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**Research Article**

# REIMAGINING THE PSYCHOLOGICAL CONTRACT AI IN HR AND EMPLOYEE TRUST

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**Abstract**

**Introduction**: The integration of AI into HRM is transforming the psychological contract by changing employee perceptions of fairness, trust, and organizational commitment. AI-driven automation in recruitment, performance evaluation, and monitoring reshapes employer-employee relationships, challenging traditional expectations of transparency and reciprocity. **Rationale**: AI enhances HR precision and personalization but introduces challenges like opaque decision-making, algorithmic bias, and reduced human judgment, which threaten employee trust and may weaken psychological contracts. **Objective**: The study aims to examine how AI-integrated HRM affects the psychological contract, focusing on the influence of transparency, consistency, and accountability on employee trust. The study proposes the AI–Psychological Contract Fit Model to align technological efficiency with ethical and human-centric HR practices. **Methodology**: Adopting a conceptual research design, the study synthesizes insights from three foundational theoretical perspectives: Psychological Contract Theory (Rousseau, 1989), Social Exchange Theory (Blau, 1964), and the Trust in Automation Framework (Hoff & Bashir, 2015). Through a critical review of contemporary academic literature, the paper constructs an integrative model that brings together AI-enabled HR functions, ethical oversight mechanisms, and the indispensability of human agency in organizational decision-making. **Findings**: The conceptual analysis reveals that employee acceptance of AI in HRM is significantly shaped by the perceived fairness, clarity, and justification of automated decisions. When these factors are adequately addressed, AI can reinforce positive psychological contract outcomes and enhance organizational loyalty. Conversely, lack of transparency or perceived bias in algorithmic processes may erode trust, triggering disengagement and opposition to AI-driven interventions. **Conclusion**: The AI–Psychological Contract Fit Model provides a strategic lens through which organizations can navigate the integration of AI in HRM, with an emphasis on ethical stewardship, transparency, and collaborative decision-making. By aligning technological implementation with the psychological expectations of employees, the model supports the development of resilient, trust-based employment relationships.

**Keywords:** AI in HRM, Psychological Contract, Employee Trust, Explainable AI, Ethical Governance, Algorithmic Fairness, Human Oversight on AI.

## INTRODUCTION

The psychological contract, an implicit, unwritten agreement between employees and employers, has long shaped workplace relationships by influencing perceptions of trust, fairness, and organizational commitment (Rousseau, 1989). With the growing integration of Artificial Intelligence (AI) into Human Resource Management (HRM), the nature of this contract is undergoing a significant transformation. AI-driven HR functions such as recruitment, performance appraisal, and employee engagement are increasingly replacing traditional human decision-making processes, thereby altering expectations and redefining the contours of employee-employer interaction (Sharma *et al.,* 2023). While AI adoption in HRM offers notable benefits like operational efficiency, data-driven insights, and a potential reduction in human bias, it also presents new ethical challenges. Key concerns revolve around algorithmic opacity, fairness in decision-making, and the potential erosion of human judgment and empathy in sensitive HR functions (Tambe *et al.,* 2019). As a result, employees may question the transparency, reliability, and accountability of AI-mediated processes, affecting their sense of psychological contract fulfillment. Trust, a cornerstone of effective HRM, becomes especially critical in AI-enhanced workplaces, where employees must believe that AI-generated outcomes are equitable, explainable, and aligned with organizational values (Zhai *et al.,* 2024). Although AI can improve fairness by reducing subjective bias (Arora & Mittal, 2024), it can also introduce new risks, such as algorithmic discrimination and reduced interpersonal interaction, which may undermine employee engagement and trust (Capasso *et al.,* 2025). As organizations transition from human-led to AI-mediated HR practices, it becomes crucial to examine how these technologies influence employee trust, engagement, and the perceived integrity of workplace relationships (Part *et al.,* 2021). Given these evolving dynamics, there is a pressing need to critically examine how AI influences the psychological contract. This study responds to that need by exploring the implications of AI adoption in HRM on employee trust, ethical governance, and organizational loyalty. Through a comprehensive review of existing literature, it aims to offer conceptual clarity and strategic insights for cultivating trust and maintaining a balanced psychological contract in AI-augmented organizational settings (Rabenu& Baruch, 2024).

## RATIONALE

The increasing integration of Artificial Intelligence (AI) within Human Resource Management (HRM) is reshaping foundational aspects of the employee-employer relationship and calls for a critical reassessment of the psychological contract. Although AI tools in recruitment, performance evaluations, and workforce analytics enhance procedural consistency and decision-making speed, they simultaneously introduce concerns related to fairness, transparency, and trust. The emergence of algorithmic bias, concerns over data privacy, and the declining role of human judgment in sensitive HR decisions raise questions about the long-term implications of AI adoption on organizational culture and relational expectations. These shifts risk destabilizing the informal

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understandings that underpin psychological contracts, potentially resulting in employee disengagement and perceived inequity. This study draws on three theoretical foundations to frame its inquiry. Psychological Contract Theory (Rousseau, 1989) emphasizes the significance of perceived mutual obligations between employees and organizations. Social Exchange Theory (Blau, 1964) highlights trust and reciprocity as central to the employer-employee dynamic. The Trust in Automation Framework (Hoff & Bashir, 2015) provides a lens for understanding how transparency, consistency, and reliability influence user trust in AI systems. To address the emerging gap between advanced AI capabilities and evolving employee expectations, this study proposes the AI–Psychological Contract Fit Model. This conceptual framework is intended to align AI-enabled HR functions with mechanisms that foster trust and uphold ethical standards. By prioritizing explainability, transparency, and human oversight, the model underscores the importance of integrating AI in ways that support, rather than replace, human judgment. Failing to consider these dimensions may compromise employee confidence and foster resistance. Thus, the study advocates for carefully designed frameworks that enable ethical and sustainable AI implementation in HRM, safeguarding organizational integrity and employee well-being.

## LITERATURE REVIEW

The integration of Artificial Intelligence (AI) into Human Resource Management (HRM) is reshaping the foundations of psychological contracts by redefining the often unspoken expectations between employees and employers (Rousseau, 1989). While AI introduces measurable improvements in operational efficiency, decision-making accuracy, and the personalization of HR services, it also raises critical concerns surrounding fairness, transparency, and trust within organizational contexts (Jia *et al.,* 2023). AI-driven decision-making in functions such as recruitment, performance management, and career development replaces traditional human discretion with data-driven systems. Although this shift enhances analytical precision and supports remote work arrangements, it may simultaneously weaken relational aspects of the workplace, reducing face-to-face engagement and potentially eroding interpersonal trust (Sonnenberg *et al.,* 2011; Ballas *et al.,* 2024). As a result, the shift toward digital-first employment models can disrupt established psychological contracts, especially when employees view AI-based decisions as opaque, unjust, or lacking contextual sensitivity (Park *et al.,* 2021; Lu *et al.,* 2023). Trust in AI-enabled HR systems hinges largely on perceived fairness, decision explainability, and operational transparency (Arora & Mittal, 2024). Employees tend to respond positively to AI applications when the logic behind decisions is understandable and appears unbiased. Conversely, when systems are perceived as obscure or inconsistent, skepticism and disengagement increase (Verma *et al.,* 2024; Xu *et al.,* 2024).

In this regard, transparency and sound ethical governance serve as essential moderating factors, reinforcing psychological contract fulfillment and strengthening organizational commitment (Jia *et al.,* 2023). Although AI has demonstrated potential to improve fairness in key HR areas, especially recruitment and appraisal, lingering concerns about algorithmic bias remain. Biases embedded in historical datasets may perpetuate discriminatory patterns, making fairness a persistent challenge (Cai *et al.,* 2024). The notion of algorithmic fairness is therefore central to how employees interpret equity in AI-driven HR processes (Drage & Mackereth, 2022). Governance structures that include bias checks, ethical oversight, and human intervention can help address these concerns and restore trust (Rao & Zhao, 2025; Ghasemaghaei & Kordzadeh, 2024). The lack of clarity in algorithmic decisions is another source of employee resistance, highlighting the need for more transparent AI systems that align with ethical HR practices (Ansori *et al.,* 2020; Dhanawade, 2020). Explainable AI (XAI) contributes to this goal by making HR decisions more comprehensible and justifiable, fostering greater confidence in automated systems (Part et al.). Research also suggests that AI can enhance employee development through adaptive learning technologies, personalized training modules, and performance tracking, thereby contributing positively to engagement when perceived as supportive (Xiao *et al.,* 2023; Bharadwaj, 2024; Rabenu& Baruch, 2024).

However, the continuous monitoring capabilities of AI can backfire if experienced as invasive or depersonalized, leading to elevated stress levels and perceptions of diminished autonomy (Georganta & Ulfert, 2024; Verma *et al.,* 2024). In such cases, the psychological contract may be strained, especially when AI appears to replace managerial empathy with surveillance-driven oversight (Jiang *et al.,* 2024; Bharadwaj, 2024). To safeguard psychological contract integrity, organizations must adopt a balanced approach in which AI complements human involvement. Human oversight remains crucial for interpreting complex HR contexts and for reinforcing trust in decisions generated by AI systems (Rabenu & Baruch, 2024). In response to these evolving dynamics, this study proposes the AI–Psychological Contract Fit Model, which promotes the ethical deployment of AI in HRM through a focus on transparency, fairness, and accountability (Sandeep, Green, & Robinson, 2025). The model advocates that AI should enhance not replace human decision-making, ensuring that employee concerns are addressed through a human-centered lens (Cai *et al.,* 2024). Moreover, the implementation of AI literacy programs is recommended as a proactive measure to reduce employee resistance, improve understanding, and cultivate trust in AI-supported HR functions (Atienza-Barba *et al.,* 2024).

## PROBLEM STATEMENT

The increasing deployment of Artificial Intelligence (AI) in Human Resource Management (HRM) is reshaping the contours of the psychological contract, particularly by shifting employee expectations related to trust, fairness, and transparency. While AI brings notable improvements in operational efficiency especially in areas such as talent acquisition and performance evaluation it also introduces significant challenges. These include concerns over biased algorithms, lack of transparency in decision-making, and a potential decline in employee confidence. Although AI systems offer promising advancements, the absence of adequate explainability and limited human involvement in AI-led HR decisions may conflict with employees' expectations of fairness, accountability, and job security. Current academic discourse has primarily concentrated on AI's technical functionality, leaving a critical gap in understanding its broader implications for psychological contract dynamics, trust-building mechanisms, and ethical oversight within HRM practices.

## OBJECTIVE

This study aims to investigate how AI-driven HRM influences the fulfillment and breach of psychological contracts by examining employee perceptions of fairness, job security, and organizational commitment. It explores the role of AI transparency, explain ability, and ethical governance in shaping employee trust and introduces the AI–Psychological Contract Fit Model as a framework aligning AI efficiency with fairness principles to support trust-based AI adoption in HRM.

## THEORETICAL FRAMEWORK

The integration of Artificial Intelligence (AI) within Human Resource Management (HRM) is reshaping the nature of psychological contracts, thereby demanding a robust theoretical foundation to examine its influence on trust, fairness, and organizational commitment. This research draws upon three key theoretical perspectives. Psychological Contract Theory (Rousseau, 1989, 1995) offers insight into how unspoken expectations and perceived duties govern the employee-employer relationship. The advent of AI-driven HR systems affects various HR functions such as recruitment, performance appraisal, and workforce administration potentially altering the fulfillment or violation of these psychological contracts (Sharma *et al.,* 2023). A lack of transparency and reduced human oversight in AI processes may erode trust, subsequently weakening employee engagement and commitment to the organization (Tambe *et al.,* 2019). Social Exchange Theory (Blau, 1964) emphasizes that workplace interactions are fundamentally grounded in reciprocal trust, fairness, and mutual benefit. Employees are more likely to commit to organizations that demonstrate equitable and transparent HR practices. In the context of AI-powered HRM, it becomes critical to uphold fairness and explicability in decision-making to preserve employee trust and loyalty (Zhai *et al.,* 2024). Consequently, implementing ethical AI policies, conducting fairness audits, and maintaining human supervision are essential to fostering trust during AI adoption (Capasso *et al.,* 2025). The Trust in Automation Framework (Hoff & Bashir, 2015) identifies predictability, reliability, and transparency as core determinants of AI acceptance in organizational settings. Employees tend to trust AI systems that deliver consistent, equitable, and unbiased outcomes (Part et al.). Organizations that enforce ethical AI governance, provide AI literacy initiatives, and apply strategies to mitigate bias are better positioned to cultivate robust employee trust and system acceptance (Sandeep, Green, & Robinson, 2025).

## METHODOLOGY

This study adopts a conceptual research design aimed at exploring the interplay between AI-enabled HRM and the maintenance of psychological contracts, with particular focus on employee trust, fairness, and ethical governance of AI. It synthesizes established theoretical frameworks to introduce the AI-Psychological Contract Fit Model, which seeks to harmonize AI-driven HR practices with employee expectations and organizational ethical standards. The approach is primarily theoretical and conceptual, drawing on Psychological Contract Theory (Rousseau, 1989, 1995), Social Exchange Theory (Blau, 1964), and the Trust in Automation Framework (Hoff & Bashir, 2015) to critically examine AI's impact on workplace relational dynamics. The study leverages an extensive review of scholarly literature, including peer-reviewed articles, industry analyses, and empirical findings, to extract salient themes. Using qualitative analytical methods, the research identifies patterns concerning AI's influence on psychological contract fulfillment, the transparency of AI mechanisms, and the requisite balance between automation and human oversight. These insights inform the development of a framework that prioritizes trust, fairness, and ethical considerations within AI-integrated HRM systems. The foundational theories collectively elucidate AI's effects on employee expectations, reciprocal workplace relationships, and trust in automated technologies.

## DEVELOPMENT OF THE AI–PSYCHOLOGICAL CONTRACT FIT MODEL

The AI–Psychological Contract Fit Model offers a structured conceptual framework that integrates artificial intelligence into human resource functions without compromising the foundational elements of the psychological contract. The model seeks to ensure that AI technologies enhance rather than disrupt workplace expectations by embedding mechanisms of trust, fairness, and ethical oversight. Central to this model are five interrelated components. First, AI-based HR functionalities including recruitment, performance assessments, and organizational decision-making play a pivotal role in shaping employees' perceptions of procedural justice and job security. These operations directly influence employee trust mechanisms, particularly those related to system transparency, fairness in outcomes, and the capacity to explain AI-based decisions, thereby addressing concerns linked to algorithmic discrimination or opacity.

A key balancing mechanism is the interaction between AI capabilities and human oversight. This ensures that algorithmic decisions are tempered with human discretion, guided by governance protocols and evaluative audits to maintain credibility and institutional trust. The framework incorporates principles from the Trust in Automation model (Hoff &Bashir, 2015), which underscores the significance of predictability, consistency, and intelligibility as conditions for fostering trust in automated systems. The remaining dimensionsethical AI governance and employee engagementserve to strengthen the model's integrity. Ethical governance includes institutional safeguards such as bias assessments, transparent deployment protocols, and compliance with regulatory standards. Meanwhile, active employee participation through AI literacy programs and inclusive adoption strategies ensures congruence between technological advancements and organizational culture.

The interplay of these components forms a dynamic feedback loop: AI-driven HR processes influence employees' perceptions of justice and trustworthiness; these perceptions in turn condition employee receptiveness to AI, either reinforcing or undermining the psychological contract. A sustained equilibrium between AI efficiency and human empathy ensures that technology remains aligned with organizational ethics and employee values. By fostering transparency, reliability, and ethical use of AI, the model ensures that human–AI collaboration strengthens long-term engagement and the stability of psychological contracts in digitally evolving workplaces.

## STUDY ANALYSIS

This conceptual investigation examines how the infusion of AI into Human Resource Management reshapes the psychological contract between organizations and employees, with direct implications for perceptions of trust, fairness, and long-term organizational commitment. The AI–Psychological Contract Fit Model introduced herein maps the interdependencies among automated HR functions, ethical oversight, and human agency. While AI technologies undeniably improve operational objectivity and efficiency in domains such as talent acquisition, performance measurement, and data-driven decision-making, they also carry potential risks. These include perceived procedural injustice, lack of clarity in outcomes, and insufficient avenues for contesting AI-based judgments, factors which may culminate in breaches of psychological contracts. Trust in AI-mediated decisions hinges on transparency, perceived fairness, and the ability to trace and justify decisions. Where these conditions are absent, employees may experience heightened skepticism, which can manifest as reduced morale, resistance to organizational change, or disengagement. Therefore, it is imperative that organizations implement ethical AI frameworks comprising regular audits, algorithmic accountability, and regulatory adherence to preempt these adverse outcomes. A balanced deployment strategy where automation supplements, but does not substitute, human decision-making is critical. This hybrid approach preserves empathy and contextual judgment, particularly in complex or ambiguous personnel matters. Organizations that proactively adopt fairness protocols, invest in AI literacy for their workforce, and promote inclusive decision-making processes are more likely to secure employee confidence in AI initiatives. Ultimately, the proposed model illustrates how AI-aligned HRM can be reconciled with the implicit expectations embedded in psychological contracts. It stresses the importance of integrating trust-enhancing mechanisms, including fairness, explainability, and ethical oversight, to sustain a healthy organizational climate. Moreover, it reiterates the value of employee engagement and informed participation as cornerstones of AI acceptance. In sum, this study contends that organizational efforts to ensure transparency, uphold ethical norms, and maintain collaborative human–AI dynamics are vital to preserving psychological contracts in the age of AI-integrated human resource practices.

## RESULTS AND DISCUSSION

The analysis highlights the profound influence of AI-integrated Human Resource Management (HRM) systems on the psychological contract between employees and organizations, particularly in shaping perceptions of trust, fairness, and ethical responsibility. Drawing from established theoretical paradigms namely Psychological Contract Theory (Rousseau, 1989), Social Exchange Theory (Blau, 1964), and the Trust in Automation Framework (Hoff & Bashir, 2015)the study underscores the dual nature of artificial intelligence: it can enhance objectivity and efficiency, yet simultaneously introduce challenges related to transparency, explain ability, and equitable governance.

### AI-Driven HR Functions and Psychological Contract Fulfillment

The findings affirm that AI-driven HR functions have a substantial bearing on how employees perceive the fulfillment of their psychological contracts. Core HR activities such as hiring, performance evaluation, and workforce analytics, when mediated through AI, can offer operational improvements. However, such benefits are contingent on the presence of transparent, fair, and comprehensible decision-making mechanisms. Prior studies emphasize that organizations committed to implementing fairness audits and reducing algorithmic bias are more successful in cultivating employee trust and engagement (Zhai *et al.,* 2024). Conversely, when AI systems operate in opaque or biased ways or when human oversight is absent employees are more likely to interpret such conditions as violations of their psychological contract (Sharma *et al.,* 2023).

### Transparency, fairness, and explainability as trust enablers

The research identifies transparency, perceived fairness, and the explainability of AI decisions as foundational to fostering trust in AI-driven HR processes. Transparent systems reduce uncertainty and increase the perceived legitimacy of automated decisions (Capasso *et al.,* 2025). Furthermore, alignment between AI-generated outcomes and established HR policies contributes to perceptions of fairness (Arora & Mittal, 2024). On the contrary, a lack of clarity surrounding AI operations often leads to suspicion, decreased morale, and perceptions of job insecurity (Park *et al.,* 2021).

### The Necessity of Human Oversight in AI-Enabled HRM

The study emphasizes that AI should be employed as an augmentative tool rather than a replacement for human agency in HRM. When human oversight is integrated into AI-led decisions, employee confidence and acceptance tend to increase (Bharadwaj, 2024). In contrast, fully autonomous AI systems often evoke resistance, particularly due to their lack of empathy and contextual sensitivity (Rabenu& Baruch, 2024). Human intervention is thus essential in bridging the gap between algorithmic logic and nuanced, values-based judgments, helping ensure that AI functions are consistent with organizational ethics.

### Trust in automation: Validating the predictability-reliability-transparency triad

The application of Hoff and Bashir's (2015) Trust in Automation Framework is affirmed through this analysis, with findings indicating that AI systems are more readily accepted when they are predictable, reliable, and transparent in their operations (Sandeep, Green, & Robinson, 2025). A lack of consistency or unclear logic in AI outputs, however, tends to diminish trust and invites perceptions of contract breaches (Jiang *et al.,* 2024). Hence, aligning AI design and implementation with trust-building criteria is vital for successful HRM transformation.

### Ethical governance and the role of employee engagement

Organizations that proactively adopt ethical AI frameworks such as regular bias assessments, AI literacy initiatives, and structured human-AI interaction models report stronger psychological contract adherence and improved employee sentiment (Tursunbayeva *et al.,* 2024). Participation in these processes, especially when employees feel informed and involved in AI adoption, fosters a deeper sense of inclusion and trust (Bharadwaj, 2024). Conversely, neglecting ethical

considerations can lead to widespread disillusionment, disengagement, and an increased likelihood of turnover.

**The AI–Psychological contract fit model: A strategic framework**

The proposed AI–Psychological Contract Fit Model synthesizes several interdependent elements: AI-enabled HR functions (including recruitment and appraisal systems), employee trust mechanisms (rooted in transparency, fairness, and interpretability), the balance between automation and human oversight, and the implementation of ethical AI governance aligned with organizational values. The model incorporates the Trust in Automation Framework, emphasizing that predictability and explainability are not only technical attributes but psychological anchors in employee-AI interaction. The efficacy of AI in supporting the psychological contract largely depends on an organization's commitment to ethical standards and stakeholder inclusivity. Contemporary research indicates that employees now expect fairness, openness, and accountability as default conditions in AI deployment (Mandala *et al.,* 2025). When AI frameworks are developed in alignment with corporate social responsibility (CSR) goals, the likelihood of perceived contract violations is significantly reduced (Bubicz & Ferasso, 2024). To sustain trust in AI-led HR environments, organizations must ensure robust ethical oversight, including transparent explanation mechanisms and responsive feedback loops (Yorks & Jester, 2024). Periodic audits are critical for identifying potential biases and correcting algorithmic disparities (Capasso *et al.,* 2025). Additionally, a human-centric approach where AI complements rather than replaces managerial decision-making helps retain empathy and judgment in organizational processes (Jadhav & Banubakode, 2024).

## CONCLUSION

The integration of Artificial Intelligence (AI) into Human Resource Management (HRM) has fundamentally altered the nature of the psychological contract, influencing both its realization and potential violation. While AI introduces greater efficiency, consistency, and fairness in core HR functions such as recruitment and performance evaluation, it simultaneously raises complex concerns regarding algorithmic transparency, perceived impartiality, and trustworthiness. Employee trust in AI-mediated HR practices is closely tied to the transparency of AI processes, the presence of ethical oversight, and the extent of human involvement in decision-making. A lack of clear, comprehensible AI rationale may be interpreted as unfairness, leading to diminished organizational commitment and increased resistance among employees. To ensure sustained trust and reinforce the psychological contract, organizations must invest in ethical AI governance, foster a culture of AI literacy, and uphold a balanced approach that values human judgment alongside technological capabilities. The AI–Psychological Contract Fit Model offers a comprehensive framework to harmonize AI-driven HR processes with employee-centric trust mechanisms, thereby enhancing commitment, well-being, and organizational alignment.

***Limitations***

This conceptual inquiry, while theoretically robust, does not include empirical validation of the proposed AI–Psychological Contract Fit Model. The framework is primarily informed by existing literature and grounded in established theories, including Psychological Contract Theory, Social Exchange Theory, and the Trust in Automation Framework. Its applicability across different sectors and organizational contexts remains untested. The study does not account for sector-specific nuances such as those in technology, healthcare, or manufacturing nor does it incorporate direct employee perspectives, which are critical to understanding how AI is experienced in diverse work settings. Consequently, future empirical investigation is needed to substantiate and refine the model's utility.

***Managerial Implications***

For organizations implementing AI in HRM, sustaining employee trust and engagement requires a deliberate emphasis on transparency, ethical safeguards, and collaborative decision-making. The adoption of explainable AI (XAI) mechanisms is crucial to demystify HR decisions, reduce uncertainty, and uphold fairness. Rather than replacing human agency, AI should act as an enhancement tool, with HR professionals equipped to interpret AI outputs and address any potential bias. Establishing AI ethics committees and implementing governance frameworks can support bias audits, ensure compliance, and promote accountability. Training initiatives aimed at improving AI literacy and facilitating employee participation are equally vital. Aligning AI-enabled HR practices with the principles of psychological contracts—namely fairness, security, and transparency—ensures that AI technologies are deployed responsibly and congruently with organizational values. A hybrid decision-making architecture, where AI and human judgment coexist within an ethically guided framework, will allow for sustainable and equitable AI integration in HRM.

***Future Directions***

To advance this field, future research should empirically test the AI–Psychological Contract Fit Model across a range of sectors through quantitative, longitudinal, and experimental studies. Such inquiries should explore how AI-driven HR systems influence the fulfillment of psychological contracts and identify best practices for harmonizing automation with human oversight. Sector-specific research in domains such as healthcare, finance, retail, and technology can offer deeper insight into contextual differences in AI deployment and its effects on core HR processes. Further investigation is warranted into how transparency, explainability, and ethical governance shape employee perceptions of trust and fairness. Cross-cultural and intergenerational perspectives on AI acceptance should also be examined, as well as the longer-term implications of AI adoption for organizational commitment and the stability of psychological contracts over time.

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