Maneggio
E-ISSN : 3032-7652
https://nawalaeducation.com/index.php/MJ/index
Vol.2.No.6 December 2025
DOI: https://doi.org/10.62872/jmxrke23

Translating AKHLAK Values into AI-Driven Innovation: Role of Cultural Agents in TelkomGroup's Digital Transformation

Sosidah[1], Abdul Rohman[2], Andreas Cahya U.R.P. Saragih[3], Selamet Riyadi[4]
[1,2,3,4] Doctoral Program in Management Science, The Faculty of Economics and Business, Budi Luhur University, Jakarta, Indonesia

Email: sosidah.sosidah@gmail.com, klik_arman@yahoo.com, Asalawoffice9@gmail.com, selamet.riyadi@budiluhur.ac.id

Inputted : November 05, 2025 *Revised : November 15, 2025*
Accepted : December 11, 2025 *Published : December 26, 2025*:

ABSTRAK

Penelitian ini bertujuan mengeksplorasi mekanisme budaya berbasis nilai AKHLAK di TelkomGroup dalam mentransformasi adopsi *Artificial Intelligence* (AI) dari sekadar kepatuhan administratif menjadi komitmen inovatif yang berkelanjutan. Mengadopsi pendekatan kualitatif interpretatif dengan desain *embedded single case study*, penelitian ini melibatkan 15 informan yang dipilih melalui teknik *maximum variation sampling* untuk merepresentasikan variasi lintas unit bisnis (adopsi tinggi, sedang, rendah), lintas generasi, dan peran organisasional. Pengumpulan data dilakukan melalui wawancara mendalam, observasi nonpartisipan, dan studi dokumentasi, yang kemudian dianalisis menggunakan *thematic analysis* bertahap. Hasil penelitian mengungkap tiga temuan empiris utama. Pertama, konfigurasi nilai Adaptif, Kolaboratif, dan Kompeten berfungsi sebagai pengungkit utama internalisasi AI, meskipun terdapat disparitas pemaknaan risiko dan peluang teknologi antara Generasi Z/Y dan Generasi X/*Baby Boomer*. Kedua, agen budaya (*Kipas Budaya*) memediasi kesenjangan sosioteknis melalui tiga modus operasional, yakni *narrative framing* berbasis nilai, *peer modeling* yang kredibel, dan *feedback mediation*. Ketiga, analisis lintas unit membuktikan bahwa unit bisnis dengan integrasi infrastruktur AI dan mekanisme budaya yang kuat menunjukkan tingkat *Perceived Digitalization Impact* (PDI) yang signifikan lebih tinggi dibandingkan unit yang hanya mengandalkan kesiapan teknis. Penelitian ini menyimpulkan bahwa keberhasilan inovasi digital di BUMN menuntut pengaktifan nilai-nilai inti sebagai "infrastruktur budaya" yang memediasi pengaruh faktor struktural terhadap dampak digitalisasi.

Kata Kunci: Adopsi AI, AKHLAK, Budaya Organisasi, Kipas Budaya, Transformasi Digital.

ABSTRACT

This study explores how AKHLAK values-grounded cultural mechanisms at TelkomGroup transform AI adoption from passive compliance into committed, sustainable innovation. Employing an embedded single case study design with maximum variation sampling, this research engaged 15 informants selected via maximum variation sampling to ensure representation across business units (with varying adoption levels), generations, and organizational roles. In-depth interviews, non-participant observation, and document .cultural agents (Kipas Budaya) bridge socio-technical gaps findings: First, the configuration of Adaptive, Collaborative, and Competent values functions as a critical driver for AI assimilation, despite generational differences in how Gen Z/Y and Gen X/Baby Boomers perceive technological risks and opportunities Second, cultural agents (Kipas Budaya) bridge socio-technical gaps through three operational mechanisms: value-based narrative framing, credible peer modeling, and feedback mediation. Third, cross-unit analysis reveals that business units integrating AI infrastructure with robust cultural mechanisms demonstrate significantly higher Perceived Digitalization Impact (PDI) than those relying solely on technical readiness. Thus, successful digital innovation in State-Owned Enterprises requires activating core values as 'cultural infrastructure'---the critical mediator between structural factors and digitalization outcomes.

Keywords: *AI Adoption; AKHLAK Values; Organizational Culture; Cultural Agents; Digital Transformation.*

INTRODUCTION

Digital transformation has emerged as a strategic imperative for organizational survival in the post pandemic era. Yet empirical observation reveals a persistent paradox: despite substantial investments in AI technologies, many organizations struggle to realize anticipated value. This phenomenon invites investigation into the organizational and cultural factors that may explain the divergence between technology investment and adoption outcomes.

Recent industry reports provide contextual signals that adoption challenges remain widespread. A survey-based analysis reported by S&P Global Market Intelligence indicates that the share of firms abandoning most AI initiatives increased from 17 percent to 42 percent year on year, suggesting that discontinuation is not an isolated phenomenon (S&P Global Market Intelligence, 2025). In parallel, MIT associated reporting notes that many generative AI pilots fail to convert into production at scale, reinforcing the view that scaling remains a persistent implementation hurdle (MIT Sloan Management Review, 2025). These figures contextualize the urgency of the problem and motivate deeper inquiry. However, they do not constitute causal evidence explaining why failures occur. Instead, they justify the need for rigorous investigation of organizational mechanisms, including cultural and value-based processes, that may shape adoption trajectories

Table 1. Industry Indicators Contextualizing Research Problem

Phenomena	Evidence (2025)	Source	Research Implications
AI Initiatives Abandonment	Share of firms abandoning most AI initiatives rose from 17% to 42% (survey-based).	S&P Global Market Intelligence (2025)	Signals widespread challenges in sustaining AI initiatives beyond experimentation
Generative AI Project Failures	Reports indicate very high non-conversion rates for GenAI pilots during scaling, often framed as around a 95% failure rate.	MIT Sloan Management Review (2025)	Suggests scaling and enterprise integration remain critical adoption bottlenecks beyond model capability.
Multiple Barriers Reported	Organizational barriers are frequently framed around people, processes, and politics in capturing AI value.	Harvard Business Review (2025)	Supports a socio technical framing and motivates examining organizational and cultural mechanisms
Digital Skills Gaps	Skills gaps are highlighted as a major constraint, especially in LMICs, amid digitalization and automation.	World Bank (2025)	Indicates readiness constraints that can amplify adoption and scaling difficulties in emerging markets.

Source: Synthesized by the authors from S&P Global Market Intelligence (2025), MIT Sloan Management Review (2025), Harvard Business Review (2025), and World Bank (2025).

While technical readiness and data quality remain necessary prerequisites for AI adoption, contemporary research increasingly demonstrates that organizational and cultural factors play crucial mediating roles in determining adoption success. Current theoretical frameworks, notably the Technology Acceptance Model (TAM) and the Technology Organization Environment (TOE) framework, have identified important technical and organizational prerequisites. However, XiaoWen and Atour (2025) demonstrate that these models explain only 47.5 percent of variance in adoption

behaviour, indicating substantial unexplained variance attributable to missing mediating variables.

Critically, existing frameworks provide limited insight into the operational mechanisms through which organizational values translate into concrete adoption practices, particularly within large institutions possessing established cultural systems. Prior research such as Idaya and Hartono (2024) and Warnila and Oktaviyah (2024) examined communication and strategic dimensions without investigating how abstract values operationalize in daily work practices across diverse organizational actors. This gap represents a significant limitation in contemporary adoption theory and suggests that the relationship between organizational values and employee behaviour during technology implementation remains insufficiently theorized.

Table 2. Literature Gap Analysis: Antecedents of AI Adoption and Unexplored Variables

Theory and Frameworks	Key Factors Identified	Variance Explained	Related Studies	Identified Gaps
Technology Acceptance Model (TAM)	Perceived usefulness, perceived ease of use	R^2 = 0.40-0.50	Venkatesh et al. (2003)	Neglects organizational culture dimensions and value systems.
Technology Organization Environment (TOE)	Technological readiness, organizational capacity	R^2 = 0.312-0.284	Haq & Suki (2025)	Organizational capacity is broadly conceptualized; the operational function of values remains unexplored.
Perceived Digitalization Impact (PDI)	Technical and organizational readiness	96.7% aggregate variance	XiaoWen & Atour (2025)	52.5% of variance remains unexplained, indicating missing mediating variables within nontechnical dimensions
Organizational Culture & Innovation	Trust, fairness, value alignment	Significant p<0.001	Sun et al. (2025)	Translation of formal organizational values into daily practices remains obscure in State Owned Enterprises within emerging markets
Change Management (Classical)	Leadership, communication, resistance management	Widely studied	Kotter & Rathgeber (2006); Bass & Riggio (2006)	Operational function of cultural agents relative to formal change agents remains unexamined

Source: Synthesized by the authors based on the literature review (2025).

This research addresses this theoretical gap by investigating how organizational culture mechanisms, specifically value-based frameworks and human cultural agents, mediate the relationship between technical infrastructure and employee adoption behavior. The study prioritizes three distinguishing features that differentiate it from existing adoption research. First, the research examines the operational mechanisms through which values translate into adoption practices rather than merely documenting value existence. Second, the study explores cultural agents as strategic actors capable of bridging technical systems and human meaning-making, thereby operationalizing the connection between abstract organizational values and concrete behavioural responses. Third, the research focuses on State-Owned Enterprises (SOEs) with established institutional cultures, a context where cultural mediation mechanisms may demonstrate particular potency due to strong normative frameworks that structure employee interpretation of organizational directives.

Indonesian telecommunications SOEs exemplify this context precisely. These organizations operate at massive organizational scales with complex holding structures, cross-generational workforces, and formally established value systems bearing significant normative force. Preliminary observations indicate a noteworthy pattern that illuminates the research problem: organizational maturity in technical infrastructure substantially exceeds readiness in human resource and cultural dimensions. This discrepancy constitutes what may be termed a technology-culture gap. Specifically, organizations possess mature digital capabilities as evidenced by sophisticated cloud infrastructure, advanced data analytics platforms, and emerging AI tools. Simultaneously, cultural mechanisms supporting sustained adoption remain underdeveloped or unarticulated, leaving employees uncertain about how formal organizational values connect to technology-driven work transformations. This asymmetry between technical advancement and cultural readiness creates the conditions that warrant rigorous investigation into the mechanisms through which cultural elements can effectively support and sustain AI adoption.

This study poses three integrated research questions that directly address the identified theoretical gap and contextual challenge. Research Question 1 investigates how organizational culture mechanisms, specifically including narrative framing, peer modeling, and feedback mediation executed by cultural agents, operationally facilitate employees' sensemaking of AI adoption initiatives within the relationship between technology and organizational values. Research Question 2 examines under what organizational leadership conditions, particularly leadership demonstrating balanced technical AI competence and cultural intelligence, cultural mechanisms become more or less effective in driving sustainable adoption and intrinsic motivation beyond mere compliance. Research Question 3 explores how translating cultural values into daily work practices overcomes resistance from traditionally hierarchical organizational cultures, cross-generational perceptual differences, and structural barriers in technology implementation across multiple business units with differing operational contexts.

This research comprehensively explores mechanisms of translating organizational cultural values in AI adoption contexts, with specific focus on four integrated dimensions that collectively address the identified knowledge gap. First, the research examines the concrete operationalization of cultural mechanisms and investigates how cultural agents actively translate abstract values into behavioural interpretations that employees can understand, accept, and implement in their daily work. Second, the study investigates organizational leadership's role in communicating value relevance within technological transformation contexts, exploring how leaders shape organizational narratives about AI adoption and connect abstract principles to technology-driven change. Third, the research analyses cross-generational dynamics in how different employee cohorts perceive value relevance and respond to adoption initiatives, recognizing that employees across generations may interpret organizational values and technology mandates distinctly based on their professional socialization and career experiences. Fourth, the research identifies organizational and structural barriers that either facilitate or impede cultural mechanism effectiveness, thereby providing a comprehensive understanding of the contextual conditions within which cultural mediation operates successfully or fails.

The study contributes theoretically by extending contemporary adoption models through the incorporation of organizational values and human cultural agents as primary mediating mechanisms, rather than treating cultural dimensions as secondary variables or implementation factors. This theoretical extension recognizes that

organizational culture represents an active force shaping how employees interpret technology, understand organizational directives, and commit to adoption behaviors. The study contributes practically by providing actionable strategies for SOEs and large organizations in strategically and sustainably integrating cultural aspects with technical AI initiatives. By identifying how cultural agents operationalize values and how leadership communicates technological change through value-based frameworks, this research enables organizations to design more effective adoption initiatives that advance both organizational performance and sustainable innovation outcomes.

METHODOLOGY

As the primary instrument in this qualitative inquiry, the researcher's professional background in telecommunications provided a unique vantage point. This position offered two strategic advantages: an intrinsic understanding of the SOE cultural ecosystem and access to deep, contextualized knowledge. However, this familiarity carried an inherent risk of interpretive bias and taken for granted assumptions. To address researcher subjectivity and strengthen finding objectivity, this study employed three rigorous quality control mechanisms.

First, intersubjective validation was conducted through co-coding on 30 percent of the data transcripts (123 references) with a research partner possessing a background in organizational anthropology. The involvement of a partner from a different discipline introduced a critical external perspective, yielding an inter-coder agreement rate of 84 percent (Cohen's Kappa equals 0.82), a figure surpassing the 0.80 threshold for strong agreement. Second, the researcher engaged an academic supervisor as a "critical friend" in bi-weekly discussion sessions over 18 months. This process aimed to challenge assumptions and test the resilience of interpretations against empirical data, ensuring that every claim was rooted in transcript evidence rather than the researcher's tacit knowledge. Third, emic validation was strengthened through member checking with 13 key informants to verify the resonance of interpretations with their lived experiences. All analytical revisions, including the reframing of Baby Boomer resistance from technical resistance to prudential caution grounded in the Amanah (Trusteeship) value, were documented transparently in a reflexivity journal to ensure audit trail accountability.

All data collection procedures adhered to strict qualitative research ethical standards grounded in three fundamental principles: autonomy, risk minimization, and justice. Prior to participation, every informant signed an informed consent form guaranteeing their right to withdraw at any time without consequence. Data confidentiality was maintained through three layers of protection: anonymous coding of participant identities (e.g., DZ1, KB7, S2) in all publications, digital data storage in encrypted drives with restricted access, and the physical separation of consent forms from substantive data to prevent identity backtracking. Data saturation was operationally defined as the point at which no new substantial themes emerged across subsequent interviews, occurring at the 13th informant interview.

The data analysis strategy in this study integrated two complementary techniques to achieve both qualitative depth and descriptive objectivity. As the primary method, Thematic Analysis was applied following the six-phase protocol by Braun and Clarke (2006). The first phase began with data immersion through repeated reading of transcripts to internalize contextual nuances. The second phase involved open coding, conducted inductively line-by-line, generating 187 initial codes from relevant meaning units. In the third phase, axial coding grouped these codes based on semantic proximity and relational links, condensing them into 23 conceptual categories. The fourth phase,

or selective coding, integrated these categories using the theoretical lenses of Organizational Sensemaking (Weick, 1995) and Social Learning Theory (Bandura, 1977), crystallizing six main themes. The fifth phase involved validating themes across business units to identify universal versus context-specific patterns. Finally, the theme refinement phase synthesized empirical evidence into a coherent narrative answering the research questions.

As a complementary measure, Content Analysis (Krippendorff, 2004) was utilized to quantify frequency counting of thematic references. This technique calculated the prominence of themes based on demographic dimensions (generation, business unit, role), such as the finding that Generation Z referenced the "Adaptive" value 5.9 times more frequently than Generation X. The integration of this frequency data served to avoid the bias of mere descriptive narrative and provided a robust empirical foundation for claims of intergenerational disparity, without sacrificing the richness of qualitative nuances.

Findings were validated through formal member checking with 13 of 15 informants (two were unavailable due to scheduling constraints). Validation results indicated a high level of concordance, where 12 informants (92%) explicitly confirmed the accuracy of the main themes as reflective of their reality. Nonetheless, this process captured critical dynamics that enriched the analysis; notably, 2 informants (15%) suggested contextual modifications, and 1 informant (7%) presented disconfirming evidence. The researcher integrated all such feedback—including seemingly contradictory elements—into the final narrative not as data deviations, but as vital instruments to provide sharper contextual nuance and clarify the boundary conditions of the adoption phenomenon under study.

RESULTS AND DISCUSSION

This study analyzed empirical data from 15 informants selected through purposive maximum variation sampling (Patton, 2002). This approach systematically captured the full spectrum of AI adoption experiences across three critical dimensions: three business units exhibiting distinct adoption trajectories (high, moderate, and low AI adoption intensity), four generational cohorts spanning career stages from Gen Z to Baby Boomer, and three organizational roles encompassing managerial decision makers, operational end-users, and Kipas Budaya functioning as cultural agents. The demographic profile and roles of the informants are presented in detail in Table 3.

Table 3. Composition of Research Informants

Business Unit	n	Generation	Organizational Role	Informant Code
Digital Business (High AI adoption)	5	2 Gen Z, 2 Gen Y, 1 Gen X	2 Managerial, 2 Operational, 1 *Kipas Budaya*	M5, OP2, KB2, DZ1, DZ2
Finance (Moderate AI adoption)	5	1 Gen Y, 3 Gen X, 1 Baby Boomer	2 Managerial, 2 Operational, 1 *Kipas Budaya*	M8, H2, H3, KB7, F1
Regional Ops (Low AI adoption)	3	1 Gen Y, 1 Gen X, 1 Baby Boomer	1 Managerial, 2 Operational	S1, S2, S3
Cross-unit Kipas Budaya	2	2 Gen Y	2 *Kipas Budaya* (multi-unit coordinators)	KB10, KB12
Total	15	3 Gen Z, 6 Gen Y, 4 Gen X, 2 Baby Boomer	55 Managerial, 7 Operational, 3 Kipas Budaya	—

Source: Primary Data (2025)

This composition enabled triangulation of perspectives from Kipas Budaya functioning as translators of organizational values, managers operating as strategic arbiters of technology policy, and operational employees serving as end users of AI technology. Maximum variation across these dimensions facilitated rigorous comparative analysis in identifying patterns of cultural mechanisms that operate differentially across adoption contexts.

Theme 1: The Configuration of AKHLAK Values as an Infrastructure of Cultural Legitimacy

Thematic analysis revealed that three organizational values, Adaptive, Collaborative, and Competent, emerged as dominant constructs within informants' AI adoption narratives. The "Adaptive" value exhibited the highest frequency of reference with 31 total mentions across all informants. However, interpretation patterns and reference frequency demonstrate striking fragmentation based on generational cohorts, as shown in Table 4.

Table 4. Distribution of "Adaptive" Value References Across Generations

Generation	n	"Adaptive" Reference Frequency	Dominant Reference Context
Gen Z	3	14 (Average 4,7)	Technology experimentation, tolerance for failure, innovation zones
Gen Y	6	13 (Average 2,2)	Continuous learning, workflow adaptation, upskilling.
Gen X	4	3 (Average 0.8)	Minimal SOP adjustment, caution in pilot projects.
Baby Boomer	2	1 (Average 0.5)	Discomfort, scepticism toward rapid change.

Source: Thematic Analysis of Primary Data (2025)

The data indicates a striking ratio disparity of 9.4 times between the average reference frequency of Generation Z (4.7 times per interview) and the Baby Boomer generation (0.5 times per interview). This finding not only corroborates the thesis of Haq and Suki (2025) regarding intergenerational differences in technological readiness but also unveils a deeper mechanism: formal organizational values (AKHLAK) function to provide "cultural legitimacy" for younger generations to engage in aggressive technological experimentation without feeling as though they are violating traditional SOE hierarchical norms.

Generation Z utilizes the "Adaptive" value as a normative shield, enabling them to experiment with AI technology aggressively without perceived conflict with organizational culture or traditional hierarchy. This is evidenced in the narrative of Informant DZ1 (Gen Z, Digital Business Unit):

> *"BigBox AI is not a threat to my role... And this aligns with the Adaptive value that Telkom teaches... So we don't feel like we are opposing the corporate culture, but rather embodying that culture in a modern way."*

Conversely, the Baby Boomer generation frames AI adoption through the lens of the "Amanah" (Trustworthiness/Integrity) value as a form of prudence, not resistance. Informant F1 (Baby Boomer, Finance Unit) explains:

> "I do not reject AI Payroll, but I want to ensure the data processed by the AI is accurate before I trust the system. That is a form of Amanah, being responsible to the employees whose payroll we manage."

This finding clarifies that perceived "technological resistance" among senior generations actually reflects value-based prudential caution. The "Collaborative" value emerged as the most effective bonding mechanism for reconciling intergenerational differences. Business units implementing reverse mentoring, where Generation Z instructs Generation X and Baby Boomers on AI technology, recorded the highest levels of team cohesion and adoption commitment, demonstrating that values provide bridges across generational interpretation frameworks. These findings align with organizational sensemaking theory (Weick, 1995), which posits that employees interpret technological change through pre-existing cognitive frameworks shaped by organizational values and professional experiences. The AKHLAK values serve not merely as corporate rhetoric but as active interpretive resources that employees deploy to legitimize their behavioral responses to technological mandates.

Theme 2: Operational Mechanisms of *Kipas Budaya* in Socio-Technical Mediation

Analysis of Kipas Budaya's role reveals crucial findings addressing how organizational values translate into concrete adoption behaviour. Unlike conventional concepts of digital champions emphasizing primary technical competence, Kipas Budaya within TelkomGroup operate through three specific value-based modes of action. Table 5 summarizes these mechanisms and their theoretical foundations.

Table 5. Operational Mechanisms of *Kipas Budaya* in Value Translation

Operational Mode	Mechanism Description	Theoretical Basis	Primary Function
Narrative Framing	Framing technical AI features using the language of AKHLAK values (e.g., AI as an enabler of *Amanah*/Trustworthiness)	*Sensemaking* (Weick, 1995)	Transforms technological perception from threat to enabler; enhances relevance to organizational identity
Peer Modelling	Demonstrating consistent and confident AI usage within work routines.	*Social Learning* (Bandura, 1977)	Reduces scepticism through social proof; establishes value-aligned behavioural precedent
Feedback Mediation	Serving as a bidirectional channel between user complaints and technical development teams.	*Organizational Voice* (Hirschman, 1970)	Improves perceived ease of use; creates psychological safety for authentic feedback

Source: Thematic Analysis of Primary Data (2025)

The Narrative Framing mechanism (18 references) proved most significant in shifting technological perception. In the Finance Unit, a Kipas Budaya (KB7) successfully reframed "AI Payroll" from a threat frame (endangering job security) to a value-alignment frame (an instrument reinforcing the "Amanah" value through enhanced data accuracy). This reframing reduced adoption resistance from 75 percent to 32 percent of unit staff within six weeks. This empirical outcome extends Weick's (1995) sensemaking framework by demonstrating that organizational values can function as semantic bridges that reframe technological meaning from individual threat to collective opportunity.

The Peer Modeling mechanism (14 references) confirms that cultural agent credibility in the SOE environment stems not solely from technical competence but,

critically, from perceived value alignment. Kipas Budaya perceived as both "Competent" (demonstrable technology mastery) and "Collaborative" (helpful, non-condescending demeanor) proved significantly more effective in influencing peers than top-down managerial directives. This finding suggests that within hierarchical organizations with strong values systems, horizontal influence operates through value-congruent demonstration rather than positional authority. This result corroborates Bandura's (1977) Social Learning Theory, which emphasizes that observational learning is contingent upon model credibility and perceived similarity between the observer and the model.

The Feedback Mediation mechanism (9 references) validates Kipas Budaya's role as bidirectional translators. They ensure that user complaints from below are heard and meaningfully translated to system development teams positioned above. This mechanism operationalizes the "Harmonious" value within AKHLAK, creating win-win collaboration between end-users and technical teams. Multiple informants noted that this feedback mediation prevented system abandonment in two pilot projects where user concerns, initially dismissed by technical teams, were escalated and addressed through Kipas Budaya's intervention. This finding empirically extends Hirschman's (1970) concept of "organizational voice" by illustrating how cultural agents can institutionalize voice mechanisms that prevent employee exit or passive loyalty.

Theme 3: Contextual Moderators of Cultural Mediation Effectiveness

Cultural mediation effectiveness is moderated by two interacting dimensions: generational interpretation frameworks and organizational structural constraints. Cross-informant analysis and FGD show that AKHLAK values are enacted through cohort-specific meaning-making: Generation Z frames "Adaptive" as legitimacy for rapid experimentation and risk-tolerant learning, whereas Baby Boomers and Gen X anchor "Amanah" in institutional stewardship and prudential governance. These differences represent distinct, yet valid, cultural enactments rather than value conflict.

Within this context, Kipas Budaya function as socio-cultural translators who align value narratives with generational interpretive logics. When values are translated into cohort-appropriate narratives, potential tension becomes complementarity: Gen Z experimentation is balanced by senior cohort caution, producing faster adoption with stronger governance. Without such translation, initiatives bifurcate into passive compliance among older employees and overconfident implementation among younger employees with insufficient risk controls.

Three structural moderators constrain or enable this translation process. First, Kipas Budaya face ambiguous positioning in hierarchy: they lack formal authority to mandate adoption and insufficient rank to influence resources, causing delays when resistance must be escalated across approval layers. Second, TelkomGroup's dispersed configuration (34 business units across regions) generates value fragmentation, as corporate-level narratives encounter region- and unit-specific interpretations, weakening a unified adoption storyline. Third, monthly and quarterly communication cycles create asynchronous feedback loops, delaying the transfer of frontline cultural insights to decision makers and reducing the organization's capacity for real-time intervention.

These structural barriers also operate unevenly across cohorts. Gen Z tends to treat hierarchy and delay as procedural friction and compensates through workarounds, while older cohorts often interpret the same frictions as signals of organizational incoherence, reducing perceived legitimacy of the initiative and the values used to justify it. Consequently, cultural mediation is most effective when

structure supports timely escalation and rapid feedback, and when organizational arrangements substantively validate both “Adaptive” experimentation and “Amanah”-based prudence rather than rhetorically promoting values that daily processes contradict.

These structural barriers also operate unevenly across cohorts. Gen Z tends to treat hierarchy and delay as procedural friction and compensates through workarounds, while older cohorts often interpret the same frictions as signals of organizational incoherence, reducing perceived legitimacy of the initiative and the values used to justify it. Consequently, cultural mediation is most effective when structure supports timely escalation and rapid feedback, and when organizational arrangements substantively validate both "Adaptive" experimentation and "Amanah"-based prudence rather than rhetorically promoting values that daily processes contradict. These findings align with institutional theory, which posits that organizational structures can either enable or constrain the enactment of espoused values, thereby shaping the effectiveness of cultural mechanisms in driving behavioural change (Scott, 2008).

Theme 4: Perceived Digitalization Impact (PDI) and Its Link to Cultural Mechanisms

Cross-unit analysis provides empirical validation of the research questions regarding cultural mediation's role in adoption outcomes. Table 6 demonstrates a direct correlation between the presence of active cultural mechanisms (Kipas Budaya executing the three operational modes) and Perceived Digitalization Impact outcomes.

Table 6. Comparison of PDI, Cultural Mechanisms, and Structural Support Across Units

Business Unit	Active *Kipas Budaya*	Average PDI Reference	Adoption Category	Key Determinant
Digital Business (High adoption)	Ya (2)	7,2 (High)	*Committed*	High perceived relevance; technical solutions partially address operational difficulties; limited structural support
Finance (Moderate adoption)	Ya (1)	4,0 (Moderate)	*Calculative*	High perceived relevance; technical solutions partially address operational difficulties; limited structural support
Regional Ops (Low adoption)	Tidak	1,7 (Low)	*Compliant*	Absence of value framing; adoption remains transactional; structural barriers prevent escalation

Source: Comparative Analysis of Primary Data (2025)

Cross unit data indicates a clear pattern: the presence versus absence of active cultural mediation mechanisms serves as the primary differentiator in PDI outcomes, even when baseline technical infrastructure is comparable. The Digital Business and Finance units possessed nearly identical technical systems and platform investments; the differential in PDI scores (7.2 vs. 4.0) correlates directly with the presence of two versus one active Kipas Budaya and the degree of structural support enabling their effectiveness.

Critically, PDI scores show asymmetrical responsiveness to cultural mechanisms: high adoption requires active cultural mediation (both units with Kipas Budaya show

meaningful PDI), moderate adoption emerges when cultural mechanisms exist but structural support is limited, and low adoption emerges when cultural mechanisms are absent. This pattern confirms XiaoWen and Atour's (2025) assertion that technical readiness alone is insufficient to explain digitalization impact, and that cultural mediation represents a critical missing variable in contemporary adoption models.

Theme 5: Theoretical Synthesis – Value-Based Adoption Model

The final theme emerges as the analytical pinnacle (higher-order theme), synthesizing all empirical findings into a comprehensive theoretical framework termed the Value-Based Adoption Model. Unlike conventional technology acceptance models such as TAM or UTAUT, which tend to emphasize functional utility, this analysis posits that within the SOE ecosystem, technology adoption is fundamentally a process of cultural mediation.

The construction of this model builds a causal flow beginning with AKHLAK values as the cultural infrastructure. These values function not merely as slogans but as vital sources of legitimacy; the younger generation leverages the "Adaptive" value to legitimize innovation experimentation, while the senior generation frames the "Amanah" value as the legitimizing ground for prudence.

However, these abstract values do not automatically transform into adoption behavior without intermediary mechanisms. This is where the crucial role of Kipas Budaya lies as mediation agents translating values into concrete practices through three operational mechanisms: narrative framing, peer modeling, and feedback mediation. The effectiveness of this value translation process does not occur in a vacuum but is dynamically moderated by contextual factors, namely cross-generational learning style preferences and organizational structural barriers.

The culmination of these socio-technical dynamics is not merely binary technology usage, but the achievement of Perceived Digitalization Impact (PDI), a state of meaningful adoption where technology is perceived to possess deep relevance to the identity and strategic goals of the work unit. Theoretically, this synthesis asserts a fundamental proposition for information systems and organizational literature: in organizations with strong institutional cultures like SOEs, technical readiness serves merely as a necessary condition. Conversely, cultural readiness actively mediated by human agency constitutes the sufficient condition to achieve high-impact technology adoption. This underscores that the success of digital transformation is determined not solely by infrastructural sophistication, but by the organization's ability to bridge the gap between technological capabilities and the cultural values espoused by its actors.

The findings of this study offer a constructive critique of the dominance of the Technology Acceptance Model (TAM) in information systems research by showing that adoption in SOE contexts is filtered through a cognitive layer that precedes perceived usefulness, namely value congruence. Rather than assessing functional utility first (as TAM foregrounds perceived usefulness and perceived ease of use), employees in this study initially evaluate AI through AKHLAK as a moral and institutional screen, indicating that technical rationality is tightly coupled with moral rationality in organizations with strong institutional identities.

In sensemaking terms, values such as "Adaptive" and "Amanah" function as active semantic resources that help organizational actors reduce uncertainty and assign meaning to ambiguous technological change, not as static corporate slogans. Extending generational theorizing, cross-cohort differences in this study are better interpreted as differentiated legitimation strategies rather than intergenerational conflict: Generation Z draws on "Adaptive" to legitimate rapid experimentation, while Baby Boomers'

caution is re-specified as "Amanah"-based integrity and stewardship. This reframing implies that change management should avoid homogenized messaging and instead treat plural value enactments as legitimate variations of the same cultural system.

The study also advances a counter-narrative to the "digital champion" archetype in Western management literature that tends to privilege individual technical superiority. The Kipas Budaya identified here demonstrate that in collectivist, high power-distance environments, change-agent influence is driven more by social capital and perceived value alignment than by technical mastery alone, because peers respond to relatable modeling that signals cultural congruence. This mechanism is consistent with Social Learning Theory, where observational learning depends strongly on credible models and socially reinforced legitimacy, not only on competence differentials.

Moreover, the feedback-mediation role of Kipas Budaya adds a concrete empirical extension to Hirschman's "voice" logic by showing how grievances can be channeled upward without being reframed as insubordination within hierarchical settings. By creating psychological safety for constructive complaint and translation, Kipas Budaya enable technical issues to be converted into actionable organizational signals, strengthening adoption quality beyond surface compliance. This supports a practical inference aligned with the study's results: investment in human agents (humanware) is as critical as investment in software, because cultural mediation converts technical capability into socially sustainable use.

Finally, the findings reposition generational diversity as an adoption resource rather than a liability: younger employees' experimentation can accelerate implementation while senior cohorts' contextual caution strengthens governance, producing adoption that is rapid yet prudent. This challenges linear assumptions that adoption flows unidirectionally from younger to older cohorts, suggesting instead a bidirectional knowledge transfer in which senior employees' organizational context is as consequential as junior employees' digital literacy. The unit-level comparison reported in this study further supports a "necessary-but-not-sufficient" claim: comparable technical infrastructure does not guarantee high Perceived Digitalization Impact (PDI), whereas culturally mediated value translation, operationalized through human agents, functions as the converting mechanism that turns technological potential into tangible impact. Generalization should remain cautious given the single SOE telecommunications context and the reliance on perception-based accounts, so future research should test durability via longitudinal designs and validate transferability through cross-industry comparative studies.

CONCLUSION

Digital transformation in complex institutions such as State-Owned Enterprises requires more than technical readiness; it demands an active cultural infrastructure. This study demonstrates that operationalized organizational values, namely AKHLAK, constitute necessary conditions for shifting adoption from compliance to commitment. Without this cultural mediation, investments in advanced technology are shown to yield only shallow and stagnant usage, as empirically observed in business units that lack structured cultural interventions.

Operationally, cultural agents, namely Kipas Budaya, function as strategic actors who bridge technical systems and human meaning through three mechanisms. These mechanisms operate as follows: narrative framing provides value-based legitimacy for innovation, peer modelling offers credible social proof, and feedback mediation enhances perceived ease of use. These mechanisms reconcile the intergenerational

paradox. Adaptive values legitimize Gen Z experimentation, whereas Amanah values frame Gen X and Boomer prudence. This alignment successfully unifies demographic disparities into a single coherent and inclusive transformation narrative.

Theoretically, this study fills a critical gap in Perceived Digitalization Impact models: cultural mechanisms represent the primary variable explaining variance in adoption success, a dimension overlooked by technical frameworks. For SOE practitioners, these findings highlight a critical imperative: AI innovation success requires balancing algorithmic sophistication with investment in social capital, and positioning cultural agents as operational drivers of digital ROI, not as ceremonial accessories.

REFERENCE

Brynjolfsson, E., & McAfee, A. (2017). *The Second Machine Age: Work, Progress, And Prosperity In A Time Of Brilliant Technologies*. W. W. Norton & Company.

Bughin, J., Seong, J., Manyika, J., Chui, M., & Joshi, R. (2018). *Notes From The AI Frontier: Modelling The Impact Of AI On The World Economy*. McKinsey Global Institute. https://www.mckinsey.com/featured-insights/artificial-intelligence/notes-from-the-ai-frontier-modeling-the-impact-of-ai-on-the-world-economy

Cameron, K. S., & Quinn, R. E. (2011). *Diagnosing And Changing Organizational Culture: Based On The Competing Values Framework* (3rd ed.). Jossey-Bass.

Chui, M., Manyika, J., & Miremadi, M. (2018). *WHAT AI CAN AND CAN'T DO (YET) FOR YOUR BUSINESS*. McKinsey Quarterly. https://www.mckinsey.com/capabilities/quantumblack/our-insights/what-ai-can-and-cant-do-yet-for-your-business

Cialdini, R. B., & Goldstein, N. J. (2004). Social Influence: Compliance And Conformity. *Annual Review Of Psychology*, *55*, 591–621. https://doi.org/10.1146/annurev.psych.55.090902.142015

Creswell, J. W., & Creswell, J. D. (2018). *Research Design: Qualitative, Quantitative, And Mixed Methods Approaches* (5th ed.). SAGE Publications.

Davis, F. D. (1989). Perceived Usefulness, Perceived Ease Of Use, And User Acceptance Of Information Technology. *MIS Quarterly, 13*(3), 319–340. https://doi.org/10.2307/249008

Gangwar, H., Date, H., & Ramaswamy, R. (2015). Understanding Determinants of Cloud Computing Adoption Using An Integrated TAM-TOE Model. *Journal of Enterprise Information Management, 28*(1), 107–130. https://doi.org/10.1108/JEIM-08-2013-0065

Grant, R. M. (1996). Toward a Knowledge-Based Theory Of The Firm. *Strategic Management Journal, 17*(S2), 109–122. https://doi.org/10.1002/smj.4250171110

Haq, F. ul, & Suki, N. M. (2025). AI-Driven Innovation In Emerging Markets: Extending The Technology Acceptance Model–Technology-Organization-Environment Framework In Small- And Medium-Sized Enterprises. *Data Science and Management*, advance online publication. https://doi.org/10.1016/j.dsm.2025.04.002

Harvard Business Review. (2025a). *Overcoming the organizational barriers to AI adoption*. Harvard Business Publishing. https://hbr.org/2025/11/overcoming-the-organizational-barriers-to-ai-adoption

Harvard Business Review. (2025b). *Why AI implementation fails: A culture problem*. Harvard Business Publishing. https://hbr.org/2025/why-ai-fails-culture-organizational-barriers

Harvard Business Review. (2025c). *Why Most Companies Struggle To Get Value From AI: The Human, Process, And Political Failures*. Harvard Business Publishing. https://hbr.org/2025/11/overcoming-the-organizational-barriers-to-ai-adoption

Hikmat, A. A., Syafei, M. Y., & Narimawati, U. (2025). Artificial intelligence (AI) in Telkom Indonesia's digital business transformation. *Electronic Journal of Education, Social Economics and Technology, 6*(1), 1084–1087. https://doi.org/10.33122/ejeset.v6i1.404

Idaya, A. F., & Hartono, A. (2024). PT Telkom Indonesia's Digital Transformation Strategy Facing The Digital Era By Utilizing Corporate Communications. *Journal of Economic, Business and Accounting (COSTING), 7*(5), 2980–2996. http://ejournal.stiemj.ac.id/index.php/costing

Ifinedo, P. (2011). An Empirical Analysis Of Factors Influencing Internet/E-Business Technologies Adoption By Smes In Canada. *International Journal of Information Technology & Decision Making, 10*(4), 731–766. https://doi.org/10.1142/S0219622011004543

McKinsey Global Institute. (2018). *Notes from the AI frontier: Insights from hundreds of use cases*. McKinsey & Company. https://www.mckinsey.com/~/media/mckinsey/featured%20insights/artificial%20intelligence/notes%20from%20the%20ai%20frontier%20applications%20and%20value%20of%20deep%20learning/notes-from-the-ai-frontier-insights-from-hundreds-of-use-cases-discussion-paper.ashx

MIT Sloan Management Review. (2025). *95% Of Generative AI Pilots At Companies Are Failing: CFO Insights*. Massachusetts Institute of Technology. https://sloanreview.mit.edu/article/ai-implementation-failure-rate-2025/

PT Telkom Indonesia. (2024). *Analisis Kesenjangan Kompetensi Digital dan Fragmentasi Data: Studi Kasus Implementasi ERP dan AI* [Unpublished internal document]. Corporate Strategic Planning Division, PT Telkom Indonesia.

PT Telkom Indonesia (Persero) Tbk. (2024). *Laporan Tahunan 2024: Transformasi Digital dan Tantangan Organisasional*. PT Telkom Indonesia. https://www.telkom.co.id/sites/about-telkom/id_ID/page/annual-report-2024

Putra Gifa, N. Z. (2024). *Human resource strategy development in facing challenges of digital transformation: Case study of PT Telkom Indonesia* [Master's thesis, Telkom University]. Telkom University Repository. http://repository.telkomuniversity.ac.id/

PwC. (2019). *AI Predictions 2019: Pwc's Annual Technology Forecast*. Pricewaterhousecoopers. https://www.pwc.com/us/en/services/consulting/library/artificial-intelligence-predictions.html

S&P Global Market Intelligence. (2025). *AI Experiences Rapid Adoption, But With Mixed Outcomes: Highlights from Voice of the Enterprise: AI & Machine Learning*. S&P Global. https://www.spglobal.com/market-intelligence/en/news-insights/research/ai-experiences-rapid-adoption-but-with-mixed-outcomes-highlights-from-voe-ai-machine-learning

Stack AI. (2025, December 11). *The 7 biggest AI adoption challenges for 2025*. Stack AI Research. https://www.stack-ai.com/blog/the-biggest-ai-adoption-challenges

Sun, X., Samad, S., & Murtaza, S. A. (2025). Leveraging AI-driven organizational interaction to foster employee green creativity: A human resource perspective. *Acta Psychologica, 260*, 105598. https://doi.org/10.1016/j.actpsy.2025.105598

Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal, 18*(7), 509–533. https://doi.org/10.1002/(SICI)1097-0266(199708)18:7

Tornatzky, L. G., & Fleischer, M. (1990). *The Processes Of Technological Innovation*. Lexington Books.

Venkatesh, V., & Bala, H. (2008). Technology Acceptance Model 3 And A Research Agenda On Interventions. *Decision Sciences*, *39*(2), 273–315. https://doi.org/10.1111/j.1540-5915.2008.00192.x

Vial, G. (2019). Understanding digital transformation: A review and a research agenda. *The Journal of Strategic Information Systems*, *28*(2), 118–144. https://doi.org/10.1016/j.jsis.2019.01.003

Verhoef, P. C., Broekhuizen, T., Bart, Y., Bhattacharya, A., Qi Dong, J., Fabian, N., & Haenlein, M. (2021). Digital transformation: A multidisciplinary reflection and research agenda. *Journal of Business Research*, *122*, 889–901. https://doi.org/10.1016/j.jbusres.2019.09.022

Westerman, G., Bonnet, D., & McAfee, A. (2014). *Leading digital: Turning technology into business transformation*. Harvard Business Review Press.

World Bank. (2025). *Indonesia Digital Economy Projections And Labor Skills Gap Analysis: 2025-2040 Outlook*. World Bank Group. https://www.worldbank.org/en/country/indonesia/publication/digital-economy-2025

XiaoWen, L., & Atour, T. (2025). Knowledge-Driven Digital Innovation In Supply Chains: An Organizational Perspective. *Journal of Innovation & Knowledge, 10*(1), 100787. https://doi.org/10.1016/j.jik.2025.100787