systems, predictive monitoring, and AI-supported grievance mechanisms influence workplace fairness perceptions. Drawing on peer-reviewed studies published between 2000 and 2025 and indexed in Scopus, Web of Science, and Google Scholar, the review includes empirical and conceptual research addressing AI applications in HRM, employee relations, and organisational justice. Purely technical studies, consumer-facing technologies, non-English publications, and grey literature are excluded. Conceptually, the review integrates three complementary perspectives. Organisational Justice Theory explains fairness evaluations across distributive, procedural, interpersonal, and informational dimensions. Socio-Technical Systems Theory highlights the reciprocal shaping of technology and human behaviour within organisational routines. Technology Acceptance and Trust frameworks elucidate perceptions of trust, autonomy, transparency, and surveillance. Together, these perspectives position AI-enabled employee relations as a socio-technical phenomenon that fundamentally alters justice evaluations.

1.5 SLR Findings and Framework Development

Synthesising 262 peer-reviewed studies, the PRISMA-guided review identifies four dominant thematic clusters: AI-driven decision-making, digital monitoring and surveillance, AI-mediated communication, and trust and transparency shaped by cultural and governance contexts. These themes inform the development of an integrative conceptual framework linking AI-enabled HR practices, employee cognitive–affective mechanisms, organisational justice dimensions, and contextual moderators. Building on this synthesis, the study proposes a PLS-SEM–informed framework to guide future empirical research. By enabling the simultaneous examination of mediation and moderation pathways, the framework advances theoretical understanding of AI-enabled employee relations and offers practical insights for fostering fairness, trust, and ethical governance in digitally mediated workplaces.

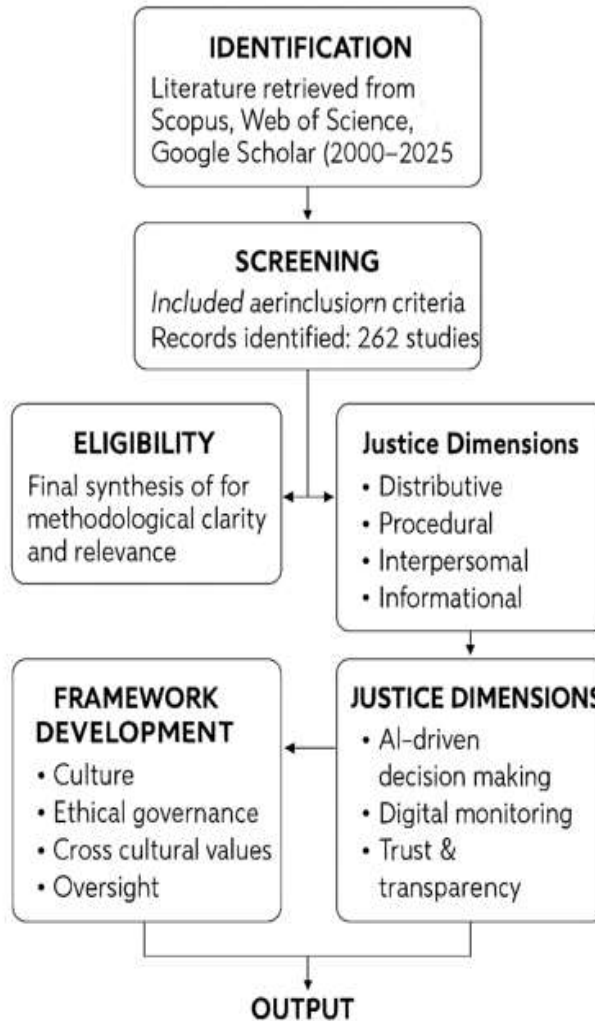


Figure 1. Conceptual Model: Construct Mediators, Moderators and Justice Dimensions for PLS-SEM

2. Definition and Classification of AI-Enabled Employee Relations and Organisational Justice

2.1 AI-Enabled Employee Relations: Definition

Employee relations traditionally encompass communication, negotiation, conflict management, and the development of trust between employers and employees (Rahim, 2011; Lewicki et al., 2019). With the increasing adoption of artificial intelligence, these relational processes are progressively mediated by algorithmic systems that automate, augment, or support core HR functions. As a result, employee relations are no longer shaped solely through interpersonal interactions but increasingly through hybrid human AI arrangements.

In this context, AI-enabled employee relations can be defined as:

the use of AI-powered tools and algorithmic systems to support or manage employee–organisation communication, decision-making, monitoring, and relationship management.

Recent scholarship emphasises the socio-technical nature of AI integration, highlighting that AI systems do not operate independently of human actors but are embedded within organisational routines, governance structures, and cultural norms (Larsson, 2020; Meijerink et al., 2021; AlShalhoob, 2025). Advanced algorithms, machine learning, and predictive analytics reshape workplace governance, feedback mechanisms, and performance appraisal processes, shifting employee relations from predominantly interpersonal exchanges to digitally mediated and algorithmically influenced interactions (Tursunbayeva, 2024).

2.2 Classification of AI-Enabled Employee Relations

The literature identifies multiple pathways through which AI reshapes employee relations. Drawing on prior research (Kim & Park, 2022; Venugopal et al., 2024), four dominant categories emerge.

AI-Mediated Communication

This includes HR chatbots, automated feedback systems, and digital communication agents. These tools enhance efficiency, responsiveness, and accessibility but may reduce emotional nuance and relational depth, raising concerns about empathy and interpersonal connection (Ebner, 2017; Falcão Filho, 2024).

Algorithmic HR Decision-Making

AI-supported recruitment, promotion, and performance evaluation systems improve speed and consistency in decision-making. However, they also raise concerns regarding algorithmic bias, transparency, and fairness, particularly when decision logic is opaque or inadequately governed (Raghavan et al., 2020; Boothby, Cooney, & Schweitzer, 2023).

AI-Based Monitoring and Predictive Analytics

This category encompasses digital surveillance, behavioural analytics, productivity tracking, and risk detection systems. While such tools can enhance accountability and compliance, they often compromise employee privacy and autonomy, intensifying perceptions of control and surveillance (Mateescu & Nguyen, 2019; Doellgast & Benassi, 2014).

AI-Supported Conflict and Grievance Management

Applications such as sentiment analysis, automated dispute detection, and grievance triage systems aim to improve efficiency and consistency in conflict resolution. Nonetheless, their use may depersonalise sensitive processes and weaken perceptions of respect and voice if not carefully implemented (Smolinski & Xiong, 2020).

Some scholars further group these applications into operational, relational, and compliance-oriented uses, underscoring AI's dual role in enhancing organisational efficiency while simultaneously generating concerns related to fairness, trust, and privacy.

2.3 Organisational Justice: Definition and Dimensions

Organisational justice refers to employees' perceptions of fairness in organisational outcomes, decision-making processes, interpersonal treatment, and information provision (Colquitt et al., 2023). Justice theory is conventionally organised into four interrelated dimensions:

- **Distributive Justice:** perceived fairness of outcomes such as pay, promotions, and workload allocation.
- **Procedural Justice:** perceived fairness of the processes used to make decisions.
- **Interpersonal Justice:** the degree of respect, dignity, and propriety shown in interactions.
- **Informational Justice:** the adequacy, honesty, and clarity of explanations provided for decisions (Kriesberg, 2017; Gelfand et al., 2017).

The adoption of AI in HRM introduces new challenges to these dimensions. Algorithmic decision-making raises issues related to transparency, explainability, and bias, particularly affecting procedural and informational justice (Ngo, 2025; Lima & Rahman, 2024). While AI systems may enhance consistency and reduce certain forms of human subjectivity, insufficient oversight and governance can undermine fairness perceptions, erode trust, and weaken employee acceptance.

2.4 Integrative Perspective

AI-enabled employee relations and organisational justice should be understood as a socio-technical phenomenon. AI systems increasingly shape communication, decision-making, monitoring, and dispute resolution, while organisational justice theory provides a framework for evaluating fairness across distributive, procedural, interpersonal, and informational dimensions. Together, these perspectives reveal that AI can promote efficiency, accountability, and transparency, but may also undermine autonomy, trust, and empathy if poorly designed or governed. This definitional and classificatory synthesis establishes the foundation for empirical investigation using advanced analytical techniques such as Partial Least Squares Structural Equation Modelling (PLS-SEM). By integrating AI-enabled HR practices with justice dimensions and contextual factors such as organisational culture and governance, future research can systematically examine how AI reshapes fairness perceptions and employee experiences in contemporary organisations.

Domain	Examples / Applications	Justice Dimensions Affected
AI-Mediated Communication	HR chatbots, automated feedback, digital communication agents	Interpersonal justice (respect, empathy), Informational justice (clarity, transparency)
Algorithmic HR Decision-Making	Recruitment algorithms, promotion systems, performance appraisal tools	Distributive justice (fair outcomes), Procedural justice (fair processes), Informational justice

AI-Based Monitoring & Analytics	Productivity tracking, behavioural analysis, compliance and risk detection	Procedural justice (fair monitoring), Informational justice (explainability), Autonomy concerns
AI-Supported Conflict Management	Sentiment analysis, dispute detection, automated grievance triage	Interpersonal justice (respect in disputes), Procedural justice (fair resolution processes)
Operational AI Applications	Workforce planning, predictive analytics, appraisal systems	Distributive and procedural justice (fair workload, fair evaluation)
Relational AI Applications	Online dispute resolution, digital negotiation platforms	Interpersonal justice (trust, empathy), Informational justice (communication transparency)
Monitoring & Compliance AI	Surveillance systems, behavioural compliance tracking	Procedural justice (fair oversight), Informational justice (data use transparency)

Table 1. Classification of AI-Enabled Employee Relations and Organisational Justice Dimensions

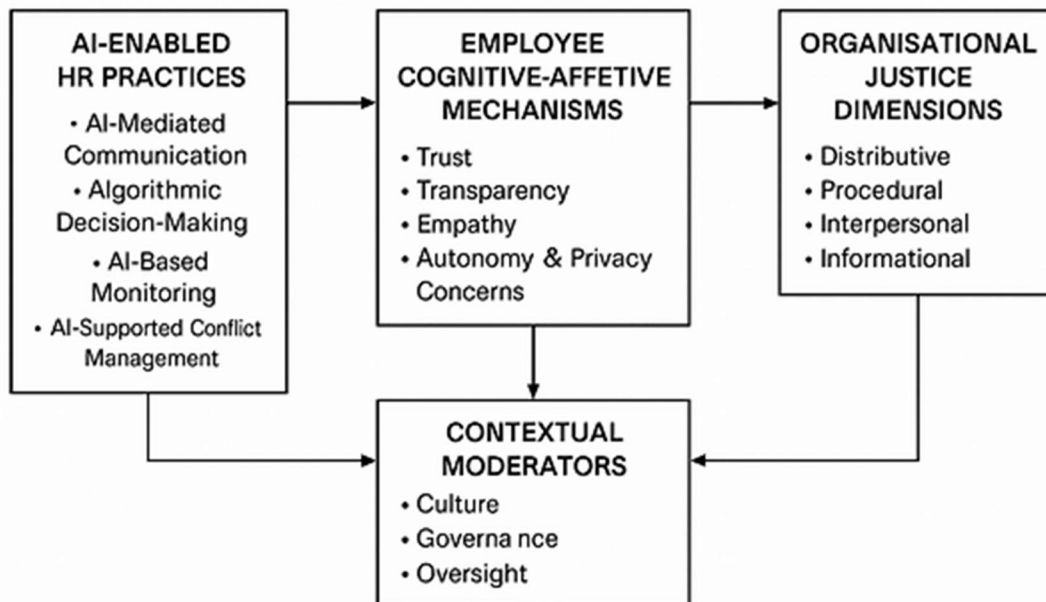


Figure 2. Conceptual Model of AI-Enabled Employee Relations and Organisational Justice

3. Methodology

This study uses a systematic literature review to integrate prior academic work on AI-enabled employee relations and organisational justice. To ensure transparency, replicability, and methodological rigour, the review follows the PRISMA 2020 guidelines (Moher et al., 2009). A multi-stage review process combining deductive and inductive analytical approaches was employed to uncover prevailing themes, theoretical mechanisms, and research gaps, and to inform the development of a conceptual framework suitable for future empirical testing employing Partial Least Squares Structural Equation Modelling (PLS-SEM).

3.1 Data Sources and Search Strategy

Researchers performed an extensive literature search using five leading scholarly databases: Scopus, Web of Science, ScienceDirect, ABI/INFORM, and Google Scholar. These databases were selected due to their broad disciplinary coverage, high indexing standards, and relevance to HRM, organisational behaviour, and information systems research (Mongeon & Paul-Hus, 2015; Halevi, Moed, & Bar-Ilan, 2017).

Search strings were developed using Boolean operators and truncation to maximise coverage while maintaining relevance. Core keywords included combinations of:

- artificial intelligence in HRM
- algorithmic management
- AI-enabled employee relations
- AI and organisational justice
- workplace fairness and AI
- digital bargaining
- AI-mediated communication
- algorithmic fairness

To further enhance coverage, reference chaining was applied by reviewing the bibliographies of highly cited and recently published studies, allowing the inclusion of influential and emerging research, particularly from interdisciplinary outlets (Tranfield, Denyer, & Smart, 2003).

3.2 Timeframe and Language Criteria

The review covers literature published between 2000 and 2025, capturing early digital HRM research as well as more recent developments in AI-enabled workplace technologies. While foundational studies provide important theoretical context, research published from 2018 onward received particular attention due to the accelerated adoption of AI in HRM during this period. Only The review included English-language publications to maintain conceptual consistency and interpretation comparability.

3.3 Inclusion and Exclusion Criteria

To ensure relevance and quality, explicit inclusion and exclusion criteria were applied.

Inclusion criteria:

- Peer-reviewed journal articles, books, and conference papers
- Studies examining AI applications in HRM (e.g., recruitment, appraisal, monitoring, conflict resolution)
- Research linking AI to employee relations, fairness, trust, or organisational justice
- Conceptual, empirical, and methodological studies with clear theoretical grounding
- Studies addressing employee perceptions of AI-mediated practices

Exclusion criteria:

- Purely technical AI studies lacking HRM or justice implications
- Editorials, opinion pieces, grey literature, and non-peer-reviewed sources
- Non-English publications
- Studies published outside the 2000–2025 timeframe
- Research focusing exclusively on consumer-facing AI applications (e.g., marketing or customer service chatbots)

This screening ensured that the final corpus reflected the socio-technical dimensions of AI in employee relations and organisational justice.

3.4 Screening and Selection Process

The initial database query produced roughly 1,200 records, and after duplicate removal and preliminary title screening, 430 records remained overall. Abstract screening further narrowed the sample, resulting in 126 articles selected for full-text review. Following a detailed evaluation against the inclusion criteria, 82 studies were retained for the initial synthesis phase. A subsequent screening stage incorporated reference chaining and updated database searches through 2025, expanding the final sample to 262 peer-reviewed studies. The full screening process is documented using a PRISMA flow diagram (Figure 1), illustrating the identification, screening, eligibility, and inclusion stages.

3.5 Data Extraction and Thematic Coding

Researchers used a structured data extraction protocol to systematically collect relevant information from each study, including:

- author(s) and year of publication
- organisational or sectoral context
- type of AI application (communication, decision-making, monitoring, conflict management)
- justice dimensions addressed (distributive, procedural, interpersonal, informational)
- research design (quantitative, qualitative, mixed methods)
- psychological mechanisms (e.g., trust, transparency, autonomy)
- key theoretical frameworks and findings

The study used combined deductive–inductive thematic coding approach. Deductive codes were guided by organisational justice theory and socio-technical systems theory, while inductive codes emerged from recurring patterns within the literature. This method facilitated the identification of both theory-based and emerging themes.

3.6 Identification of Thematic Clusters

The thematic synthesis revealed four dominant clusters underpinning AI-enabled employee relations and organisational justice research.

AI-Driven Decision-Making

This cluster examines the role of algorithms in recruitment, promotion, and performance evaluation. While AI enhances efficiency and consistency, persistent concerns related to bias, transparency, and fairness influence distributive and procedural justice perceptions (Boothby, Cooney, & Schweitzer, 2023; Agrawal, 2025).

Digital Monitoring and Behavioural Analytics

Studies in this cluster focus on AI-enabled surveillance, productivity tracking, and compliance systems. Although these practices may strengthen accountability, they raise ethical concerns regarding privacy, autonomy, and procedural justice (Doellgast & Benassi, 2014).

AI-Mediated Communication

This theme includes HR chatbots, digital negotiation platforms, and automated grievance handling. While these tools improve efficiency and accessibility, they may reduce emotional richness and non-verbal cues, making trust and empathy critical for maintaining interpersonal and informational justice (Ebner, 2017; Smolinski & Xiong, 2020; Falcão Filho, 2024).

Trust, Transparency, and Emotional Intelligence

This cluster highlights psychological mechanisms shaping justice perceptions, including trust in AI systems, transparency, emotional intelligence, and technology self-efficacy. Cultural values and governance structures emerge as important moderators influencing employee responses to AI-enabled HR practices (Mayer et al., 2008; Jordan & Troth, 2020; Hofstede, 2001; Acikgoz et al., 2025).

These thematic clusters provide the analytical basis for developing the conceptual framework.

3.7 Framework Development and PLS-SEM Integration

Building on the thematic synthesis, a conceptual framework was developed to integrate AI-enabled HR practices, employee cognitive–affective mechanisms, organisational justice dimensions, and contextual moderators. Specifically, the framework incorporates:

- AI-enabled HR practices: communication, decision-making, monitoring, and conflict management
- Psychological mechanisms: trust, transparency, empathy, and perceived surveillance
- Justice dimensions: distributive, procedural, interpersonal, and informational
- Contextual moderators: organisational culture, ethical governance, cross-cultural values, and oversight mechanisms

The framework is designed for empirical examination using Partial Least Squares Structural Equation Modelling (PLS-SEM), which is particularly suited for analysing complex models involving latent constructs, multiple mediators, and moderating effects (Hair et al., 2021). PLS-SEM allows concurrent examination of direct relationships between artificial intelligence practices and justice perceptions, indirect effects through psychological mechanisms, and moderating influences of cultural and governance factors.

3.8 Bibliometric Mapping and Sectoral Analysis

To complement the thematic analysis, bibliometric mapping was conducted to examine publication trends, disciplinary distribution, and sectoral focus. The analysis revealed a sharp increase in AI–HRM research after 2020, fragmentation across HRM, psychology, information systems, and legal studies, and limited cross-referencing between gig-economy research and traditional corporate HR analytics. By integrating bibliometric insights with thematic synthesis, this review promotes cross-sectoral and interdisciplinary integration, addressing structural fragmentation in the existing literature.

4. Findings

4.1 Thematic Findings of the Systematic Literature Review

The systematic review of the selected studies identifies four dominant themes that shape how AI-enabled practices influence employee relations and perceptions of organisational justice. Across all themes, a central tension emerges between technological efficiency and human-centred fairness, highlighting the socio-technical nature of AI adoption in HRM.

Theme 1: AI-Driven Decision-Making and Fairness

AI-enabled decision-making systems are widely used in recruitment, performance appraisal, promotion, and workforce planning. The literature consistently shows that such systems enhance consistency, speed, and predictive accuracy, potentially reducing human subjectivity in decision-making. However, issues involving algorithmic bias, lack of transparency, restricted explainability, and no appeal mechanisms or voice mechanisms frequently undermine employee confidence in AI-generated outcomes. These challenges directly affect distributive justice, by shaping perceptions of outcome fairness, and procedural justice, by influencing beliefs about the transparency and legitimacy of decision-making processes. While AI promises neutrality, the reviewed studies caution that poorly governed algorithms may reproduce or amplify existing inequalities (Raghavan et al., 2020; Ngo, 2025).

Theme 2: AI-Mediated Communication and Empathy

AI-mediated communication tools including HR chatbots, automated feedback systems, and digital negotiation platforms have expanded organisational communication capacity and accessibility. These tools improve responsiveness and information dissemination but often reduce emotional richness, empathy, and relational depth. Employees frequently report feelings of impersonality and reduced respect when interactions are heavily automated. As a result, interpersonal justice (respectful treatment) and informational justice (quality and sincerity of explanations) may be compromised. The literature emphasises that while efficiency gains are evident, the erosion of emotional connection poses risks to trust and relationship quality (Kim & Park, 2022; Boothby et al., 2023).

Theme 3: AI-Based Monitoring, Autonomy, and Surveillance

AI-driven monitoring and behavioural analytics systems are increasingly used to track productivity, compliance, and risk. Although these systems can enhance accountability and performance consistency, they often intensify perceptions of surveillance, autonomy loss, and psychological strain. The findings indicate that employee reactions depend heavily on how monitoring practices are communicated, justified, and governed. Excessive or opaque surveillance undermines procedural justice by limiting employee voice and control, while insufficient explanations weaken informational justice. When monitoring is perceived as intrusive rather than supportive, trust and legitimacy are significantly diminished (Mateescu & Nguyen, 2019; Leicht-Deobald et al., 2019).

Theme 4: Trust, Transparency, and Technology Self-Efficacy

Across all reviewed studies, trust in AI systems emerges as a central mediating mechanism linking AI-enabled practices to organisational justice outcomes. Employees are more inclined to accept AI-based decisions when algorithms remain transparent, explainable, and aligned with organisational values. The literature further highlights the role of technology self-efficacy, emotional intelligence, and cultural alignment in shaping employee responses. A lack of understanding or cultural misfit often leads to resistance, while emotionally intelligent leadership and ethical governance structures foster acceptance and fairness perceptions across all four justice dimensions distributive, procedural, interpersonal, and informational (Meijerink et al., 2021; Hofstede, 2001). Collectively, these themes provide a robust empirical foundation for the proposed conceptual framework. The findings demonstrate that AI-enabled HR practices influence organisational justice both directly and indirectly through employee cognitive and affective mechanisms such as trust, transparency perceptions, autonomy, and emotional interpretation. Given the multidimensional and interdependent nature of these relationships, the literature strongly supports the use of Partial Least Squares Structural Equation Modelling (PLS-SEM) to empirically examine complex mediation and moderation pathways linking AI practices to justice outcomes.

Theme	Opportunities	Challenges	Justice Dimensions Affected
AI-Driven Decision-Making	<ul style="list-style-type: none"> - Efficiency and consistency in recruitment, promotion, appraisal - Predictive accuracy in HR decisions 	<ul style="list-style-type: none"> - Algorithmic bias - Lack of transparency - Reduced trust in outcomes 	<ul style="list-style-type: none"> Distributive justice (fair outcomes) Procedural justice (fair processes)
AI-Mediated Communication	<ul style="list-style-type: none"> - Faster dispute resolution - Efficiency in communication - Accessibility across geographies 	<ul style="list-style-type: none"> - Loss of non-verbal cues - Reduced empathy - Risk of depersonalisation 	<ul style="list-style-type: none"> Interpersonal justice (respect, empathy) Informational justice (clarity, transparency)
Digital Monitoring & Behavioural Analytics	<ul style="list-style-type: none"> - Improved accountability - Productivity insights - Compliance assurance 	<ul style="list-style-type: none"> - Privacy concerns - Reduced autonomy - Misuse of surveillance data 	<ul style="list-style-type: none"> Procedural justice (fair monitoring) Informational justice (communication transparency)
Trust, Transparency & Emotional Intelligence	<ul style="list-style-type: none"> - Transparent algorithms - Emotionally intelligent leadership - Strengthened fairness perceptions 	<ul style="list-style-type: none"> - Lack of explainability - Cultural misalignment - Erosion of trust 	<ul style="list-style-type: none"> All four dimensions: distributive, procedural, interpersonal, informational

Table 2. Thematic Findings of AI-Enabled Employee Relations and Organisational Justice

4.2 PLS-SEM-Informed Conceptual Framework

Building on the thematic findings of the systematic literature review, this study proposes a PLS-SEM-informed conceptual framework to examine how AI-enabled HR practices shape employee perceptions of organisational justice and related outcomes. Given the multidimensional and interdependent nature of AI practices, psychological mechanisms, and justice perceptions, PLS-SEM is particularly appropriate for modelling complex mediation and moderation relationships involving latent constructs.

Framework Structure

The proposed model integrates four interrelated construct groups:

- **AI-Enabled Employee Relations (Exogenous Constructs):**
AI-mediated communication, algorithmic decision-making, AI-based monitoring, and AI-supported conflict and grievance management.
- **Psychological Mechanisms (Mediating Constructs):**
Trust in AI systems, perceived autonomy, perceptions of surveillance, and technology self-efficacy.
- **Organisational Justice (Endogenous Constructs):**
Distributive, procedural, interpersonal, and informational justice.
- **Employee Outcomes (Final Endogenous Variables):**
Job satisfaction, organisational trust, work engagement, and acceptance of AI systems.

The proposed framework specifies a set of theoretically grounded relationships that capture the socio-technical and relational complexity of AI adoption in employee relations. AI-enabled HR practices are expected to exert direct effects on key employee psychological mechanisms, including trust in AI systems, perceived autonomy, and perceptions of surveillance. These psychological mechanisms, in turn, mediate the relationship between AI practices and organisational justice dimensions, shaping employees' evaluations of distributive, procedural, interpersonal, and informational fairness. The framework further recognises the moderating role of organisational culture, ethical governance structures, and oversight mechanisms, which may strengthen or weaken justice perceptions in AI-enabled contexts. Finally, perceptions of organisational justice are proposed to positively influence critical employee outcomes, such as job satisfaction, organisational trust, work engagement, and acceptance of AI systems. By integrating these pathways, the framework advances research on AI-enabled employee relations through a theoretically cohesive and methodologically robust model that links AI practices, fairness perceptions, and employee outcomes. Positioning trust, transparency, and perceived autonomy as central mediating mechanisms, while incorporating cultural and governance factors as key moderators, enables the model to move beyond fragmented or purely technology-centric perspectives. Importantly, the framework provides a clear foundation for future empirical validation using Partial Least Squares Structural Equation Modelling (PLS-SEM), allowing researchers to examine complex mediation and moderation effects within a unified analytical structure and thereby contributing to both theory development and empirical advancement in the study of organisational justice in AI-mediated work environments.

5. Limitations and Future Agenda

While this study offers an extensive synthesis of AI-enabled employee relations and organisational justice, several limitations remain that also highlight clear directions for future research. As a systematic literature review, the results depend on the scope, quality, and methodological designs of prior studies, which largely rely on cross-sectional and technology-focused approaches, thereby restricting causal explanation and limiting insight into how fairness perceptions evolve over time. The proposed PLS-SEM-informed framework, although theoretically grounded, has not been empirically tested and therefore remains conceptual. In addition, the focus on English-language, peer-reviewed sources may underrepresent region-specific insights, practitioner perspectives, and non-Western contexts, while interpersonal and informational justice dimensions remain comparatively underexplored in AI-mediated environments. Addressing these limitations, future research should prioritise empirical validation of the proposed framework using PLS-SEM across

diverse organisational, sectoral, and cultural contexts to enhance generalisability and methodological rigour. Longitudinal designs are particularly needed to examine how trust, transparency, autonomy, and justice perceptions develop as AI systems mature and become embedded in organisational routines. Mixed-methods approaches combining structural modelling with qualitative inquiry would further enrich understanding by capturing employees' lived experiences of AI-mediated interactions. Theoretically, organisational justice frameworks should be extended to incorporate algorithmic and digital justice constructs, including explainability, bias mitigation, and transparency, while greater attention should be given to emotional intelligence and digital empathy as critical capabilities shaping fairness perceptions. Comparative cross-cultural and sector-specific studies particularly in public services, healthcare, education, manufacturing, and platform-based work are also required to account for contextual variation. Finally, future research should examine the role of ethical governance frameworks, regulatory policies, and explainable AI technologies in sustaining accountability, trust, and organisational justice in AI-enabled workplaces.

6. Conclusion

This research analysed 262 refereed journal articles released from 2000 to 2025 to explore how artificial intelligence reshapes employee relations and organisational justice. The synthesis identified four dominant themes AI-driven decision-making, digital monitoring, AI-mediated communication, and trust, transparency, and emotional intelligence revealing a persistent tension between efficiency gains and challenges related to fairness, autonomy, privacy, and relational trust. The review contributes to IJHRM scholarship by conceptualising AI-enabled employee relations as a socio-technical phenomenon and extending organisational justice theory to account for algorithmic fairness and digital empathy. By integrating psychological mediators (trust, transparency, and emotional intelligence) and contextual moderators (culture, governance, and oversight), the study advances a PLS-SEM-informed framework that captures the complex pathways through which AI-enabled HR practices shape justice perceptions and employee outcomes. This integrative approach moves beyond fragmented, technology-centric accounts and provides a coherent foundation for future empirical investigation. From a practical standpoint, the outcomes emphasise that the usefulness and legitimacy of AI in HRM depend less on technological sophistication than on how systems are governed and experienced by employees. Ethical governance, explainable AI, and emotionally intelligent leadership emerge as critical enablers of fairness and trust, specifically in areas such as healthcare, education, manufacturing, information technology, and public administration, where AI adoption carries heightened justice implications. Overall, the study concludes that fairness, transparency, and trust are central to sustaining organisational justice in AI-mediated workplaces. Organisations seeking long-term benefits from AI-enabled HR practices must therefore embed ethical oversight and human-centred values alongside technological innovation.

7. Implications

This study offers important implications for theory, methodology, and practice in the context of AI-enabled employee relations and organisational justice. Theoretically, the review advances HRM and employee relations scholarship by positioning AI as a socio-technical governance mechanism rather than a neutral efficiency tool (Leicht-Deobald et al., 2019; Meijerink et al.,

2021). By extending organisational justice theory to include algorithmic fairness, transparency, and digital empathy, the study updates classical justice frameworks for contemporary AI-mediated workplaces (Colquitt, 2001; Greenberg, 2011; Boothby, Cooney, & Schweitzer, 2023). The identification of trust, perceived autonomy, and emotional intelligence as central psychological mechanisms clarifies how AI-enabled HR practices translate into employee justice perceptions, addressing a key explanatory gap in prior research (Mayer, Davis, & Schoorman, 1995; Jordan & Troth, 2020; Tursunbayeva, 2024). Methodologically, the study demonstrates the value of integrating systematic literature review techniques with PLS-SEM-informed framework development to address complex, multidimensional relationships. The proposed framework provides a coherent structure for examining direct, mediated, and moderated effects simultaneously, encouraging future research to move beyond fragmented or single-construct analyses (Hair et al., 2021; Sarstedt et al., 2022). This approach is particularly suitable for studying digital HR phenomena characterised by latent constructs, contextual contingencies, and interdependent outcomes (Acikgoz et al., 2025). From a practical and governance perspective, the findings emphasise that the legitimacy and effectiveness of AI-enabled HR practices depend fundamentally on employees' perceptions of fairness, transparency, and trust, rather than technological sophistication alone (Raghavan et al., 2020; Larsson, 2020). Organisations should therefore embed ethical governance mechanisms, explainable AI systems, and employee voice channels into AI-driven HR processes to safeguard procedural and informational justice (Leicht-Deobald et al., 2019; Meijerink et al., 2021). The role of emotionally intelligent leadership is especially critical in preserving interpersonal justice in automated or hybrid decision environments (Jordan & Troth, 2020). These implications are particularly salient in sectors such as healthcare, education, manufacturing, information technology, and public administration, where AI adoption raises heightened concerns regarding autonomy, accountability, and public trust (Hofstede, 2001; Doellgast & Benassi, 2014). Overall, the study underscores that AI can contribute to sustainable employee relations only when it is implemented within human-centred, ethically governed, and justice-oriented HR systems. Aligning technological innovation with organisational justice principles is essential for fostering long-term trust and legitimacy in AI-mediated work environments (Colquitt et al., 2023; Boothby et al., 2023).

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