Beyond Automation: The Role of Agentic AI in Strategic Decision-Making and Organizational Governance in India

[1]Dhruv Panwar, [2]Yash Singh, [3]Aili Pramod, [4]Param Patel
[1234]PGDM Student
[1234]Department of Management Studies
[1234]International Institute of Business Study (IIBS), Bengaluru, Karnataka, India

***Abstract*—Agentic AI is emerging as a transformative paradigm beyond traditional automation and generative AI, enabling autonomous systems to reason, plan, adapt, and execute complex tasks with minimal human intervention. In the context of Indian organizations, this shift has significant implications for strategic decision-making and organizational governance, where speed, adaptability, and informed judgment are increasingly critical. This paper examines how agentic AI can support decision-makers by improving analytical capacity, enhancing operational responsiveness, and enabling more coordinated governance across business functions. Using a conceptual and literature-based approach, the study synthesizes recent developments in agentic systems, human–AI collaboration, and AI governance to identify the opportunities and risks associated with adoption in India. The analysis shows that agentic AI can strengthen strategic foresight, improve resource allocation, and support evidence-based governance, particularly in dynamic and data-intensive sectors. However, its implementation also raises concerns related to accountability, transparency, bias, cybersecurity, workforce displacement, and ethical oversight. The paper argues that the benefits of agentic AI depend on the development of robust governance frameworks that balance autonomy with human control. It concludes by proposing that Indian organizations adopt a responsible, hybrid decision-making model in which agentic AI augments rather than replaces managerial judgment. Such an approach can help organizations achieve innovation, resilience, and sustainable competitive advantage while maintaining trust and regulatory compliance.**

***Index Terms*—Agentic AI, strategic decision-making, organizational governance, AI governance, human–AI collaboration, decision autonomy, accountability**

I. Introduction

Artificial intelligence is now more than just rule-based automation or predictive analytics. It is evolving into systems that can reason, plan, act, and adapt with little human involvement. This change is significant for organizations because strategic decision-making is becoming more reliant on data, time-sensitive, and interconnected across functions. At the same time, expectations for accountability, transparency, and responsible oversight are increasing. In this setting, agentic AI should be viewed not just as a tool, but as a socio-technical partner that influences decision-making, work organization, and authority distribution within businesses. In India, where digital transformation is rapidly advancing in various industries and public institutions, the importance of agentic AI goes beyond mere efficiency. It raises important questions about governance, readiness, and strategic control.

Islam et al. (2026) argue that agentic artificial intelligence is becoming a major area of research and management because it can support complex goals with minimal oversight while also creating challenges in governance and accountability. Hughes et al. (2025) describe AI agents and agentic systems as a groundbreaking phase in artificial intelligence since they can decentralize decision-making, promote collaboration, and reshape organizational structures. These changes suggest that the key issue is no longer whether AI can automate tasks, but how it can engage in strategic judgment without compromising managerial responsibility.

In organizations, adopting agentic AI may boost decision speed, coordination, and responsiveness in areas like operations, finance, supply chains, project management, and IT governance. However, these systems also bring up concerns about attribution, shared accountability, legacy system compatibility, bias, privacy, cybersecurity, and ethical oversight. George (2026) points out that autonomous AI systems are changing knowledge work and enterprise value, but their use is limited by weak governance and uncertain risk sharing. Biswas and Sarkar (2026) stress that responsible governance of agentic AI must focus on safety, oversight, and ethical control in autonomous systems. Therefore, a thorough examination of agentic AI in strategic decision-making and organizational governance is essential, especially for Indian organizations striving for innovation while maintaining compliance and trust.

II. Significance of the Study

The rise of agentic artificial intelligence signals a major shift from traditional automation to autonomous, goal-oriented systems that can reason, plan, learn, and perform complex tasks. While previous research has explored machine learning, predictive analytics, and generative AI extensively, there has been less focus on the strategic implications of agentic AI, especially in the context of Indian organizations. This study adds to the existing knowledge by looking at how agentic AI affects strategic decision-making and organizational governance, thus filling an important gap in modern AI and management literature.

From a theoretical perspective, the study expands the literature on AI-enabled strategic management by bringing together ideas about organizational governance, human-AI collaboration, and autonomous decision-making into a cohesive framework. It clarifies how agentic AI differs from traditional AI systems by highlighting its ability for autonomous reasoning, adaptive learning, and complex decision execution. Additionally, the study lays the groundwork for future empirical research on the connection between AI autonomy, governance mechanisms, and organizational performance.

III. Research Objectives

1. To examine the role of agentic AI in strategic decision-making processes.
2. To identify opportunities that agentic AI provides for organizational effectiveness.
3. To analyse risks linked to autonomous decision systems.
4. To investigate governance mechanisms needed for responsible agentic AI use.

IV. Literature Review

Artificial intelligence has advanced from rule-based automation and predictive analytics to more sophisticated forms like generative AI and recently, agentic AI. This shift marks a fundamental change in how organizations use intelligent technologies. Unlike traditional AI systems that follow set rules or generative AI that mainly creates content, agentic AI can plan, reason, learn, remember, and carry out complex tasks independently to meet organizational goals. Islam et al. (2026) refer to agentic AI as a new type of autonomous system that combines reasoning, memory, planning, and tool management to achieve multi-step objectives with little human input. Similarly, Hughes et al. (2025) contend that AI agents have progressed beyond task-specific applications; they are now autonomous entities that can function across distributed organizational environments, representing a shift from decision-support tools to strategic partners. Kumar et al. (2026) argue that agentic AI is a new frontier in enterprise intelligence, prompting organizations to rethink governance structures, accountability, and human-AI collaboration. Collectively, these studies show that agentic AI is changing AI from an operational tool into a strategic asset for organizations.

The strategic implications of agentic AI have garnered significant scholarly interest. Strategic decision-making is inherently complex due to uncertainty, incomplete information, and long-term effects on organizations. Hughes et al. (2025) suggest that agentic systems can decentralize decision-making, enhance cross-functional collaboration, automate complex workflows, and boost organizational resilience. Urbanovič and Holubčík (2026) found that AI-supported strategic decision systems can improve forecasting accuracy, resource optimization, sustainability assessment, and organizational resilience by integrating real-time analytics into executive processes. Rahman and Rahman (2025) also observe that intelligent AI systems are evolving from mere recommendation tools into collaborative strategic partners capable of improving decision quality with predictive analytics and explainable AI. Supporting these views, George (2026) introduces AI-orchestrated organizations, arguing that agentic AI will increasingly shift decision rights, coordinate activities, and embed intelligent governance in enterprise operations. These findings suggest that agentic AI has the potential to enhance organizational agility, innovation, and competitive edge while fundamentally transforming strategic management practices.

Despite these advantages, growing AI autonomy has raised concerns about governance, accountability, and ethical responsibility. As AI systems take on more decision-making authority, effective governance becomes crucial to ensure transparency, fairness, explainability, cybersecurity, and compliance with regulations. Chhillar and Aguilera (2022) argue that AI governance should go beyond technical measures to include legal, organizational, ethical, and institutional aspects. Their viewpoint offers a solid basis for understanding how organizations can balance innovation with accountability. Building on this, Biswas and Sarkar (2026) argue that traditional AI governance frameworks are inadequate for managing highly autonomous agentic AI as they were designed for conventional machine learning systems. They call for flexible governance structures that include ongoing monitoring, technical safety measures, ethical protections, and coordination of international

regulations. Hughes et al. (2025) identify major obstacles to adopting agentic AI, such as algorithmic bias, accountability attribution, shared responsibility, legacy system integration, and organizational trust. Islam et al. (2026) highlight human-AI collaboration as a key research area in agentic AI literature, stressing that optimal organizational outcomes arise when AI supports rather than replaces managerial expertise. Similarly, George (2026) argues that agentic AI is more likely to redistribute routine analytical tasks instead of completely eliminating managerial roles, allowing leaders to focus on strategic leadership, ethical decision-making, and stakeholder management. Kumar et al. (2026) contend that organizational challenges with agentic AI mainly stem from inadequate integration of autonomous agents into existing work processes, rather than just technological issues. Therefore, scholars are increasingly advocating for a "human-in-the-loop" governance model, where executives maintain control over significant strategic decisions while autonomous agents manage analytical and operational tasks. This approach can enhance both decision quality and organizational accountability. The literature also emphasizes that organizational readiness is crucial for successful agentic AI adoption. Islam et al. (2026) propose a framework showing that technological infrastructure, leadership dedication, organizational capabilities, and societal factors together affect AI adoption and organizational outcomes. Hughes et al. (2025) recommend that organizations develop comprehensive implementation strategies that include governance policies, hierarchical agent structures, workflow coordination, employee training, and trust-building measures.

Overall, existing literature indicates that agentic AI represents a major advancement that can enhance strategic decision-making through improved analytical capability, autonomous coordination, and organizational agility. At the same time, it presents complex governance challenges related to transparency, accountability, ethics, cybersecurity, and regulatory compliance. While prior studies offer valuable insights into agentic AI's capabilities, governance frameworks, and human-AI collaboration, empirical evidence linking agentic AI adoption to strategic decision-making and organizational governance is still limited, especially in emerging economies like India. Addressing this gap, the present study explores the role of agentic AI in improving strategic decision-making and governance within Indian organizations while proposing a governance framework to support responsible, transparent, and sustainable AI adoption.

V. Research Methodology

Research Design

This study uses a qualitative, descriptive, and conceptual research design based on a systematic review of recent academic literature. The goal is to explore the emerging role of Agentic Artificial Intelligence (AI) in strategic decision-making and organizational governance in India. Since Agentic AI is a growing field with limited real-world evidence, a conceptual approach is fitting for bringing together existing knowledge, spotting research gaps, and creating a theoretical understanding of the topic.

Research Approach

The study employs a systematic literature review (SLR) method to gather, assess, and combine relevant academic literature published between 2022 and 2026. The review draws from peer-reviewed journal articles, conference papers, industry reports, and policy documents to give a clear understanding of Agentic AI and its implications for strategic management and organizational governance.

Data Sources

Secondary data were collected from internationally recognized academic databases and digital libraries, including:

- Scopus
- Web of Science
- IEEE Xplore
- ScienceDirect
- SpringerLink
- Emerald Insight
- Google Scholar
- ACM Digital Library

Only English-language publications relevant to Agentic AI, strategic decision-making, organizational governance, AI governance, and human–AI collaboration were considered.

Search Strategy

A structured keyword search was conducted using combinations of the following search terms:

- "Agentic AI"
- "AI Agents"
- "Strategic Decision Making"
- "Organizational Governance"
- "AI Governance"
- "Human–AI Collaboration"
- "Responsible AI"
- "Autonomous Artificial Intelligence"
- "Decision Autonomy"

Inclusion Criteria

Studies were included if they:

- Were published between 2022 and 2026.
- Were peer-reviewed journal articles or reputable conference papers.

- Focused on Agentic AI or autonomous AI systems.
- Examined strategic decision-making, organizational governance, or AI governance.
- Provided conceptual, empirical, or theoretical contributions relevant to organizational contexts.

Exclusion Criteria

Studies were excluded if they:

- Focused solely on traditional automation or machine learning without autonomous AI capabilities.
- Were non-English publications.
- Were editorials, blogs, news articles, or duplicate records.
- Lacked relevance to organizational or strategic management applications.

Data Analysis

The collected literature was analysed using thematic content analysis. The analysis involved:

1. Identifying key concepts related to Agentic AI.
2. Classifying studies into major research themes.
3. Comparing similarities and differences across existing findings.
4. Identifying research gaps.
5. Developing a conceptual framework linking Agentic AI capabilities, strategic decision quality, organizational outcomes, and governance mechanisms.

The major themes identified include:

- Evolution of Agentic AI
- Strategic decision-making capabilities
- Organizational transformation
- AI governance and accountability
- Human–AI collaboration
- Ethical and regulatory challenges
- Organizational readiness and adoption

Conceptual Framework Development

Based on the synthesized literature, a conceptual framework was developed to explain the relationship among four constructs:

- Independent Variable: Agentic AI Capabilities (autonomous planning, reasoning, learning, task execution)
- Mediating Variable: Strategic Decision Quality (decision speed, accuracy, forecasting, resource optimization)
- Dependent Variable: Organizational Outcomes (competitive advantage, innovation, agility, organizational performance)

- Moderating Variable: Organizational Governance (human oversight, transparency, accountability, ethical policies, risk management)

Reliability and Validity

To enhance the credibility of the study:

- Only peer-reviewed and high-quality scholarly sources were included.
- Multiple academic databases were consulted to reduce selection bias.
- Findings were cross-validated across different studies.
- A systematic screening process ensured consistency in article selection.

Ethical Considerations

The study relies exclusively on secondary data from publicly available academic sources. Proper citation and referencing practices were followed to ensure academic integrity, avoid plagiarism, and acknowledge the contributions of original authors. No human participants or confidential organizational data were involved; therefore, formal ethical approval was not required.

Summary of the Methodology

Component	Description
Research Design	Qualitative, descriptive, conceptual
Research Method	Systematic Literature Review (SLR)
Data Source	Secondary data
Publication Period	2022–2026
Databases	Scopus, Web of Science, IEEE Xplore, ScienceDirect, SpringerLink, Emerald, ACM, Google Scholar
Data Collection	Keyword-based systematic search
Analysis Technique	Thematic content analysis
Output	Conceptual framework and synthesis of literature

VI. Conceptual Framework

1. Agentic AI Capabilities: Agentic AI capabilities refer to the autonomous abilities of AI systems to plan, reason, learn, and execute tasks with minimal human intervention. These capabilities allow organizations to automate complex decision processes and improve strategic response.

2. Strategic Decision Quality: Strategic decision quality refers to how effective organizational decisions are regarding speed, accuracy, forecasting, and optimal resource use. Agentic AI enhances decision quality by providing data-driven insights and intelligent recommendations.

3. Organizational Outcomes: Organizational outcomes represent the overall benefits achieved through the adoption of Agentic AI, including improved operational performance, innovation, business agility, competitive advantage, and long-term sustainability.

4. Organizational Governance: Organizational governance includes the policies, procedures, and oversight mechanisms that ensure Agentic AI operates responsibly. It covers ethical AI practices, transparency, accountability, human supervision, and effective risk management.

5. Human–AI Collaboration: Human–AI collaboration refers to the partnership between human decision-makers and autonomous AI systems. Rather than replacing human judgment, Agentic AI supports managers by enhancing decision-making while humans maintain final authority, ethical responsibility, and strategic control.

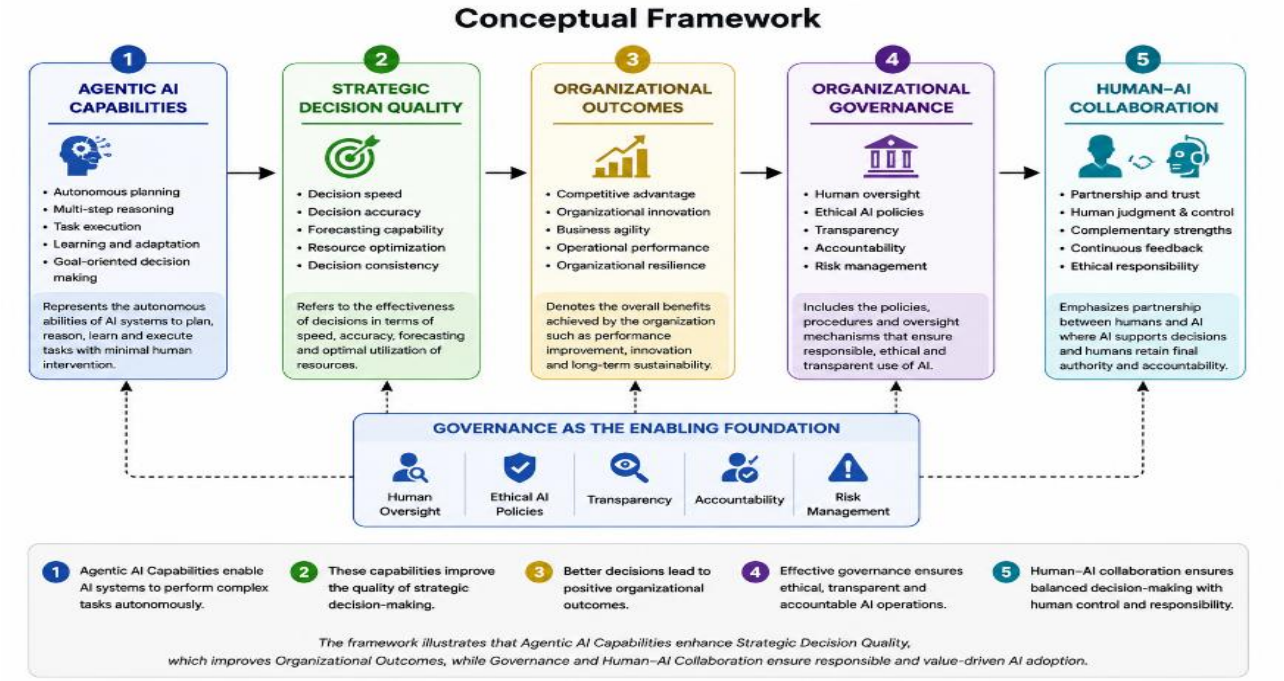

Figure- 1: Conceptual Framework

VII. Findings of the Study

The review of recent literature (2022–2026) shows that Agentic Artificial Intelligence (AI) is a significant advancement beyond traditional automation and generative AI since it enables autonomous reasoning, planning, learning, and task execution. Unlike conventional AI systems that mainly assist with isolated tasks, agentic AI can make context-aware decisions, coordinate multiple activities, and adapt dynamically to changing organizational environments. This development positions agentic AI as a strategic enabler instead of just an operational tool.

The findings reveal that agentic AI notably enhances strategic decision-making by improving the speed, accuracy, and quality of managerial decisions. Organizations can use agentic AI to analyse large amounts of structured and unstructured data, generate strategic alternatives, forecast trends, optimize resource allocation,

and support real-time decision-making. As a result, organizations that adopt agentic AI are better prepared to respond to fast-changing business environments and gain sustainable competitive advantages.

VIII. Conclusion

Agentic Artificial Intelligence (AI) represents a transformative leap in artificial intelligence by moving from traditional automation to autonomous, adaptive, and goal-oriented decision-making systems. This study analysed the role of agentic AI in strategic decision-making and organizational governance in Indian organizations through a conceptual review of recent literature published between 2022 and 2026. The findings suggest that agentic AI can significantly improve strategic decision quality by enhancing analytical capabilities, speeding up decision processes, optimizing resource use, and boosting organizational agility and innovation. As organizations increasingly function in dynamic and data-heavy environments, agentic AI can act as a valuable strategic partner that enhances management capabilities and supports informed, evidence-based decision-making.

IX. Limitations of the Study

Despite providing valuable insights into the role of Agentic Artificial Intelligence (AI) in strategic decision-making and organizational governance, this study has several limitations that should be considered when interpreting its findings.

- The study is conceptual in nature and relies exclusively on secondary data obtained from published literature. Consequently, the findings are based on existing scholarly knowledge rather than primary empirical evidence from organizations implementing agentic AI.
- The study focuses on literature published between 2022 and 2026. Given the rapid evolution of Agentic AI technologies, new developments, governance frameworks, and industry practices may emerge after this period, potentially influencing the relevance of the conclusions.
- Although the discussion is presented within the Indian organizational context, much of the available literature originates from global studies. Therefore, the findings may not fully capture the unique regulatory, cultural, technological, and organizational characteristics of Indian industries.
- The study does not examine industry-specific variations in the adoption and implementation of agentic AI. Different sectors such as healthcare, manufacturing, finance, education, logistics, and public administration may experience distinct opportunities and challenges that require separate investigation.
- The proposed conceptual framework has not been empirically validated. The relationships among agentic AI capabilities, strategic decision quality, organizational governance, and organizational outcomes remain theoretical and require testing through quantitative or qualitative research.

- The study does not investigate behavioral factors such as employee acceptance, leadership readiness, organizational culture, change management, or digital maturity, all of which may significantly influence the successful implementation of agentic AI in organizations.

X. Future Scope of the Study

The rapid progress of Agentic Artificial Intelligence offers many chances for future research. Since the field is still developing, more empirical and interdisciplinary investigations are vital for strengthening theoretical understanding and practical application. Future studies should conduct quantitative empirical research to validate the proposed conceptual framework by examining the links between agentic AI capabilities, strategic decision-making, governance mechanisms, and organizational performance across various industries. Researchers might also use qualitative methods, such as case studies, interviews, and multiple-case analyses, to explore how organizations implement agentic AI, tackle governance challenges, and integrate autonomous systems into strategic management processes. Comparative studies between public and private organizations, as well as between small to medium-sized enterprises (SMEs) and large corporations, could yield valuable insights into differences in adoption strategies, governance maturity, and organizational outcomes.

Future research should investigate industry-specific applications of agentic AI in sectors such as healthcare, banking, manufacturing, logistics, education, retail, and public administration to identify sectoral opportunities, risks, and best practices. Longitudinal studies would help examine the long-term organizational impact of agentic AI on innovation, competitive advantage, workforce transformation, leadership roles, organizational resilience, and sustainable business performance.

Further studies should explore emerging issues related to AI governance, including algorithmic transparency, explainability, accountability, cybersecurity, regulatory compliance, ethical decision-making, and responsible AI practices under evolving national and international regulations. Researchers may also examine the role of organizational factors such as leadership commitment, digital transformation capability, AI readiness, organizational culture, employee trust, and human–AI collaboration in determining successful adoption outcomes. Finally, comparative international research involving India and other emerging and developed economies would contribute to a broader understanding of how institutional environments, governance structures, and regulatory frameworks influence the strategic adoption of agentic AI across different countries. Overall, future research should move beyond conceptual discussions toward evidence-based investigations that provide practical guidance for organizations seeking to harness the strategic potential of Agentic AI while ensuring responsible governance and sustainable organizational development.

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