








The Role of AI in Emotion Regulation for Sustainable Organizational Growth: A Systematic Review

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Abstract. This paper provides a thorough exploration of current research trends on how AI-based emotion regulation helps in sustainable organizational growth. AI tools like affective computing, sentiment analysis, and emotion recognition enable real-time monitoring of emotions. Emotions related to mental health, leadership, and workplace resilience strategies. Looking at studies in psychology, management, technology indicate that these AI tools can help human beings in many ways. It showed reducing workplace stress, increasing productivity, and improving human resource practices. Although certain ethical concerns remain such as data privacy and security, algorithmic bias. This paper stresses the importance of tackling such issues while applying AI-based emotion management. AI can aid in building organizations that are emotionally balanced and productive sustainably. To make the most of AI's benefits in organizational context, various ongoing research is crucial to improve ethical guidelines.

Keywords: Cognitive computing, Cooperate development, Enduring, Sentiments, Quality of life

1 Introduction

AI technologies have improved efficiency, decision-making, and support for employees especially in organizational settings. AI tools on emotion management have proved enhancement in our mental health, leadership success, and workplace productivity. AI tools such as affective computing, sentiment analysis, and emotion recognition provided aid greatly for high workplace stress and burnouts. Such advanced tools have allowed us real-time tracking of our emotions and tailored actions to enhance employee well-being. This paper has looked into how such AI tools have been used to manage emotion regulation for employees, its ethical concerns and future research paths.

2 Literature Review

To enhance employee health, emotion regulation has been found to be crucial for achieving organizational aims [1], [2]. Therapy, emotional intelligence development, and coaching are some conventional approaches that were found to be effective. But they can be costly at the same time, consume a lot of time, and are often subjective. Sentiment analysis, natural language processing, and affective computing provide scalable and dependable alternatives for AI methods [3]. Fairness in application, algorithmic bias, data privacy, data security are some ethical concerns which are involved.

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2.1 AI and Emotion Regulation

AI-driven performance tracking can significantly enhance employee well-being and their productivity biometric data such as voice, facial expressions, heart rate, body movements. Artificial intelligence reducing absenteeism, increasing job satisfaction and prediction of mental health was proven by various researchers [4]. AI analyzes communication aids in detecting shifts in morale and disengagement for leadership and collaboration, such as emails, meetings, chat logs. AI in organizational settings helps leadership growth by promoting empathy, communication abilities, and cultural sensitivity [5], [6]. Real-time feedback and emotion-based assessments of human resource strategies can greatly predict burnout and disengagement. Fostering psychological safety at work and enabling customized employee assistance programs (EAPs)

2.2 Ethical challenges

Constant monitoring of privacy and surveillance can erode employee trust, hence strong data management practices and informed consent are essential [7]. Not only that, unfair results can be caused by algorithmic bias and fairness biased datasets may misrepresent emotions. Which is why diverse datasets, audits, feedback systems are much needed [8]. To avoid various biases, AI should encourage diversity, inclusion and anti-bias initiatives in workplace settings.

2.3 Emotions and AI on sustainable organizational growth

AI-driven emotional management promotes emotional awareness, social inclusion, and adaptive leadership benefits by supporting the achievement of sustainable development goals (SDGs). They also include various benefits like enhancing mental health, innovatively intelligent and sustainable organizational cultures.

3 Purpose of the Study

The study aims to explore how AI aids for sustainable organizational development in the area of emotion management. Drawing knowledge of various studies from psychology, technology, and management. Looking at various applicable AI solutions for boosting well-being, leadership, and workplace sustainability. Therefore attempting to identify benefits, challenges, and ethical issues of AI in emotion management and positioning AI for a long term success as a trusted creator. Intending in highlighting literature gaps and directions for future research development.

4 Methodology

This systematic review followed and ensured transparency, reproducibility, and methodological rigor of the PRISMA 2020 guidelines and format. A deep understanding and literature search was conducted in Scopus, Web of science, Google scholar, and IEEE Xplore databases, while combining keywords such as AI, Emotion regulation/management, organization/workplace well-being, leadership and employee productivity. The study covered articles published between the years January 2003 to April 2025, while for inclusion only articles between 2023 and 2025 were selected for better current insights and updated trends. Excluding non-english publications and studies outside organizational context and without systematic basis.

Each study that was included was assessed using standardized quality check, evaluating relevance to AI-driven emotion regulation and organizational growth, methodological rigor, transparency of reporting and ethical considerations of data privacy, algorithmic accountability, informed consent.

5 Result and Discussion

This study has proposed combining emotional intelligence (EQ) and AI literacy, incorporating both AI and EQ for sustainable developmental goals (SDGs), promoting emotional intelligence that encompasses AI-awareness, especially in fields like education, health and environment. However, it relied on a mixture of organization and policy documents greatly but lacked direct empirical evidence of interventions between AI and EQ. Pointing out algorithmic tension and human-centered EQ aiming empathy and wellbeing, warning highly on automation might lead to removal of human element from SDG efforts. Proposing “SDG 18” that calls for a formal new SDG-like objective that focuses on the ethical integration of both AI and EQ, having a policy of distinctive and thought-provoking ideas. Reinterpreting EQ as a skill for navigating human AI interactions AI plus EQ and not merely a social skill. Shifting EQ to socio-technical expertise from mere social abilities. It would benefit the future, if AI plus EQ education is carried out that might enhance health/education outcomes related to AI. Such can highly be relevant to policymakers, curriculum creators, and AI ethical communities as well as tech literacy programs. Despite that, it needs empirical studies evaluating and comparing traditional EQ training and AI-aware EQ training, observing whether it changes behavior, resulting SDG indicators and any measurable decrease in harmful proposed frameworks but does not investigate mechanisms [9].

A systematic PRISMA reviewed paper on emotion regulation (ER) models from the year 2019 to 2023 identifies 10 ER models from 139 relevant articles. The paper identified that Process Model and Difficulties in Emotion Regulation was mostly being used as well as cognitive strategies were found to be widespread. Since, the PRISMA-based screening method is straightforward, combining dual-reviewer data extraction and categorization of strategies or goals as identified as strong methodological clarity. Significant foundational research may be skipped as the paper concentrated only on the past 5 years (2019-2023). It furthermore excluded studies that only validate scales, that may lead to neglect discussions on measurements. The authors also note a certain confusion in the emotion regulation literature such as diverse definitions and goals- hedonic vs instrumentals eudaimonic, that might lead to inconsistent operational meaning among studies. Despite all that, they reintroduced an aristotelian/eudaimonic critique, indicating that emotion regulation goals should include growth oriented eudaimonic aims. For future benefits a clearer classification of emotion regulation strategies and goals may increase design interventions like therapy, workplace, training. Aligning all these with strategies with desired long-term results of wellness vs performance. The research gap in this study is that the paper needs empirical companies among models and standardization of measurement such as standardized tools linked to taxonomy and lastly longitudinal research should be given importance for connecting strategies to eudaimonic results [10].

This comprehensive review identified around 64 important articles that explored the effects of AI on society and organizations, particularly in employment, social inequality, surveillance, and human machine interactions. However there are also limitations to such Q1 journals ensuring quality but, the relevance of insights on new AI developments may be affected since it might miss some regional and practical literature as well as preprints. Such highlights the role of AI advancements in our environment and labor issues in Global South, algorithms, surveillance capitalism. Pointing to depths of sociopolitical

issues that cannot be resolved through technical means only. The paper has merged bibliometric mapping using VOSviewer with thematic categories to showcase clusters of research beneficial for spotting empirical gaps like affective well-being compared to professional skills. Supporting sociotechnical governance that goes beyond just explaining the need to address political economy, decolonial perspectives, and public trust. The future benefits of this paper is that it is providing a roadmap for interdisciplinary research efforts like policy, sociology and HCI. Motivating organizations to implement system-wide strategies to reduce AI-related harms such as labor protections, and transparency. Which is useful for policymakers and organizational leaders in focusing on interventions reskilling programs and governance models that align with the clustered evidence in this study. This study further needs some additional empirical research on AI's psychosocial effects that are affective well-being, cultural biases in LLMs, and A long term investigation into labor displacement versus reskilling outcomes [11].

This article explored intensive reviews on 634 studies that focused on emotional and physical states using AI, and utilizing the Plutchik's wheel as a guide. Noting variability among sensors and groups, making comparisons challenging, while introducing the AFFECT model of 30 dimensions to cover a wide range beyond valence-arousal alone. Although trustworthy contact sensors such as EEG/ECG clash with scalability of non contact methods like video and audio. The study demonstrated a city-level happiness index that merges environment data with our emotion detection. It might benefit if cloud-edge hybrid systems present opportunities for smooth applications in healthcare as well as in small cities. However there is a demand for standardized datasets with continuous labeling and the dangers of constant surveillance and poorly documented missing data in many primary studies [12].

Research highlights that emotional Intelligence (EI) is associated with improved engagement and productivity and recommends HR strategies based on EI. There are certain short conference-style papers that suggest a format for rapid publication, to which thorough methods or sampling information may be limited, requiring further detail on metrics and effect sizes. Noting that effect sizes vary by job category, emotional intelligence has stronger influence in positions requiring interactions with customers and emotional labor as compared to purely technical jobs. Purely supporting EI impact claims with the actual HR data engagement and productivity, and connecting it to organizational KPIs most valuable for practitioners. It will be beneficial in the future if replicated with robust designs, EI initiatives could be evaluated vs ROI indicators like absenteeism and throughput to justify training investments significantly. Adopting such suggested EI screening/training methods to improve hiring and skill enhancement for HR teams, learning and development departments, and managers. However, the study requires randomized controlled trials and cost-benefit analyses to move from correlation to causal policy recommendations [13].

Various articles were combined in a pdf to discuss chatbots that can understand emotions such as EmoSen systems and LLMs designed to handle feelings in conversation. Which showed several potential for customer service and mental health assistance. There were ethical concerns as well like the possibility of deceiving users, concerns about data privacy, and reliance on bots for emotional support which evaluation often overlook such long-term effects. Creating tension between improved access to emotional support through scalable chatbots and dangers of lowering the quality of human care or substituting any qualified professionals. Considering chatbots as tools for managing emotions and further benefits comes with appropriate guidelines such as ethical standards, referrals to humans, that can improve customer service outcomes and assist mental health assessments in challenging environments. Establishing referral procedures and making clear what bots can accomplish and the need for randomized

controlled trials that compare chatbot interventions. Focusing on well-being, seeking help, and the occurrence of harm involving only humans [14].

This study has employed VOSviewer bibliometrics demonstrating how AI affects reskilling/upskilling, hard/softskills, emotional/professional well-being, that showcased clustered topics and research intensity. Although there is a risk of mistaking density for proof of effectiveness, bibliometric maps showed where literature exists, not in strength or quality of the findings. Most findings of several studies have emphasized reskilling over upskilling or psychosocial outcomes revealing a bias towards skills in both practice and research. Highlighting neglected areas such as emotional well-being and psychosocial research. It will benefit if the map allows researchers to concentrate on less-explored intersections such as AI with emotion labor for meaningful contributions. Allowing funders and program designers to allocate resources to neglected but important issues of employee emotional well-being. There is a further demand for mixed-method longitudinal studies that may integrate bibliometric findings with case-based evidence regarding worker well-being outcomes [15].

This paper's narrative review connects emotional intelligence (EI) abilities with various leadership styles and job satisfaction outcomes in various fields. EI abilities such as self-awareness, regulation, empathy and leadership styles such as transformational, transactional, laissez-faire. Although the method of the study used is narrative rather than systematic, the selection criteria and evidence assessment were not reproducible completely. While they tried to acknowledge empirical differences exist, they did not go through meta-analysis. The study also showed conflicting findings in regard to laissez-faire and transactional leadership, as EI can reduce negative effects of laissez-faire sometimes, such impacts may vary depending on the context. It suggested that EI acts as both personal skill and a part of contributor that affects leadership effectiveness and combines moderating factors such as organizational culture, job emotional labor and social support. It also promoted greatly in involving EI training in leadership development and recruitment practices such as EQ-based hiring and various tailored training. The takeaway from this study is that incorporating EI evaluations and leadership paths together could boost retention, reduce burnout, enhance adaptive performance in organizations. Which is quite relevant for HR professionals suggesting EI-informed hiring, customized leadership training programs, and industry-specific EI advancement [16].

This article gathers papers on algorithmic management, oversight, and changes in management emphasizing various impacts on work, fairness, and employee autonomy. While many studies are either theoretical or case studies and challenges for algorithmic management. However, bringing governance viewpoints into light that might expand the discussion from labor economics to social justice and rights that further benefits well-designed algorithmic management. Enhancing practical recommendations for HR/Operations include monitoring bias/inequality and implementing AI algorithmic systems. Hence, long-term empirical studies are urgently needed to evaluate mental impacts before and after introducing algorithmic management [17].

This article reviewed emotional AI (EAI) systems that enhance customer engagement, proposing a five-level framework of signal capture, emotion recognition, adaptive interaction, ethical supervision, and strategic coherence. However, the literature lacks empirical evidence from real-world use theoretical and literature-based, as well as evaluation on the advantages of personalization against the risk of surveillance, bias and emotional manipulation. Meanwhile it introduced multi-faceted applicable structures that connect technical, ethical, and strategic elements of emotional AI and provide instances

in organizational services where fast emotional insights improve key performance detectors. EAI enables future benefits by hyper-personalization, faster customer resolution and stronger emotional ties. Also highlighting the need for long-term studies on the effects of EAI and clear regulatory ethical standards on emotional data management [18].

6 Conclusion

AI-driven emotion management is an important part of building a sustainable and people-centered organization, not merely a technology improvement. Utilizing such methods to spot burnout early, improve psychological safety and encourage emotional intelligence leadership, that aids in better employee productivity and enhancement. Supporting organizations to use effective computing, sentiment analysis, and emotion recognition. However, such transformation comes along with challenges like constant monitoring can harm employee trust, unchecked algorithm bias can increase inequalities. Hence, findings of this review show that embracing methods such as ethical, inclusive, human-centered AI is crucial and important to unlock its potential. Also playing a vital role for both organizational strength and societal well-being. Therefore, in conclusion workplaces, combining organizational goals with employee mental health and supporting global Sustainable Development Goals (SDGs).

6.1 Limitations and Research Gaps

The reviewed literature focused mostly on recent published articles, leading to recency bias and studies was limited to organizations in Global South. Lacking longitudinal evidence, since only limited studies provided long-term data effects on the AI-driven emotion regulation and organizational ties. Lastly over reliance on surveys rather than objective measures that could introduce bias or social desirability effects.

For evaluating AI-based emotion management in organizations, no such worldwide accepted system or classification is there. In order for cross-cultural validity more studies are needed to find out how cultural factors affect the findings of AI and emotion regulation. Also there are only few studies on how AI monitoring affects employee freedom, motivation and trust, as well as effects of AI and emotion Intelligence training on leadership effectiveness.

6.2 Future Recommendations

Longitudinal studies should be conducted over years to see data on how AI-based emotion regulation management affects workplace health and employee happiness. Randomized controlled trials experimental research should also be conducted to find the cause and its effect on employee retention, job satisfaction, employee productivity and resources. Develop clear rules for ethical AI data privacy, fairness and transparency for building employee trust. Further research should focus not only on employee productivity but also on emotional resilience, mental health and emotional management across various sectors and inclusion for different culture contexts.

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