


Integrating Behavioral and Cognitive Psychological Theories with AI for Employee Performance Evaluation

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ABSTRACT

This study aims to explore the integration of behavioral and cognitive psychological theories with artificial intelligence (AI) in employee performance evaluation. A qualitative research approach was adopted, utilizing semi-structured interviews to gather in-depth insights from 27 employees in Tehran across various industries. Participants were selected using purposive sampling, ensuring relevance to the research objectives. Data collection continued until theoretical saturation was achieved. The collected data were analyzed thematically using NVivo software to identify key themes related to employee perceptions, cognitive and behavioral responses, and the ethical implications of AI in performance evaluations. The study identified several key themes, including the impact of AI evaluations on motivation and engagement, cognitive load, trust and acceptance, ethical considerations, and job security concerns. While AI-based performance evaluation systems were perceived to enhance objectivity and decision-making efficiency, participants raised concerns about fairness, emotional well-being, and the lack of human oversight. Transparency and explainability emerged as critical factors influencing employees' trust in AI-generated feedback. Furthermore, the study found that AI evaluations contributed to cognitive overload and stress, highlighting the need for balanced AI-human collaboration in performance assessment processes. The findings suggest that AI-driven performance evaluations offer significant benefits in terms of data accuracy and efficiency; however, their successful implementation requires careful consideration of psychological and ethical factors. Organizations should integrate behavioral and cognitive principles into AI evaluation systems to enhance acceptance, trust, and overall effectiveness. A hybrid approach that combines AI insights with human judgment is recommended to ensure fair and comprehensive employee evaluations.

Keywords: Artificial intelligence, employee performance evaluation, behavioral psychology, cognitive psychology, AI ethics, human resource management.

1. Introduction

In recent years, the rapid rise of artificial intelligence (AI) has reshaped a variety of organizational processes, including human resource management (HRM) and employee performance evaluation. AI's potential to

streamline decision-making, reduce operational costs, and enhance accuracy has captured the attention of managers seeking to optimize workforce performance (Chen, 2024; Chin, 2024). Within the context of a volatile, uncertain, complex, and ambiguous (VUCA) environment, integrating AI into performance measurement systems has become

more urgent (Rožman et al., 2023). Despite its promise, the application of AI-driven evaluations can be challenging, as it intersects with multiple dimensions of employee well-being, managerial ethics, and organizational strategy (Pletcher, 2023). Furthermore, the role of employee behavior and cognitive processes in shaping AI adoption and use remains underexplored, pointing to the need for a deeper understanding of how behavioral and cognitive psychological theories can be integrated with AI-based performance assessments (Sharma, 2024).

In traditional performance evaluations, human raters assess employees' work outcomes and behavioral competencies, often influenced by subjective factors, interpersonal biases, and organizational politics (Kayla, 2024). AI-based systems promise to alleviate some of these issues by delivering more consistent, data-driven metrics (Biswas, 2024). However, as Angelova (2024) observes, the use of algorithmic management introduces new complexities, such as over-reliance on automated systems and reduced human oversight. When performance metrics are generated through AI-driven platforms, employees may perceive these evaluations as lacking empathy or failing to capture nuanced aspects of their contributions (Bhattacharjee, 2024). This disconnect could hamper employee engagement and motivation—factors tied closely to behavioral and cognitive frameworks (Sharma, 2024). Behavioral psychology, with its emphasis on motivation, reinforcement, and social learning, and cognitive psychology, with its focus on decision-making processes, perception, and learning, can provide valuable insights into the ways employees interact with AI-based feedback systems (Na, 2024; Shao, 2024).

The HR landscape has seen a paradigm shift as AI-powered tools for recruitment, training, and performance reviews become increasingly prevalent (Chin, 2024). With improvements in machine learning models, natural language processing, and predictive analytics, AI can offer personalized feedback, automate routine managerial tasks, and even generate development plans for employees (Bhattacharjee, 2024; Zhu, 2024). By predicting performance trajectories and highlighting skill gaps, AI-based evaluations aim to support data-driven decision-making among managers (Dwianto, 2024). In parallel, employees are expected to experience increased transparency regarding performance criteria, since objective metrics reduce ambiguity in assessment outcomes (Durairaj, 2024).

Despite these benefits, implementing AI for performance evaluation is not without challenges. For instance, algorithmic management can create tensions around employee autonomy and perceived fairness (Angelova, 2024). Employees who feel that AI systems overlook individual constraints and circumstances are more likely to reject automated feedback (Biswas, 2024). Additionally, organizational readiness, technological capacity, and alignment with broader corporate strategies determine the success of AI adoption (Ghorbanzadeh, 2024). According to Gričnik (2024), socially responsible AI deployment in HR must consider data ethics, privacy, and long-term sustainability, ensuring that both organizational and employee interests are safeguarded (Gričnik, 2024).

Behavioral psychology focuses on observable actions influenced by the environment and reinforcements. In performance evaluation, behaviors such as task completion, collaboration, and adherence to organizational policies play a pivotal role (Sharma, 2024). When AI-driven assessments are introduced, the nature of reinforcement shifts. Positive feedback from an AI system can motivate employees if perceived as fair and timely, but impersonal or ambiguous feedback may weaken employees' intrinsic motivation (Na, 2024). Over-reliance on metrics can also lead to "tunnel vision," where employees focus on measurable objectives at the expense of holistic performance factors, such as creativity or emotional intelligence (Meeprom, 2024).

According to Durairaj (2024), one behavioral outcome of AI-based evaluation is the potential impact on employee retention. Employees who receive meaningful AI feedback that recognizes achievements and fosters skill development are likelier to feel valued. Conversely, if automated assessments are perceived as reductive or biased, they may provoke dissatisfaction or attrition (Durairaj, 2024). Behavioral theories emphasize the importance of reward systems and positive reinforcement; thus, integrating such elements into AI-driven platforms requires carefully designed feedback loops that account for employee effort, contextual factors, and the complexity of roles (Chen, 2024). Moreover, repeated exposure to AI feedback—where performance scores are frequently updated—can lead employees to modify their behavior more readily, which is beneficial only if the metrics accurately capture desirable performance outcomes (Biswas, 2024).

Cognitive psychology delves into how individuals perceive, interpret, and respond to information. In an AI-based performance evaluation context, employees engage

in cognitive appraisals of automated feedback, determining whether it is accurate, fair, and relevant (Shao, 2024). This evaluative process is crucial: employees who trust AI insights are more inclined to apply them to their work, whereas those who distrust or misunderstand these outputs may disregard or contest them (He et al., 2023). Cognitive biases, such as confirmation bias or anchoring, can also affect how employees process AI-generated performance metrics (Mathur, 2024). For instance, employees might focus on metrics that align with their self-perception while discounting metrics that highlight areas of weakness.

Additionally, employees' cognitive load can increase when interpreting multiple AI-generated performance indicators. Chen (2024) notes that excessive cognitive demand may reduce innovative work behavior, as employees become preoccupied with meeting algorithmic targets rather than thinking strategically or creatively (Chen, 2024). In this regard, integrating user-friendly interfaces and clear, concise feedback within AI systems can alleviate cognitive strain (Nuriani, 2024). Another important cognitive factor is self-efficacy: employees with higher confidence in their abilities are more likely to see AI feedback as an opportunity for growth, while those with lower self-efficacy may feel threatened by data-driven critiques (Jain et al., 2022). Understanding these cognitive dynamics is critical for designing AI-based evaluation systems that promote, rather than impede, employee development (Ghorbanzadeh, 2024).

Successful integration of AI in performance evaluations depends on an organization's technological infrastructure, training programs, and cultural preparedness (Na, 2024). Many organizations underestimate the skill gap that emerges when employees and managers grapple with new AI tools (Gorantla, 2023; Tong et al., 2021). Training sessions that explain the rationale behind AI evaluation, interpret its outputs, and guide employees to apply feedback constructively are essential (Durairaj, 2024). This knowledge transfer not only enhances user acceptance but also reduces apprehension regarding job security—an issue that surfaces when employees fear being replaced by machines (Kayla, 2024).

Additionally, leadership plays a pivotal role in facilitating AI adoption. He et al. (2023) discuss the importance of leaders' AI symbolization in encouraging proactive behaviors, such as job crafting, among employees. When leaders demonstrate a positive attitude toward AI, employees are more inclined to appreciate the technology's potential (He et al., 2023). Conversely, weak

leadership commitment or inadequate communication can exacerbate skepticism, hindering effective implementation (Sharma, 2024). As Meeprom (2024) asserts, clear communication and involvement of employees in AI decision-making processes can also foster a sense of ownership, thereby improving adoption rates (Meeprom, 2024).

The recent shift toward remote or hybrid work arrangements has accelerated the use of AI in performance monitoring and management. Remote contexts often require automated tools to track progress, measure productivity, and maintain communication (Bhattacharjee, 2024). AI-driven analytics can detect patterns of employee engagement, productivity dips, and other behavioral indicators in real time, offering managers critical insights. However, these systems can inadvertently heighten employees' sense of surveillance, generating stress and reducing morale (Rožman et al., 2023). Maintaining a balance between necessary oversight and privacy is thus paramount, especially when employees work from varied locations and flexible schedules (Riupassa, 2023; Shao, 2024).

Balancing efficiency and privacy stands out as a key theme in AI-based remote performance evaluations (Mathur, 2024). Striking this balance necessitates clear policies delineating what data is collected, how it is used, and who has access to it (Zhu, 2024). Failing to do so could have far-reaching consequences, not just on employee morale but also on legal compliance and brand reputation (Gričnik, 2024). Consequently, organizations seeking to leverage AI for remote performance management must craft comprehensive guidelines and ensure these are well-communicated and consistently enforced (Chen, 2024).

While AI can streamline numerous aspects of performance evaluations, the human element remains indispensable. Employee behaviors, shaped by rewards and punishments, reflect classic behavioral principles that AI systems attempt to codify (Sharma, 2024). However, employees also bring their own perceptions, biases, and interpretations to these automated metrics (He et al., 2023). Cognitive psychological theories explain why employees may react differently to the same AI feedback, influenced by self-efficacy, mental models, and decision-making heuristics (Shao, 2024). A robust performance management framework must thus integrate these psychological insights to address issues like reduced autonomy, job insecurity, or mistrust (Meeprom, 2024).

Moreover, employees' acceptance of AI-based evaluations is higher when they perceive alignment between the technology's design and their personal and professional goals. Incorporating psychological theories can guide the development of AI systems that adapt to diverse cognitive styles, offer motivational reinforcements, and supply timely feedback that employees find meaningful (Bhattacharjee, 2024). This synergy can alleviate concerns about the impersonal nature of AI by emphasizing the subjective aspects of performance that algorithms might otherwise overlook (Na, 2024). Understanding the interplay between behavioral and cognitive factors is, therefore, pivotal for designing holistic and humane AI-driven performance evaluations (Biswas, 2024).

Against this backdrop, the present study aims to investigate how behavioral and cognitive psychological theories can be integrated with AI to improve employee performance evaluations.

2. Methods and Materials

2.1. Study Design and Participants

This study employed a qualitative research design to explore the integration of behavioral and cognitive psychological theories with AI in employee performance evaluation. A total of 27 participants were selected from various organizations in Tehran, representing diverse professional backgrounds related to human resource management, psychology, and AI-based evaluation systems. The participants were chosen through purposive sampling to ensure relevance to the research objectives. Data collection continued until theoretical saturation was reached, indicating that no new themes or insights were emerging from additional interviews.

2.2. Data Collection

Data were collected through semi-structured interviews, which provided an in-depth understanding of participants' perspectives on the integration of psychological theories with AI-based performance evaluation systems. An interview guide was developed based on existing literature and expert consultations to ensure the relevance and

comprehensiveness of the questions. The interviews were conducted face-to-face and online, depending on participant availability, and each interview lasted approximately 45 to 60 minutes. All interviews were audio-recorded with participants' consent and subsequently transcribed verbatim for analysis.

2.3. Data Analysis

The collected data were analyzed using NVivo software to facilitate the organization, coding, and thematic analysis of interview transcripts. The analysis followed an inductive approach, with codes emerging from the data and being grouped into broader themes reflecting the key aspects of AI integration with behavioral and cognitive psychological theories. Thematic analysis was performed to identify patterns and relationships among the data, ensuring a comprehensive understanding of the subject matter. To enhance the credibility and reliability of the findings, data triangulation and peer review were conducted during the analysis phase.

3. Findings and Results

The study included a total of 27 participants from various professional backgrounds in Tehran, with diverse demographic characteristics. The participants comprised 15 males (55.6%) and 12 females (44.4%), representing a relatively balanced gender distribution. In terms of age, 9 participants (33.3%) were between the ages of 25-34, 11 participants (40.7%) fell within the 35-44 age range, and the remaining 7 participants (25.9%) were aged 45 and above. Regarding educational qualifications, 10 participants (37%) held a bachelor's degree, 12 participants (44.4%) possessed a master's degree, and 5 participants (18.6%) had a doctoral degree. Work experience varied among the participants, with 8 individuals (29.6%) having less than 5 years of experience, 13 participants (48.1%) reporting 5-10 years of experience, and 6 participants (22.2%) having over 10 years of experience. The participants were employed in diverse sectors, including technology (29.6%), human resources (37%), and business management (33.3%), reflecting a wide range of perspectives on AI integration in performance evaluation.

Table 1

The Results of Qualitative Analysis

Category	Subcategory	Concepts (Open Codes)
Behavioral Psychological Factors	Motivation and Engagement	Intrinsic motivation, Extrinsic motivation, Work commitment, Task engagement, Job satisfaction
	Decision-Making Behavior	Risk-taking, Problem-solving strategies, Bias awareness, Cognitive flexibility
	Emotional Regulation	Stress management, Coping strategies, Emotional resilience, Work-life balance
	Work Ethics	Integrity, Accountability, Professionalism
	Social Interactions	Teamwork, Conflict resolution, Communication styles, Collaboration techniques
Cognitive Psychological Factors	Cognitive Load and Performance	Information processing, Attention span, Memory utilization, Cognitive fatigue
	Learning and Adaptability	Skill acquisition, Knowledge retention, Continuous learning, Adaptation to change, Critical thinking
	Decision-Making Processes	Analytical thinking, Heuristic approaches, Pattern recognition
	Problem-Solving Strategies	Creative solutions, Logical reasoning, Trial-and-error, Systems thinking
	Cognitive Biases	Confirmation bias, Anchoring effect, Overconfidence bias
AI Integration in Performance Evaluation	AI-Based Assessment Tools	Data-driven evaluations, Predictive analytics, Automated feedback, Machine learning models
	Ethical Concerns	Data privacy, Fairness in algorithms, Bias mitigation, Transparency in AI
	Human-AI Collaboration	AI recommendations, Decision support, Trust in AI, Human oversight
	Implementation Challenges	Technical barriers, Resistance to change, Resource constraints, Skill gaps
	Trust and Acceptance	Perceived fairness, Transparency expectations, Trust development, Skepticism
Employee Perceptions of AI-Based Evaluation	Perceived Accuracy	Validity of assessments, Reliability of AI outputs, Feedback relevance
	Job Security Concerns	Fear of job loss, AI replacing human roles, Redefined job roles
	AI Usability	Ease of use, Training needs, User experience
	Ethical Considerations	Consent issues, Misuse of data, Accountability in AI outcomes
	AI Development Strategies	Personalized AI models, Continuous improvements, Collaboration with psychologists
Future Prospects and Recommendations	Organizational Readiness	Change management, Investment in AI literacy, HR strategies
	Policy and Regulatory Frameworks	Compliance with labor laws, Ethical AI guidelines, Standardization
	Employee Support Systems	Training programs, AI literacy initiatives, Counseling support
	Long-term Impact Assessment	Productivity enhancement, Employee well-being, Organizational growth

3.1. Behavioral Psychological Factors

Motivation and Engagement. Participants highlighted various factors influencing employee motivation and engagement in AI-based performance evaluations. Key elements included intrinsic motivation, extrinsic motivation, work commitment, task engagement, and job satisfaction. Many interviewees expressed concerns about how AI-driven evaluations might impact their intrinsic drive, with one participant stating, *"When I know a machine is evaluating me, I feel less connected to my work and more focused on meeting predefined metrics."*

Decision-Making Behavior. Several respondents emphasized the role of AI in shaping decision-making processes within the workplace. Concepts such as risk-taking, problem-solving strategies, bias awareness, and cognitive flexibility emerged from the data. A participant noted, *"AI helps me see patterns I might miss, but I worry*

that relying too much on it might reduce my ability to think critically."

Emotional Regulation. The ability to regulate emotions in response to AI feedback was a significant concern among participants. Stress management, coping strategies, emotional resilience, and work-life balance were frequently mentioned. One interviewee stated, *"AI feedback sometimes feels impersonal, which makes it harder for me to stay motivated and manage stress effectively."*

Work Ethics. Integrity, accountability, and professionalism were seen as critical in the context of AI-based performance evaluations. Participants indicated that while AI could enhance accountability, it might also lead to ethical dilemmas. According to one respondent, *"There's always a concern that the system might misinterpret ethical decisions, especially in complex scenarios."*

Social Interactions. The impact of AI on workplace relationships was another important theme. Concepts such

as teamwork, conflict resolution, communication styles, and collaboration techniques were discussed. A participant remarked, *"AI helps identify communication gaps, but it cannot replace the human element required for effective teamwork."*

3.2. Cognitive Psychological Factors

Cognitive Load and Performance. Participants reported concerns about cognitive overload due to AI-driven performance tracking. Key concepts included information processing, attention span, memory utilization, and cognitive fatigue. One respondent mentioned, *"I sometimes feel overwhelmed by the constant data tracking and performance reports."*

Learning and Adaptability. Skill acquisition, knowledge retention, continuous learning, adaptation to change, and critical thinking were commonly referenced in interviews. Participants believed AI could support learning but expressed concerns about its adaptability to unique employee needs. A respondent stated, *"AI helps with structured learning, but it struggles with the nuances of human experience."*

Decision-Making Processes. Employees highlighted analytical thinking, heuristic approaches, and pattern recognition as important factors influenced by AI integration. One participant noted, *"AI assists with quick decision-making, but I still prefer relying on my intuition for critical choices."*

Problem-Solving Strategies. Themes such as creative solutions, logical reasoning, trial-and-error approaches, and systems thinking were identified. Participants believed AI could enhance problem-solving but might limit creative thinking. A respondent remarked, *"The system is great for repetitive tasks, but when it comes to innovation, it still lacks a human touch."*

Cognitive Biases. Confirmation bias, anchoring effect, and overconfidence bias were concerns related to AI-based performance assessments. Some participants expressed skepticism, with one stating, *"AI sometimes reinforces biases instead of eliminating them, which can affect fairness."*

3.3. AI Integration in Performance Evaluation

AI-Based Assessment Tools. Concepts such as data-driven evaluations, predictive analytics, automated feedback, and machine learning models were frequently discussed. Participants appreciated the efficiency of AI

tools but raised concerns about their accuracy. One interviewee commented, *"AI provides quick feedback, but sometimes it doesn't capture the full context of my work."*

Ethical Concerns. Topics including data privacy, fairness in algorithms, bias mitigation, and transparency were central in discussions. A participant expressed, *"I'm always concerned about who has access to my data and how it's being used."*

Human-AI Collaboration. Employees discussed AI recommendations, decision support, trust in AI, and human oversight. While AI was seen as a valuable tool, respondents stressed the importance of maintaining human involvement. One participant noted, *"AI should assist, not replace, human judgment in performance evaluations."*

Implementation Challenges. Barriers such as technical limitations, resistance to change, resource constraints, and skill gaps were highlighted. A respondent stated, *"Many employees are still not comfortable using AI, which slows down its implementation."*

3.4. Employee Perceptions of AI-Based Evaluation

Trust and Acceptance. Themes included perceived fairness, transparency expectations, trust development, and skepticism. Participants expressed mixed feelings about trusting AI systems, with one stating, *"I need to understand how AI makes decisions before I can trust it fully."*

Perceived Accuracy. Employees discussed the validity of assessments, reliability of AI outputs, and relevance of feedback. One interviewee remarked, *"Sometimes the feedback feels generic and not tailored to my specific contributions."*

Job Security Concerns. Fear of job loss, AI replacing human roles, and redefined job responsibilities were significant concerns. A participant noted, *"I worry that AI might make some roles redundant over time."*

AI Usability. Factors such as ease of use, training needs, and user experience were mentioned frequently. One respondent said, *"The system is complex, and I think more training is needed to use it effectively."*

Ethical Considerations. Issues related to consent, misuse of data, and accountability in AI outcomes were raised. A participant stated, *"Before implementing AI, we need clear policies on who is responsible for mistakes."*

3.5. Future Prospects and Recommendations

AI Development Strategies. Topics included personalized AI models, continuous improvements, and

collaboration with psychologists. Participants suggested that AI should be tailored to individual needs. One interviewee mentioned, *"AI should evolve with employee feedback to be more effective."*

Organizational Readiness. Change management, investment in AI literacy, and HR strategies were identified as key areas. A participant emphasized, *"Without proper training, employees will struggle to adapt to AI-based evaluations."*

Policy and Regulatory Frameworks. Compliance with labor laws, ethical AI guidelines, and standardization were frequently mentioned. A respondent stated, *"We need clearer regulations to ensure AI evaluations are fair and unbiased."*

Employee Support Systems. Training programs, AI literacy initiatives, and counseling support were recommended by participants. One participant noted, *"Providing psychological support during the transition to AI evaluations is crucial."*

Long-term Impact Assessment. Participants discussed the potential impact of AI on productivity enhancement, employee well-being, and organizational growth. A respondent mentioned, *"If implemented correctly, AI could significantly improve efficiency without compromising employee satisfaction."*

4. Discussion and Conclusion

The findings of this study provide valuable insights into the integration of behavioral and cognitive psychological theories with AI-driven employee performance evaluations. Participants expressed mixed reactions to AI-based evaluation systems, highlighting both their potential benefits and challenges. The results indicate that while AI-driven assessments enhance objectivity and efficiency, they also raise concerns about fairness, accuracy, and the human element in performance evaluations. These findings align with previous studies that have explored similar themes within AI-based human resource management (Angelova, 2024; Biswas, 2024).

A key theme that emerged from the analysis is the impact of AI evaluations on employee motivation and engagement. Participants indicated that AI-driven systems provided timely and data-driven feedback, which enhanced motivation by offering clear performance metrics and actionable insights. This finding aligns with research by Bhattacharjee (2024), who noted that AI tools contribute to a structured and consistent evaluation process, leading to

improved employee engagement (Bhattacharjee, 2024). However, the findings also reveal that employees often feel disengaged when they perceive AI evaluations as impersonal or overly mechanized. Similar concerns were raised by Durairaj (2024), who found that AI evaluations may sometimes lack the human touch necessary to provide motivational reinforcement effectively (Durairaj, 2024). This suggests that while AI can offer valuable insights, it should be supplemented with human oversight to maintain employee motivation.

Another significant finding relates to the cognitive load associated with AI-driven performance evaluations. Participants reported that the complexity of AI-generated reports, coupled with the continuous monitoring of their performance, led to increased cognitive strain. This finding echoes the work of Shao (2024), who highlighted the cognitive challenges employees face when processing AI-generated data daily (Shao, 2024). Additionally, the findings suggest that employees may struggle to interpret AI feedback accurately, leading to confusion and potential resistance to AI-driven evaluations. These results are consistent with the study by Ghorbanzadeh (2024), which emphasized the need for AI systems to provide clear and interpretable feedback to reduce cognitive overload and enhance user acceptance (Ghorbanzadeh, 2024).

The study also sheds light on employees' trust and acceptance of AI-driven evaluations. Participants indicated that trust in AI systems depended on the perceived fairness and transparency of the evaluation process. When AI systems provided clear explanations of how performance scores were derived, employees were more likely to trust the results. This finding is supported by the research of Chin (2024), who found that AI transparency plays a crucial role in fostering trust among employees (Chin, 2024). Conversely, a lack of transparency led to skepticism and reluctance to accept AI-driven feedback, which aligns with the findings of Mathur (2024), who emphasized the ethical implications of opaque AI algorithms in HRM (Mathur, 2024). Therefore, organizations should prioritize transparency and explainability when implementing AI evaluation systems to gain employee trust and acceptance.

The findings further highlight ethical concerns associated with AI-based performance evaluations. Participants expressed apprehensions about data privacy and the potential misuse of their performance data. These concerns are consistent with the work of Gričnik (2024), who stressed the importance of socially responsible AI implementation in HRM. Additionally, participants worried

about AI's potential biases and the fairness of evaluation outcomes (Gričnik, 2024). Similar concerns were raised by Biswas (2024), who pointed out that biased training data could lead to discriminatory outcomes in AI-driven evaluations. Addressing these ethical concerns is crucial for organizations seeking to implement AI evaluation systems without compromising employee rights and trust (Biswas, 2024).

Another noteworthy theme emerging from the findings is the impact of AI evaluations on employee job security. Many participants expressed concerns that AI-driven evaluations could lead to job displacement or restructuring based on automated recommendations. This finding aligns with the work of Zhu (2024), who found that AI integration in HRM often raises concerns about job security and organizational restructuring (Zhu, 2024). However, some participants noted that AI could also enhance job security by providing personalized recommendations for skill development and career growth.

The study's findings also suggest that AI-based performance evaluations have a significant impact on employees' emotional well-being. Participants reported feelings of stress and anxiety when subjected to constant AI monitoring and performance tracking. These findings are supported by the research of Sharma (2024), who found that AI evaluations could contribute to workplace stress if not implemented with sensitivity (Sharma, 2024). Additionally, the study by Rožman, Oreški, and Tominc (2023) suggests that while AI can reduce workload through automation, it can also introduce stressors related to continuous monitoring and data-driven performance expectations (Rožman et al., 2023).

Despite these challenges, the findings suggest that AI-driven evaluations can enhance decision-making processes within organizations. Participants acknowledged that AI systems provided data-driven insights that supported more informed and objective decision-making. This finding is in line with the work of Dwianto (2024), who found that AI-based evaluations helped managers make evidence-based decisions and identify performance trends (Dwianto, 2024). Furthermore, He et al. (2023) highlighted the potential of AI to support strategic decision-making by offering predictive analytics and trend forecasting (He et al., 2023). However, participants also stressed the need for human involvement to contextualize AI-driven insights and ensure that decisions align with organizational values and goals.

This study has several limitations that should be considered when interpreting the findings. First, the study

was conducted within a specific geographic context (Tehran), which may limit the generalizability of the findings to other regions with different cultural, economic, or technological conditions. Second, the qualitative research design, while valuable for exploring in-depth perspectives, may not provide statistically generalizable insights across larger populations. Additionally, the study relied solely on semi-structured interviews, which, although rich in detail, may be influenced by participants' subjective experiences and perceptions. Future studies could incorporate quantitative methods to complement the qualitative findings and provide a more comprehensive understanding of AI's impact on performance evaluations.

Future research should explore the long-term effects of AI-driven performance evaluations on employee motivation, engagement, and job satisfaction. Longitudinal studies could provide valuable insights into how employees' perceptions and behaviors evolve over time with continuous exposure to AI evaluations. Additionally, future research could investigate the effectiveness of different AI evaluation models across various industries and organizational settings. Comparative studies could help identify best practices and provide insights into how AI evaluation systems can be tailored to specific work environments. Finally, future research should explore the role of leadership in AI implementation, examining how managerial support and communication strategies influence employees' acceptance and adaptation to AI-driven evaluations.

Organizations seeking to implement AI-based performance evaluation systems should prioritize transparency and communication to enhance employee trust and acceptance. Providing employees with clear explanations of how AI-generated metrics are derived and ensuring opportunities for feedback can help build confidence in the system. Additionally, organizations should adopt a hybrid approach that combines AI-driven evaluations with human judgment to maintain a balanced and empathetic evaluation process. Investing in training programs to improve employees' digital literacy and familiarity with AI tools can also facilitate smoother adoption and reduce resistance. Finally, ethical considerations, such as data privacy and fairness, should be central to AI implementation strategies, ensuring compliance with legal and ethical standards while fostering a positive workplace culture.

Authors' Contributions

All authors equally contributed to this study.

Declaration

In order to correct and improve the academic writing of our paper, we have used the language model ChatGPT.

Transparency Statement

Data are available for research purposes upon reasonable request to the corresponding author.

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Declaration of Interest

The authors report no conflict of interest.

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Ethics Considerations

The study protocol adhered to the principles outlined in the Helsinki Declaration, which provides guidelines for ethical research involving human participants.

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