

AI–Business Strategy Alignment and Organizational Performance: Evidence and Implications from the Malaysian Context

¹. Prof. Dr. Vijayakumaran Kathiarayan, ². Prof. Dr. P. Ravindran Pathmanathan
³. Assoc. Prof. Dr. Venkatesh Karanam

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Abstract

Organizations across Malaysia are channelling substantial capital and managerial attention toward artificial intelligence (AI), yet a persistent gap separates investment volume from realized business value. This study examines the relationship between AI–business strategy alignment and organizational performance within the Malaysian setting, with the intent of identifying what alignment actually involves, how it affects performance, and what forces prevent firms from achieving it. Drawing on a qualitative synthesis of peer-reviewed scholarship, industry survey data, national policy documents, and documented organizational cases from financial services, manufacturing, and telecommunications, the analysis identifies five interconnected alignment mechanisms: senior leadership commitment, data governance maturity, cross-functional organizational structure, workforce capability development, and performance measurement discipline. When these mechanisms reinforce one another and are oriented toward shared strategic objectives, firms demonstrate measurable gains in operational efficiency, innovation capacity, decision-making quality, and competitive positioning. Conversely, when any mechanism is absent or misaligned, AI systems remain fragmented, underutilized, and unable to generate the strategic returns expected of them. Malaysia's national policy architecture—including the National AI Office, the National AI Action Plan 2030, and the broader AI Nation aspiration—provides an important enabling context, but the distance between national intent and organizational capability remains the central challenge. The paper concludes with practical guidance for business leaders and policymakers seeking to close this gap.

Keywords: *strategic alignment, artificial intelligence, organizational performance, business strategy, Malaysia, digital transformation, AI adoption*

I. Introduction

The intersection of artificial intelligence and business strategy has become one of the more consequential topics in contemporary management research. Across industries and geographies, firms are committing resources to AI at a pace and scale that would have seemed implausible a decade ago. In Malaysia, this trend is amplified by an assertive national digital agenda. The government has signalled an intent to position the country as a regional AI hub, backed by concrete institutional commitments such as the establishment of the National AI Office and the articulation of an AI Nation ambition with a 2030 horizon (Anwar Ibrahim, 2025; Malaysia Ministry of Digital, 2025). These policy signals have, in turn, encouraged private sector adoption, and AI investment across Malaysian industries has grown considerably.

Yet the relationship between AI investment and organizational payoff is neither straightforward nor automatic. Evidence from across the Asia-Pacific region suggests that roughly seven out of every ten AI projects fail to produce the business value that was initially anticipated, and the most commonly cited cause is the absence of coherent strategic alignment (HP, 2025). In Malaysia specifically, surveys show that while AI adoption has spread to approximately 27 percent of businesses, only 12 percent of large enterprises maintain a comprehensive AI strategy, and the vast majority of AI-deploying firms remain anchored to basic efficiency improvements rather than using AI to generate innovation or new competitive advantage (AWS, 2025). This pattern indicates something more fundamental than technical shortcomings: organizations are adopting AI without adequately connecting it to what they are actually trying to achieve as enterprises.

Strategic alignment, in the sense understood by management scholars, refers to the extent to which an organization's technological resources, internal processes, and overarching business objectives mutually reinforce one another (Henderson & Venkatraman, 1993). When this reinforcement is present, technology investments tend to amplify

strategic intent. When it is absent, even technically sophisticated systems produce little of lasting value. The purpose of this paper is to examine how that alignment—or its absence—manifests in the Malaysian organizational context, what performance consequences follow, and what can be done to improve alignment quality at both the firm and policy levels.

Three questions guide the inquiry. How do Malaysian firms currently approach the alignment of AI initiatives with their broader business strategies? What performance outcomes can be observed in organizations that achieve stronger versus weaker alignment? And what factors most consistently obstruct effective alignment? Addressing these questions draws on a synthesis of academic literature, policy frameworks, industry survey data, and sector-specific organizational observations. The remainder of the paper is structured as follows: Section 2 reviews the theoretical foundations of strategic alignment and AI as a strategic resource; Section 3 describes the methodological approach; Section 4 presents findings organized around alignment mechanisms and performance effects; Section 5 discusses managerial and policy implications; and Section 6 concludes.

II. Literature Review

2.1 The Strategic Alignment Tradition

Scholars have examined strategic alignment as a determinant of organizational performance for several decades, but the concept was given its most durable theoretical form by Henderson and Venkatraman (1993), whose Strategic Alignment Model (SAM) organized the challenge around four domains: business strategy, IT strategy, organizational infrastructure, and IT infrastructure. The SAM argues that value is generated not through any single domain in isolation but through the quality of the linkages between them, specifically the strategic integration between business and IT strategy and the functional integration between organizational and IT infrastructure. Organizations that sustain high alignment across these linkages consistently demonstrate superior performance outcomes compared with those that allow the linkages to weaken or fragment.

Importantly, alignment is not a fixed condition that, once achieved, can be maintained without effort. Teece et al. (1997) established through their dynamic capabilities framework that competitive environments are in continuous motion, and organizations must develop the capacity to sense shifts, seize opportunities, and reconfigure internal resources accordingly. Strategic alignment, under this view, is a dynamic capability—an organizational competence that must be exercised repeatedly and

deliberately as both the external environment and the firm's internal resource base evolve. This has direct implications for AI: as AI technologies themselves change rapidly, and as the competitive landscape they create shifts underneath firms, alignment cannot be achieved once and then set aside.

2.2 AI as a Strategic Asset

Contemporary strategy research has moved beyond treating AI as simply another tool in the technological toolkit. The resource-based view, originating with Barney (1991), holds that resources generate sustained competitive advantage only when they meet four criteria: they must be valuable, rare, difficult to imitate, and non-substitutable. AI systems that are built around proprietary organizational data, trained on domain-specific problems, and embedded within well-governed operational processes can meet all four of these criteria. This elevates AI from a commodity input to a genuine source of competitive differentiation.

The distinctive capabilities that AI offers—including large-scale data processing, continuous learning and adaptation, predictive and prescriptive analytics, and the capacity to support complex decisions under uncertainty—are not self-activating (Almheiri et al., 2024). They require deliberate embedding within organizational strategy, governance, and operating processes before they translate into value. AI deployed without strategic coherence generates technical outputs that have no necessary connection to what the organization is trying to accomplish. The result is an expensive capability that does not function as a strategic asset, because no one has ensured that it is pointed in a strategically meaningful direction.

2.3 Dimensions of AI–Strategy Alignment

Drawing together insights from the alignment literature and the emerging body of research on AI governance, four interconnected dimensions of AI–strategy alignment can be identified. The first concerns strategic intent: AI initiatives must be oriented toward long-term organizational goals rather than toward technological sophistication for its own sake. This requires explicit articulation of what AI is expected to accomplish, translation of that intent into specific initiatives, and measurement systems that connect AI outputs to business value (Microsoft, 2026).

The second dimension concerns organizational structure. Roles, responsibilities, decision rights, and coordination mechanisms must facilitate rather than inhibit AI integration. Where AI is developed by isolated technical teams with limited connection to business units, alignment suffers. Cross-

functional mechanisms—steering committees, centers of excellence, embedded AI liaisons within business functions—help to integrate AI development with strategic decision-making.

The third dimension is technological infrastructure. AI systems must be able to access the data they need, scale when required, and integrate with the organization's existing information ecosystem. Fragmented data architectures, legacy platforms, and interoperability failures all constrain alignment by preventing AI from reaching strategically relevant data (Sira, 2025).

The fourth dimension is human capability. Technical expertise alone is insufficient; what organizations also require is strategic AI literacy—the ability of managers and employees at various levels to evaluate AI outputs in relation to business objectives, identify where AI can usefully be applied, and translate strategic requirements into AI specifications (Yim & Selimin, 2025). Research on the strategic alignment gap across enterprise AI implementations found that this gap—averaging 80 percent across studied organizations—substantially exceeded gaps in technology integration, financial optimization, and human capital development (Sira, 2025). Misalignment, in other words, is not a peripheral problem; it is the central obstacle to AI value creation.

2.4 Performance Consequences of AI Alignment

The empirical literature on AI and organizational performance in Malaysia, while still maturing, offers early but consistent evidence. A study of public sector service organizations established that AI contributes to organizational performance improvements when supported by employee competency and appropriate ICT strategy, with employee performance serving as a mediating variable between AI adoption and organizational outcomes (School of Graduate Studies, Management and Science University, 2025). Research among Malaysian SMEs found that the quality of AI-generated information—its accuracy, currency, and relevance—amplifies the positive relationship between market orientation and performance, enabling organizations to adapt their strategies more responsively to competitive conditions (Journal of the Knowledge Economy, 2025). In the manufacturing sector, studies of AI adoption in Malacca found significant positive associations between AI use and employee performance across multiple dimensions (Yim & Selimin, 2025). Taken together, these findings support the theoretical proposition that AI contributes to organizational performance when it is integrated into strategic processes rather than deployed in isolation (Pavithran et al., 2025).

III. Methodology

This study employs a qualitative, interpretive research design based on the thematic synthesis method described by Thomas and Harden (2008). Thematic synthesis is appropriate when the aim is to integrate findings across multiple heterogeneous sources in order to generate analytical themes that go beyond simple description and speak directly to the research questions. This approach is particularly suited to the present inquiry, where no single data source provides a comprehensive picture of AI–strategy alignment across the Malaysian organizational landscape, but where multiple partial perspectives—academic literature, policy documents, industry surveys, and organizational case observations—can be combined to yield a more complete understanding.

Three categories of source material inform the analysis. The first is peer-reviewed academic literature identified through searches of Google Scholar, Scopus, and SpringerLink using terms including strategic alignment, artificial intelligence, business strategy, organizational performance, and Malaysia. Priority was given to works published between 2020 and 2026, with foundational theoretical works from earlier periods included where directly relevant. The second category is industry and policy documentation, including reports from the Federation of Malaysian Manufacturing, Amazon Web Services, Microsoft, MyDIGITAL Corporation, the National AI Office, and the Malaysia Ministry of Digital. These sources capture current adoption patterns and the direction of national policy in ways that peer-reviewed scholarship, given its publication lag, cannot fully reflect. The third category is documented organizational cases from key sectors—banking, manufacturing, and telecommunications—that illustrate how alignment mechanisms operate, or fail to operate, in concrete institutional settings.

Analysis proceeded through three stages: initial coding of source materials to capture recurring concepts and themes; organization of codes into descriptive categories; and development of analytical themes that directly address the three research questions. Throughout the analysis, particular attention was paid to contextual factors specific to Malaysia, including national policy frameworks, sectoral adoption patterns, and institutional characteristics that shape how alignment is pursued and what obstacles it encounters.

IV. Findings and Discussion

4.1 How Malaysian Firms Approach AI–Strategy Alignment

4.1.1 Leadership Commitment as the Foundation of Alignment

Organizations that achieve meaningful alignment between AI and business strategy consistently demonstrate one common characteristic: the active engagement of senior leadership in defining the strategic purpose of AI, not merely approving its budget. Where AI is championed at the executive level with a clear strategic rationale, it is more likely to be integrated into enterprise planning processes, to receive the organizational authority needed to cross functional boundaries, and to be measured against business outcomes rather than technical benchmarks. The financial services sector in Malaysia provides instructive examples of this dynamic.

Maybank's RM1.0 billion partnership with Microsoft, structured over a five-year horizon, was framed from the outset as a strategic initiative rather than a technology procurement exercise. The bank's Group CEO articulated its purpose in explicitly strategic terms: constructing an organizational environment capable of competing with greater agility and sustainability (Maybank, 2025). This top-down framing matters because it signals to the broader organization that AI is a strategic priority, not a departmental experiment, and it creates the conditions under which AI can be integrated across functions rather than siloed within them. In contrast, where AI adoption is championed primarily by technical teams or middle management without executive sponsorship, it tends to remain localized and disconnected from strategic decision-making.

4.1.2 Data Infrastructure and Governance Readiness

The quality of an organization's data infrastructure and governance arrangements is a critical determinant of whether AI can be aligned with strategic objectives. If AI systems cannot access accurate, complete, and timely data relevant to the decisions they are asked to support, they cannot generate insights that bear on what the organization is actually trying to achieve. Research on AI readiness among Malaysian SMEs identified data management capability—encompassing data quality, accessibility, and security—as a significant predictor of successful AI adoption (Mohd Noor et al., 2025).

The manufacturing sector illustrates the infrastructure challenge in concrete terms. A Federation of Malaysian Manufacturing survey found that only 32 percent of Malaysian manufacturers have implemented Industry 4.0 technologies, with fragmented data systems across facilities and legacy

infrastructure that complicates AI integration among the most commonly cited obstacles (FMM, 2025). When data architectures are fragmented, AI systems cannot access the integrated datasets needed to generate enterprise-level strategic insights; they are confined to producing localized optimizations that do not aggregate into strategic value. The case of Ryt Bank illustrates what becomes possible when infrastructure is designed for AI from the outset rather than retrofitted. As Malaysia's first AI-native bank, Ryt Bank built its proprietary large language model—trained on localized datasets and integrated into a purpose-built cloud architecture—as a foundational element of its business model rather than an add-on (TokenRing, 2026). The alignment between strategic intent and infrastructure is, in this case, complete rather than aspirational.

4.1.3 Workforce Capability and Cross-Functional Collaboration

Strategic alignment requires human expertise as much as it requires technology and data. Organizations that invest systematically in building AI capabilities across their workforce are better positioned to integrate AI into strategic processes, because they have personnel who can translate strategic objectives into AI requirements and evaluate AI outputs against business criteria. Conversely, where AI expertise is concentrated in isolated technical teams with limited connection to strategy or operations, alignment remains partial even when the underlying technology is capable.

Agilent Technologies' smart factory in Penang offers one of the more striking documented examples of what workforce-oriented alignment investment can produce. The organization committed to upskilling 88 percent of its local workforce through a structured digital training programme and subsequently achieved a 40 percent increase in productivity alongside a 48 percent reduction in delivery lead times (Bernama, 2025). The scale of the workforce development commitment is notable: rather than training a small specialist team and leaving the broader workforce to adapt around AI, the organization treated human capability development as an investment of comparable importance to the technology itself. Data from the broader Malaysian business community suggests this approach remains exceptional: 52 percent of businesses cite the lack of skilled personnel as the primary barrier preventing AI adoption or expansion (AWS, 2025).

4.1.4 Performance Measurement and Strategic Accountability

A fourth dimension of alignment concerns the extent to which organizations measure AI

performance against strategic objectives rather than purely technical metrics. Organizations that establish explicit key performance indicators connecting AI initiatives to business value creation are able to evaluate whether AI investments are achieving their intended purpose, learn from what is and is not working, and make evidence-based decisions about scaling, redirection, or termination. Research suggests that fewer than 20 percent of organizations currently track AI performance indicators against strategic objectives (Sira, 2025), meaning that most firms are investing in AI without the measurement infrastructure needed to know whether those investments are working.

RHB Bank's digital transformation programme illustrates the alternative. The bank tracked a specific set of metrics directly connected to strategic objectives around customer acquisition and operational cost efficiency: full application submissions increased by 288 percent, product approvals by 191 percent, digital sales exceeded targets by 68 percent, and acquisition costs fell to a fraction of their traditional channel equivalents (The Asian Banker, 2026). These are not technical AI performance metrics; they are business performance metrics that reflect the strategic purpose for which the AI-enabled systems were deployed. This kind of measurement discipline makes alignment observable and actionable rather than merely aspirational.

4.2 Performance Effects of Strategic AI Alignment

4.2.1 Operational Efficiency

The most immediately visible performance effect of aligned AI deployment is operational efficiency. When AI systems are pointed at genuine operational bottlenecks and integrated into the workflows responsible for those bottlenecks, they reduce cycle times, eliminate redundant steps, and enable the reallocation of human effort toward higher-value activities. The Malaysia Productivity Corporation's AI for Productivity Transformation Programme, implemented in collaboration with automotive industry associations, significantly reduced the time required for production performance monitoring and preparation, freeing operational staff to focus on value-adding work (The Sun, 2025). Survey evidence suggests that 72 percent of Malaysian businesses that have adopted AI report significant productivity improvements, and 67 percent anticipate cost savings averaging 15 percent (AWS, 2025), though these gains are more pronounced in organizations that have moved beyond basic AI use cases toward integrated strategic deployment.

4.2.2 Innovation Capacity

A less immediately visible but arguably more significant performance effect of alignment concerns innovation. Organizations that have integrated AI into their strategic frameworks are better positioned to translate the insights AI generates into new products, services, or business models, because they have established the organizational processes and governance arrangements needed to act on data-generated insights rather than simply observe them. Evidence from Malaysian businesses indicates that only about 10 percent of AI-adopting firms have reached a stage where AI functions as a core component of product development and business model design (AWS, 2025). However, this group appears to capture disproportionately large returns: research suggests that generative AI delivers returns more than ten times the investment among leading adopters, a ratio substantially exceeding what basic adopters achieve (Microsoft, 2025).

4.2.3 Decision-Making Quality

When AI systems are configured to support the specific decisions that matter most to an organization's strategic success, and when the people using those systems have the capability to interpret and apply AI outputs intelligently, decision quality tends to improve in terms of both timeliness and accuracy. Research on AI adoption in Malaysian manufacturing found that the associations between AI use and employee performance were strongest when AI tools were designed to align with user workflows and decision needs (Yim & Selimin, 2025). The implication is that technically capable AI systems that are not aligned with how decisions are actually made—and by whom—tend to be underutilized and thus fail to influence decision quality regardless of their technical sophistication.

4.2.4 Competitive Positioning

Organizations that integrate AI into their strategic frameworks are better equipped to respond to competitive shifts and to build capabilities that are difficult for competitors to replicate. Digital Nasional Berhad achieved validation of Level 4 autonomy in 5G network service assurance, enabling real-time AI-driven optimization of network performance that positions the organization to deliver 5G connectivity at globally competitive cost levels (Onag, 2025). This capability is not merely an operational achievement; it is a strategic asset that is difficult for competitors without comparable AI-infrastructure integration to replicate quickly. Strategic alignment, in this sense, builds competitive barriers as well as operational efficiencies.

4.3 Obstacles to Effective AI–Strategy Alignment

4.3.1 Fragmented and Uncoordinated AI Adoption

The most prevalent alignment failure in Malaysian organizations is not that AI is adopted badly, but that it is adopted in fragments. Departments pursue AI initiatives independently—customer service automation here, inventory optimization there, predictive maintenance elsewhere—without any overarching strategic framework that coordinates these initiatives or ensures they contribute to shared organizational goals. The result is a portfolio of local optimizations that do not sum to enterprise-level value. Survey data indicate that 73 percent of AI-adopting Malaysian businesses remain focused primarily on basic efficiency use cases rather than innovation-driven or strategically integrated applications (AWS, 2025). This fragmentation reflects the absence of enterprise-level AI strategy: without a clear articulation of how AI creates value at the organizational level, AI adoption defaults to uncoordinated bottom-up experimentation.

4.3.2 Talent Deficits Across Technical and Strategic Roles

The shortage of AI-capable talent is a well-documented challenge across Malaysia. What is perhaps less well appreciated is that the talent deficit encompasses not only technical roles—data scientists, machine learning engineers, AI developers—but also the strategically oriented roles that are most critical for alignment: AI product managers, business translators who can communicate between technical teams and strategy functions, and executives with sufficient AI literacy to evaluate strategic AI decisions. Fifty-two percent of Malaysian businesses identify the lack of skilled personnel as the primary barrier to AI adoption or expansion (AWS, 2025). The National AI Action Plan 2030 targets the development of 5,000 digital entrepreneurs as part of its talent strategy (Anwar Ibrahim, 2025), but this target, while valuable, is unlikely to close a talent gap of the scale that comprehensive AI adoption across Malaysian industry would require.

4.3.3 Financial Constraints Among Smaller Enterprises

The costs associated with meaningful AI adoption—not only software acquisition but also data preparation, infrastructure modernization, and workforce development—remain prohibitive for many Malaysian SMEs. While the expansion of data centre infrastructure in Malaysia is gradually reducing the cost of cloud computing and AI-as-a-service platforms (Sikh Shamsul Ibrahim Sikh Abdul Majid, 2025), upfront investment requirements continue to create barriers that push smaller enterprises toward either

avoiding AI adoption altogether or pursuing it in the limited, fragmented ways that preclude strategic alignment.

4.3.4 Cultural and Organizational Resistance

Research in Malaysia's financial sector found that only 20 percent of C-suite executives actively engage with generative AI tools, a finding that reveals a meaningful leadership engagement gap at the very organizational level where strategic direction is set (Musa et al., 2025). When leadership does not engage, workforce resistance to AI adoption tends to intensify: employees reasonably interpret a lack of executive engagement as a signal that AI adoption is a technical initiative rather than a strategic priority, and they calibrate their own engagement accordingly. Addressing resistance requires more than change management communication; it requires organizations to articulate a coherent narrative about why AI matters to the enterprise, how it will affect employees' work, and what role employees will play in AI-augmented ways of working.

V. Implications

5.1 Implications for Organizational Leaders

For managers seeking to improve AI–strategy alignment in their organizations, the evidence points toward several priorities. The starting point must be strategy rather than technology. Before evaluating tools, platforms, or vendors, leaders should invest effort in answering foundational questions: Where in the organization can AI create the greatest strategic value? What specific decisions or processes would benefit most from AI augmentation? What metrics would indicate that AI is contributing to strategic objectives? The maturity model literature suggests that organizations at higher alignment stages begin with these strategic narrative questions rather than technology selection (Microsoft, 2026).

Beyond strategic clarity, governance matters. Establishing cross-functional AI governance structures—steering committees with genuine decision rights, clear accountability for AI initiative performance, and integration of AI planning within broader enterprise strategic planning processes—helps to prevent the fragmentation that is the most common alignment failure. The Scaled Agile Framework has emerged in the Malaysian context as one effective mechanism for aligning AI development and deployment with enterprise strategy across multiple business units (AgileAsia, 2026), though governance design should be adapted to each organization's size, structure, and strategic priorities.

Workforce development deserves investment at a scale commensurate with technology investment. The Agilent Penang experience—in which nearly the

entire local workforce was upskilled before the organization sought to leverage AI for strategic performance gains—illustrates a commitment to human capability development that is unusual and instructive (Bernama, 2025). Organizations that treat workforce development as an afterthought to technology acquisition consistently find that their AI capabilities are underutilized because their employees lack the competence or confidence to apply them.

5.2 Implications for Policy

At the policy level, the evidence suggests several directions for strengthening the enabling environment for AI–strategy alignment. Sector-specific alignment guidance would be valuable: the National AI Office is well positioned to develop tailored frameworks for different industries, recognizing that the alignment challenges facing a manufacturing SME differ materially from those facing a large financial institution. Generic guidance tends to be insufficiently actionable for organizations with specific sectoral contexts and constraints.

Incentive structures should be redesigned to reward alignment quality rather than merely adoption volume. Grants, tax incentives, and subsidized access to AI services should be linked to evidence of strategic planning discipline, performance measurement frameworks, and workforce development investment, not simply to the acquisition of AI hardware or software. This shift would encourage organizations to approach AI adoption strategically rather than treating incentives as a procurement subsidy.

Talent development targets should be scaled to reflect the actual magnitude of the challenge. Malaysia's existing digital talent initiatives are valuable, but the scale of AI capability development required across the breadth of the economy significantly exceeds what current targets envision. Building AI competency at the strategic and managerial levels—not only at the technical level—deserves particular attention, since it is strategic AI literacy rather than technical AI expertise that most directly determines alignment quality. The AI Malaysia platform, which facilitates collaboration across business, academia, and government, provides a useful institutional foundation for developing and disseminating this kind of competency (CRN Asia, 2025).

VI. Conclusion

The central argument of this paper is that AI creates organizational value not through technical sophistication alone but through alignment—the deliberate and sustained coordination of AI capabilities with business strategy, organizational structure, governance processes, human expertise, and

performance measurement. The evidence from Malaysia supports this argument consistently: organizations that invest in alignment experience tangible performance gains in efficiency, innovation, decision quality, and competitive positioning, while those that adopt AI without it tend to find their investments generating limited and fragmented returns.

The scale of current misalignment in Malaysia is substantial. Only a small fraction of large enterprises maintain comprehensive AI strategies; the overwhelming majority of AI-deploying firms remain anchored to basic use cases; and the project failure rate across the region reflects a fundamental disconnect between technological investment and strategic intent. These figures suggest that the alignment gap, rather than the technology availability gap, is the binding constraint on realizing AI's potential across the Malaysian economy.

Malaysia's national policy framework—encompassing the National AI Office, the National AI Action Plan 2030, and the AI Nation ambition—articulates an appropriate strategic direction. The challenge lies in translating national-level intent into organizational-level practice. This translation requires attention to all five alignment mechanisms identified in this analysis: leadership commitment, data governance, organizational structure, workforce capability, and performance measurement. When all five are in place and oriented toward shared strategic objectives, AI functions as what it has the potential to be—a genuine source of competitive advantage. When any one is missing, the system as a whole underperforms.

Future research should examine alignment dynamics using longitudinal designs capable of capturing how alignment evolves and what sustains it over time. Comparative sectoral studies would help to reveal where alignment mechanisms play out differently across different competitive and regulatory environments. And quantitative work establishing the precise performance effects of different alignment dimensions would strengthen the evidence base for the managerial and policy recommendations offered here. As Malaysia pursues its 2030 AI Nation aspiration, the quality of alignment that its organizations achieve will be the most consequential determinant of whether that ambition produces the inclusive and sustainable economic development it intends.

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