

## From Reactive to Proactive Decision-Making of Managers Through the Adoption of Artificial Intelligence in BPO Companies and Their Impact

**Isaias L. Borres**

Our Lady of Fatima University, Valenzuela City, Philippines

### Abstract

In a time of rapid digital transformation, business process outsourcing (BPO) companies are increasingly utilizing artificial intelligence (AI) to improve strategic decision-making and operational efficiency. Managerial decision-making in BPOs has traditionally been reactive, taking care of problems as they arise. However, the advent of AI technologies such as machine learning (ML), predictive analytics, and robotic process automation (RPA) has enabled managers to transition to proactive decision-making, which is characterized by foresight, prevention, and anticipation.

This study investigates how AI adoption transforms managerial decision-making practices in BPO organizations. Out of 150 managers, 133 were able to respond. Quantitative research design was applied, survey form was the main instrument. Metro Manila was the research locale. As a result, BPO firms experienced improved service quality, cost reduction, and greater responsiveness to client demands. A grand mean of 2.82 indicates a substantial impact on the adoption of artificial intelligence. With a high impact interpretation, the highest weighted mean, 2.88, reads, "AI technologies have significantly contributed to improving the overall customer experience." R-value of 0.89, indicating a substantial correlation between managers' use of AI technologies and their decision-making. The implementation of AI is ultimately responsible for the transformation of management decision-making in BPO firms from reactive to proactive. It is recommended that the BPO must invest in AI literacy and training programs, promote employee AI collaboration, and strengthen data governance, ethical policies and adopt predictive and prescriptive analytics.

### Keywords

Artificial Intelligence, Business Process Outsourcing, Decision-Making, Proactive Reactive, Predictive Analytics, Customer Satisfaction.