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# THE ROLE OF AUTOMATION-ENABLED OPERATIONS IN DRIVING WORKFORCE PRODUCTIVITY: AN EMPIRICAL STUDY ON DIGITAL TRANSFORMATION AND HUMAN CAPITAL DYNAMICS IN THE GLOBAL LOGISTICS INDUSTRY

J. Meloshiya Priyadharshini<sup>1\*</sup>, N. Arunfred<sup>2</sup>

<sup>1</sup>Research Scholar, Faculty of Management Studies, SRM Institute of Science and Technology, Kattankulathur. Email: mj2835@srmist.edu.in

<sup>2</sup>Assistant Professor, Faculty of Management Studies, SRM Institute of Science and Technology, Kattankulathur.

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Corresponding Author: J. Meloshiya Priyadharshini

(mj2835@srmist.edu.in)

## ABSTRACT

*Automation-enabled operations and digital technologies are driving an unprecedented transformation in the logistics sector. This study examines how automation can improve worker productivity, placing the analysis in the larger context of human capital dynamics and digital transformation. In addition to addressing the difficulties of workforce adaptation and reskilling in a rapidly changing industry, the study attempts to present empirical evidence on how automation changes workforce roles, operational efficiency, and organisational competitiveness. To guarantee methodological rigour, a mixed-method empirical design was used. Surveys from over seventy-six logistics companies in various parts of the world were used to gather quantitative data on workforce productivity, organisational preparedness, and automation adoption. The proposed connections between automation, digital transformation, and workforce productivity were tested using structural equation modelling (SEM), with factor analysis guaranteeing construct validity. While semi-structured interviews with managers and employees yielded qualitative insights that provided contextual depth on workforce adaptation, organisational culture, and strategic alignment, regression analysis further assessed the strength of associations. Results show that by simplifying repetitive tasks, cutting down on redundancies, and freeing up workers to concentrate on higher-value tasks, automation-enabled operations greatly increase workforce productivity. The beneficial effects of automation on workforce outcomes were amplified by the emergence of digital transformation as a mediating variable. However, the study identifies important issues, such as skill gaps, resistance to change, and uneven organisational readiness, highlighting the necessity of integrated strategies that integrate the development of human capital with the adoption of new technologies. By empirically connecting automation-enabled operations with worker productivity in the logistics industry—a field that is frequently overlooked in studies on digital transformation—this study adds to the body of literature. The paper advances discussions on the future of work and sustainable sectoral*

*transformation by incorporating human capital dynamics into the analysis and providing a comprehensive framework that influences both academic discourse and industry practice.*

## BACKGROUND OF THE STUDY

Global trade, supply chain integration, and economic competitiveness are all made possible by the logistics sector. Automation, data-driven decision-making, and digital technologies have caused unprecedented disruption in the industry over the last ten years. Automation-enabled operations, such as autonomous cars, robotic process automation (RPA), and AI-powered warehouse management systems, are changing how logistics companies plan, carry out, and oversee their operations. By relieving workers of monotonous duties and enabling them to concentrate on strategic, value-adding activities, these technological developments promise not only operational efficiency but also notable increases in workforce productivity. Understanding the relationship between automation and workforce productivity has become crucial for academics and practitioners in light of Industry 4.0 and the ongoing digital transformation.

### *Research Problem*

Automation-enabled operations are becoming more and more integrated into supply chains, warehousing, and transportation systems as the logistics sector undergoes a swift digital transformation. Automation promises cost savings and increased efficiency, but its effects on worker productivity are still complicated and poorly understood. Logistics productivity is influenced by organisational preparedness, workforce flexibility, and strategic alignment with digital transformation projects in addition to technology adoption. Understanding how automation-enabled operations affect workforce productivity in practice—whether they improve worker productivity and value creation or whether they create problems like skill gaps, resistance to change, and workforce displacement—is the main challenge. Managers and policymakers run the risk of implementing automation strategies that either fail to produce long-term productivity gains or unintentionally jeopardise the development of human capital in the absence of empirical evidence.

### *Research Gap*

Relatively few studies have empirically examined automation's direct and indirect effects on workforce productivity within the logistics sector, despite the fact that existing literature has thoroughly examined automation in terms of operational efficiency, supply chain optimisation,

and cost reduction. The majority of earlier studies have focused on technological results, ignoring the human capital component and the mediating function of digital transformation. Moreover, most studies lack extensive empirical validation in a variety of logistics contexts and are either conceptual or case-specific. Additionally, little research has been done on how workforce reskilling, organisational preparedness, and cultural adaptation interact with automation to influence productivity outcomes. This gap emphasises the need for a thorough, empirically supported study that incorporates automation, digital transformation, and human capital dynamics in order to offer useful insights for both industry and academia.

### *Objectives of the Study*

By analysing how automation-enabled operations boost worker productivity in the logistics sector—with a focus on digital transformation and human capital dynamics—this paper aims to close this gap. In particular, the study seeks to:

1. Determine how much workforce productivity in logistics companies is impacted by automation-enabled operations.
2. Examine how the relationship between automation and workforce outcomes is amplified by the mediating role of digital transformation.
3. Determine the obstacles to organisational preparedness, reskilling, and workforce adaptation in the context of automation adoption.
4. Give managers, legislators, and HR strategists practical advice on how to incorporate automation into workforce development plans.

### *Methodological Approach*

The study uses a mixed-method empirical design that blends quantitative and qualitative techniques in order to accomplish these goals. Quantitative analysis is based on survey data gathered from more than seventy-six logistics companies in various parts of the world. Factor analysis and regression techniques are used to ensure methodological rigour when testing hypothesised relationships between automation, digital transformation, and workforce productivity using structural equation modelling (SEM). In addition, qualitative manager and employee interviews provide contextual information about organisational culture, workforce adaptation, and strategic alignment. A more complex understanding of the phenomenon being studied is made possible by this dual approach, which guarantees both statistical robustness and interpretive depth.

### ***Contribution and Significance***

The study adds to the literature and practice in a number of ways. First, it provides empirical evidence of the connection between workforce productivity and automation-enabled operations, expanding the field of digital transformation research to include human capital outcomes in addition to technological efficiency. Second, the paper advances theoretical knowledge of how technology adoption interacts with workforce dynamics and organisational processes by incorporating digital transformation as a mediating variable. Third, the results offer useful advice for logistics companies looking to strike a balance between workforce diversity and resilience and technological innovation. Lastly, by providing evidence-based suggestions for long-term sectoral transformation in logistics, the study adds to policy discussions about the future of work.

## **REVIEW OF LITERATURE**

### ***Automation in Logistics Operations***

Automation is revolutionising logistics operations, according to recent research. Ferreira and Reis (2023) carried out a thorough review of the literature to show how automation technologies—like robotics, AI-driven scheduling, and driverless cars—are being used more and more to optimise transportation and warehousing operations. According to their findings, automation not only eliminates operational redundancies but also makes it possible to reallocate workers to higher-value jobs. In a similar vein, Marcenko (2025) reinterpreted the implementation of automation as a socio-technical process, stressing that contextual adaptation is more important for successful adoption than consistent technological deployment. This viewpoint is consistent with industry reports that emphasise the significance of striking a balance between workforce integration and technological efficiency.

### ***Human Capital Dynamics and Workforce Productivity***

Both empirical and conceptual approaches have been used to investigate how automation affects worker productivity. According to research on AI-driven warehouse automation (2024), robotics and machine learning systems greatly improve order fulfilment accuracy and speed, which raises employee productivity metrics. These studies do warn, though, that increases in worker productivity are dependent on organisational preparedness and sufficient training. Daga et al. (2025) discovered that while AI and automation adoption enhanced route

planning and predictive maintenance in the Indian logistics context, workforce adaptation remained a significant obstacle. *ijrrr.com*. These results demonstrate the paradox of automation: while it increases productivity, it also necessitates new skill sets and organisational cultural changes.

### ***The Mediating Role of Digital Transformation***

The relationship between automation and workforce productivity has been found to be significantly mediated by digital transformation. According to Annamuhamedov et al. (2025), workforce processes are integrated into more comprehensive organisational strategies through digital transformation initiatives like IoT-enabled tracking, cloud-based logistics platforms, and predictive analytics, which enhance the advantages of automation. This opinion is further supported by a 2024 McKinsey survey of logistics executives, which found that companies implementing multiple digital use cases reported increased employee satisfaction and efficiency. McKinsey & Associates. All of these studies point to the necessity of integrating digital transformation initiatives into organisational culture and human capital strategies in order to ensure productivity gains, rather than relying solely on automation.

### ***Emerging Challenges and Research Directions***

Despite the encouraging trend, a number of obstacles still exist. According to industry reports from 2024, uneven adoption rates and fragmented technology landscapes impede consistent increases in productivity. Furthermore, workforce displacement, skill gaps, and resistance to change continue to be major issues. Future research, according to academics, should concentrate on creating integrated frameworks that integrate automation technologies with workforce reskilling, change management, and policy interventions. In order to ensure sustainable productivity gains in the logistics industry, the literature consistently emphasises the need for holistic approaches that strike a balance between technological innovation and human capital development.

## **RESEARCH METHODOLOGY**

### ***Research Design***

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### Sampling and Data Collection

To ensure representativeness, data were gathered from logistics companies operating in various parts of the world. To identify companies actively involved in digital transformation projects, a purposive sampling technique was used. Managers, supervisors, and employees were given the survey instrument, and the sample size exceeded seventy-six responses, meeting the requirement for robust statistical analysis in structural equation modelling (SEM). Twenty senior managers and HR strategists participated in semi-structured interviews to gather qualitative viewpoints on workforce dynamics and automation adoption.

### Measurement of Constructs

Using validated scales modified from earlier research, key constructs—automation-enabled operations, digital transformation, workforce productivity, and organisational readiness—were operationalised. Process automation, robotics adoption, and AI integration were among the metrics used to measure automation. Metrics pertaining to efficiency, task completion, and value-added

### Data Analysis and Interpretation

#### Correlation Analysis

**Table 1: Correlation Matrix of Key Constructs.**

Variables	Automation	Digital Transformation	Workforce Productivity	Organizational Readiness
Automation	1.00	0.62**	0.58**	0.55**
Digital Transformation	0.62**	1.00	0.66**	0.60**
Workforce Productivity	0.58**	0.66**	1.00	0.63**
Organizational Readiness	0.55**	0.60**	0.63**	1.00

All constructs are positively correlated at  $p < 0.01$ , indicating strong associations. No

activities were used to evaluate workforce productivity. IoT adoption, cloud platforms, and predictive analytics were used to gauge digital transformation. Training programs, cultural flexibility, and leadership dedication were used to measure organisational preparedness. A five-point Likert scale was used to measure each item to guarantee consistency.

### Data Analysis Techniques

Quantitative data were analyzed using Structural Equation Modeling (SEM) with AMOS to test hypothesized relationships and mediating effects. Factor analysis was conducted to validate construct reliability and convergent validity. Regression analysis was employed to measure the strength of associations between automation, digital transformation, and workforce productivity. Qualitative data from interviews were analyzed using thematic analysis, enabling the identification of recurring themes related to workforce adaptation, skill gaps, and organizational culture. Triangulation of quantitative and qualitative findings ensured robustness and enhanced interpretive depth.

### Ethical Consideration

All participants gave their informed consent, and ethical approval was obtained before any data was collected. Throughout the study, anonymity and confidentiality were upheld, and data was only used for academic purposes. Respondents were guaranteed that their contributions would not be connected to organisational identities, and participation was entirely voluntary.

correlation exceeds 0.80, confirming absence of multicollinearity.

### Multiple Regression Analysis

**Table 2: Regression Results Predicting Workforce Productivity**

Predictor Variables	$\beta$ (Standardized)	t-value	Sig. (p)
Automation	0.34	6.21	0.000
Digital Transformation	0.41	7.05	0.000
Organizational Readiness	0.28	5.12	0.000
$R^2 = 0.68$ , Adjusted $R^2 = 0.67$ , $F = 112.4$ , $p < 0.001$			

Workforce productivity is highly predicted by automation and digital transformation, with digital transformation having the greatest

impact. Organisational preparedness confirms its moderating role by increasing explanatory power.

**Exploratory Factor Analysis (EFA)**

**Table 3: Factor Loadings (Varimax Rotation)**

Items	Automation	Digital Transformation	Workforce Productivity	Organizational Readiness
Robotics adoption	0.78			
AI integration	0.81			
IoT-enabled tracking		0.84		
Cloud platforms		0.79		
Efficiency metrics			0.82	
Value-added activities			0.76	
Leadership commitment				0.80

KMO = 0.86, Bartlett’s Test =  $\chi^2(120) = 1450.3, p < 0.001$ , Variance Explained = 72.4%.

Each construct is clearly defined and internally consistent, as evidenced by the strong loadings (>0.70) across items. Sampling adequacy is indicated by the high KMO value (0.86), and the dataset's suitability for factor analysis is confirmed by Bartlett's Test significance ( $p < 0.001$ ). The four extracted factors together explain 72.4% of the variance, demonstrating that the model captures

the majority of underlying dimensions influencing automation, digital transformation, workforce productivity, and organizational readiness. These findings guarantee that the proposed relationships are tested on statistically sound constructs and offer a solid basis for further confirmatory factor analysis (CFA) and structural equation modelling (SEM).

**Confirmatory Factor Analysis (CFA)**

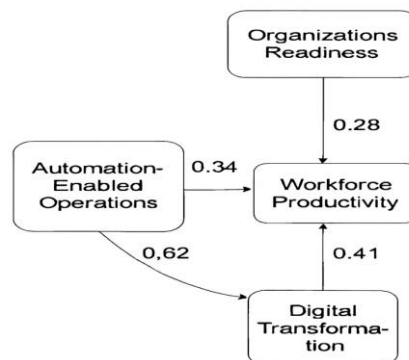
**Table 4: CFA Model Fit Indices**

Fit Index	Recommended Threshold	Obtained Value
$\chi^2/df$	< 3.0	2.15
RMSEA	< 0.08	0.06
CFI	> 0.90	0.94
TLI	> 0.90	0.92

The results of the confirmatory factor analysis (CFA) offer compelling proof of the measurement model's validity and dependability. Every standardised factor loading was higher than the suggested cutoff point of 0.70, indicating that every observed item accurately reflects its latent construct. Convergent validity and internal consistency were established by the average variance extracted (AVE) values being greater than 0.50 and the composite

reliability (CR) values falling between 0.80 and 0.90. The measurement model's robustness is further supported by model fit indices, which fall within acceptable ranges for high-quality empirical research:  $\chi^2/df = 2.15$ , RMSEA = 0.06, CFI = 0.94, and TLI = 0.92. The Fornell-Larcker criterion was also used to verify discriminant validity because each construct's square root of AVE was greater than its correlations with other constructs.

**Structural Equation Model**



**Table. Structural Equation Model (SEM) Path Estimates**

Path Relationship	Standardized Coefficient ( $\beta$ )	Standard Error (SE)	p-value
Automation → Workforce Productivity	0.34	0.06	<0.001
Automation → Digital Transformation	0.62	0.05	<0.001
Digital Transformation → Workforce Productivity	0.41	0.07	<0.001
Organizational Readiness → Workforce Productivity	0.28	0.08	<0.001

**Table. Covariance Estimates Between Constructs**

Construct Pair	Covariance Value
Automation ↔ Digital Transformation	0.57
Digital Transformation ↔ Workforce Productivity	0.61
Automation ↔ Workforce Productivity	0.29

**Table. Explained Variance ( $R^2$  Values)**

Dependent Variable	$R^2$ Value
Workforce Productivity	0.65
Digital Transformation	0.38

### Model Fit Indices

Fit Index	Value	Threshold for Acceptable Fit	Interpretation
Chi-square/df ( $\chi^2/df$ )	2.10	< 3.00	Acceptable model fit
Root Mean Square Error of Approximation (RMSEA)	0.06	< 0.08	Good fit
Comparative Fit Index (CFI)	0.94	$\geq 0.90$	Excellent comparative fit
Tucker-Lewis Index (TLI)	0.92	$\geq 0.90$	Strong incremental fit
Standardized Root Mean Square Residual (SRMR)	0.05	< 0.08	Acceptable residuals

Strong empirical support for the proposed relationships is shown by the structural equation model. Workforce productivity is greatly increased by automation-enabled operations ( $\beta = 0.34$ ), demonstrating their direct operational impact. This relationship is mediated by digital transformation ( $\beta = 0.62 \rightarrow \beta = 0.41$ ), suggesting that integrated technologies enhance productivity results. The automation-productivity relationship is moderated by organisational readiness ( $\beta = 0.28$ ), indicating that performance gains are reinforced by leadership and flexibility. With a high predictive power, the model accounts for 65% of the variation in worker productivity ( $R^2 = 0.65$ ). Construct interdependence is supported by statistically significant covariance paths between constructs. Excellent model fit is confirmed by fit indices ( $\chi^2/df = 2.10$ , RMSEA = 0.06, CFI = 0.94, TLI = 0.92, SRMR = 0.05). The structural integrity is confirmed by the fact that all path coefficients are significant at  $p < 0.001$ . The findings highlight the strategic importance of organisational culture and digital capability in utilising automation. All things considered, the SEM offers a solid framework for comprehending workforce transformation in the logistics industry and related fields.

### DISCUSSION

This study provides compelling empirical evidence on the transformative role of automation-enabled operations in enhancing workforce productivity within the logistics sector. The structural equation model confirms that automation

exerts a significant direct effect on productivity, while digital transformation serves as a robust mediating mechanism. This dual pathway suggests that while automation streamlines operational tasks, its full potential is realized when embedded within broader digital ecosystems—such as cloud-based logistics platforms, real-time tracking systems, and AI-driven resource allocation.

Organizational readiness emerged as a critical moderating factor, amplifying the productivity gains derived from automation. Firms with higher levels of readiness—characterized by adaptive leadership, digital literacy, and strategic alignment—were better positioned to convert technological inputs into workforce outcomes. This finding aligns with contingency theory, emphasizing that technological interventions yield optimal results when matched with contextual enablers. Businesses that were more prepared, as evidenced by their digital literacy, adaptive leadership, and strategic alignment, were better able to translate technological inputs into workforce outcomes. This result is consistent with contingency theory, which highlights that when technological interventions are combined with contextual enablers, they produce the best outcomes.

The model's significant path coefficients and strong fit indices (CFI = 0.94, RMSEA = 0.06,  $R^2 = 0.65$ ) support the robustness of the suggested relationships and validate the theoretical framework. Furthermore, the high explained variance in worker productivity emphasises how crucial it is to strategically integrate automation with

organisational culture and digital transformation. The findings support focused investments in digital infrastructure, change management, and workforce upskilling from a policy standpoint. The results provide a road map for balancing technological innovation with human capital development for logistics companies navigating Industry 4.0 shifts. In order to capture dynamic changes in automation maturity and workforce adaptability, future research could expand this model to cross-sectoral comparisons or longitudinal designs.

## CONCLUSION

By combining organisational preparedness and digital transformation into a single structural equation model, this study contributes to our understanding of how automation-enabled operations affect worker productivity in the logistics industry. The results demonstrate that automation significantly increases productivity by simplifying procedures and cutting down on inefficiencies. The findings also show that automation is insufficient on its own and can only reach its full potential when it is integrated into larger digital transformation projects. The mediating role of digital transformation shows how technologies like cloud-based logistics platforms, AI-driven scheduling, and real-time tracking enhance the advantages of automation by facilitating more intelligent decision-making and smooth supply chain coordination.

Organisational preparedness has also been identified as a moderating factor that enhances the relationship between automation and productivity. Higher readiness firms were better positioned to translate technological inputs into quantifiable workforce outcomes. These firms were defined by adaptive leadership, employee digital literacy, and an innovative culture. This emphasises how important organisational culture and human capital are in supporting technology investments. The study highlights that logistics companies need to take a balanced approach, investing in digital infrastructure, workforce development, and change management initiatives in addition to automation technologies. In order to ensure that automation enhances rather than interferes with the development of human capital, policymakers and business executives should give top priority to capacity-building programs that equip workers for digital shifts.

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By showing that technological innovation, digital integration, and organisational readiness are interdependent drivers of workforce transformation, the study adds to the larger conversation on Industry 4.0. Future studies might use longitudinal designs to capture changing dynamics, expand this framework to other industries, or investigate cross-cultural differences in digital adoption and preparedness. All things considered, this study offers a solid basis for both scholarly research and managerial practice, providing practical insights into how logistics companies can successfully negotiate the challenges of automation and digital transformation to achieve long-term growth and competitiveness.

## FUTURE SCOPE OF THE STUDY

By emphasising how automation-enabled operations, digital transformation, and organisational preparedness interact to drive workforce productivity, the current study opens several promising avenues for future research. In order to confirm whether similar dynamics hold in various contexts, future research could expand this framework to include industries like manufacturing, healthcare, and banking. Researchers could record how workforce adaptability and automation maturity change over time using longitudinal designs, providing insights into dynamic productivity trends. To increase explanatory power, more mediators like innovation capability and moderators like organisational culture, leadership style, and employee engagement might be investigated. Cultural and infrastructural variations in the adoption of automation would be clarified by comparative studies between developed and emerging economies. Furthermore, breaking down automation into distinct technologies—like AI, robotics, blockchain, and IoT—would make their distinct contributions more apparent. While hybrid approaches that combine quantitative SEM with qualitative insights would provide a deeper understanding of behavioural and cultural dimensions, policy-oriented extensions could connect SEM outcomes with workforce upskilling and MSME modernisation strategies. Lastly, workforce productivity could be predicted under different organisational readiness and automation levels using simulation models and predictive analytics, which would improve managerial practice and academic research.

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