

# Discussion on Decision Optimization Strategies of Artificial Intelligence Empowering Enterprise Business Administration

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**Abstract:** With the acceleration of digital transformation, data in various industries has shown an explosive growth trend. Traditional enterprise management models can no longer adapt to changes in the complex market environment and supply chain challenges. How to leverage the advantages of artificial intelligence technology to promote the development of enterprise business administration towards human-machine collaboration and intelligent decision-making has become an important issue for business administrators to improve enterprise operational efficiency and competitiveness. This paper analyzes the problems of traditional business administration decisions, expounds the advantages of artificial intelligence empowering the transformation of enterprise business administration decisions from the perspectives of data insight, precise decision-making, and efficiency improvement; proposes optimization strategies for artificial intelligence empowering enterprise business administration decisions around four dimensions: data foundation, technology integration, process optimization, and talent adaptation, providing reference for enterprise managers to make scientific decisions and promoting the theory and commercial practice of artificial intelligence-driven management decisions.

**Keywords:** Artificial intelligence; Enterprise business administration; Decision optimization; Digital transformation; Strategies

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## 1. Introduction

In the era of digital economy, international market competition has become increasingly fierce, users' product demands have shown diversified characteristics, and with the acceleration of digital transformation in various industries, the variability of the market environment has continuously increased. This requires enterprise managers to closely monitor the trends of cutting-edge market changes, adapt to the times, continuously update strategic plans, and ensure that decisions are in line with market development trends. At the same time, big data plays an increasingly important role in enterprise operation and management. Among massive market data and information, business administrators can use big data acquisition, mining, and analysis technologies to screen out valuable information that assists decision-making and improves the scientificity of decisions<sup>[1]</sup>. However, traditional business administration decisions often rely on managers' experience, insufficiently utilize information technology tools, and have low efficiency in mining and utilizing data value, resulting in some problems, mainly manifested in complex decision-making processes, poor circulation and connection

between departments, and deviations in decision implementation<sup>[2]</sup>. With the development of deep learning, reinforcement learning, and adaptive systems, artificial intelligence not only has data processing capabilities but also masters continuous learning and reasoning analysis capabilities, bringing opportunities for the transformation and upgrading of enterprise business administration decisions<sup>[3]</sup>.

## **2. Advantages of Artificial Intelligence: Empowering the transformation of enterprise business administration decisions**

### **2.1. Data processing and insight capabilities: Solving the dilemmas of “Data Silos” and “Information Overload”**

#### **2.1.1. Integration and cleansing of massive data**

Artificial intelligence technology can break down data barriers among internal enterprise systems such as ERP, CRM, and SCM, realizing the integration of structured data (financial statements, sales data) and unstructured data (customer reviews, market reports). Through natural language processing, image recognition, and other technologies, it completes data cleansing, deduplication, and standardization, solving the problems of “scattered data” and “data distortion” in traditional decisions.

#### **2.1.2. Multi-dimensional in-depth data mining**

With the help of machine learning algorithms, artificial intelligence can mine potential correlation laws from massive data, analyze the correlation between customer consumption behavior and market trends, efficiency bottlenecks in production processes, etc., generate in-depth insights beyond manual analysis, provide a “data-driven” scientific basis for decisions, and replace the vague judgments dominated by “experience” in traditional decisions<sup>[4]</sup>.

#### **2.1.3. Real-time dynamic data analysis**

Artificial intelligence supports continuous monitoring and analysis of real-time data streams, enabling rapid capture of key information such as changes in market demand, competitor dynamics, and supply chain risks, and timely feedback to the decision-making level, realizing a “real-time response - dynamic adjustment” decision-making model and improving the timeliness and adaptability of decisions<sup>[5]</sup>.

### **2.2. Decision accuracy and scientificity: Reducing “Subjective Bias” and “Prediction Errors”**

#### **2.2.1. Optimization and upgrading of prediction models**

Prediction models built through deep learning algorithms can combine historical data, real-time data, and external environmental variables (policy changes, economic indicators) to accurately predict core indicators such as market size, sales performance, and cost fluctuations. The prediction error rate is lower than that of traditional statistical methods, providing reliable references for decisions such as strategic planning and inventory management<sup>[6]</sup>.

#### **2.2.2. Risk quantification and early warning**

Artificial intelligence can conduct quantitative analysis of potential risks in investment decisions, credit evaluation, compliance management, and other areas through risk identification models, generate risk level assessment reports, and establish real-time early warning mechanisms to avoid market risks, financial risks, and operational risks in advance, reducing losses caused by decision-making errors.

#### **2.2.3. Personalized decision adaptation**

For different regional markets, different customer groups, and different business scenarios, artificial intelligence can build differentiated decision models to achieve “one thousand people, one thousand faces” personalized decision optimization.

For example, precise marketing strategies for segmented customer groups and production scheduling plans for different product lines, improving the pertinence and effectiveness of decisions <sup>[7]</sup>.

### **2.3. Decision efficiency and dynamic adaptability: Breaking the limitations of “Cumbersome Processes” and “Lagging Responses”**

#### **2.3.1. Automation and simplification of decision-making processes**

Artificial intelligence can replace manual work to complete repetitive tasks such as data collection, analysis, and report generation, shortening the decision-making preparation cycle by more than 50%. For example, automatically generating financial analysis reports and market research briefings, allowing management to focus on core strategic judgments rather than transactional work.

#### **2.3.2. Dynamic adjustment and self-optimization**

Based on reinforcement learning algorithms, artificial intelligence decision models can continuously iterate and optimize according to the effect of decision implementation. Through the closed-loop mechanism of “decision - feedback - adjustment”, they can continuously adapt to changes in the market environment, solving the rigid problem of “difficult to adjust once formulated” in traditional decisions <sup>[8]</sup>.

#### **2.3.3. Empowering cross-departmental collaborative decision-making**

The integrated decision-making platform built by artificial intelligence can realize data sharing and collaborative analysis among marketing, finance, production, human resources, and other departments, avoiding the one-sidedness of single-department decisions, forming a collaborative decision-making model with a “global perspective”, and improving the integrity and systematicness of decisions <sup>[9]</sup>.

## **3. Decision optimization strategies of artificial intelligence empowering enterprise business administration**

### **3.1. Build an intelligent data foundation system: Consolidate the “Data Base” for AI decisions**

#### **3.1.1. Standardized data integration and governance**

Formulate unified enterprise data classification standards and interface specifications, clarify the data collection scope and format requirements for core businesses such as finance, sales, marketing, and human resources, break down internal system data barriers, and build an integrated data middle platform <sup>[10]</sup>. Establish a data quality control mechanism, automatically detect data missing, logical errors, and other issues through artificial intelligence technology, conduct regular data audits, ensure data accuracy, completeness, and timeliness, and provide reliable data sources for AI decisions. Expand external data collection channels, integrate external resources such as industry reports, policy data, public competitor data, and social media data, enrich data dimensions, and improve the comprehensiveness of decisions.

#### **3.1.2. Data security and privacy protection**

Adopt encryption technology, access permission control, data desensitization, and other means to establish a full-process data security protection system, prevent risks such as data leakage and tampering, and comply with regulatory requirements such as the “Data Security Law” and the “Personal Information Protection Law”. Clarify data usage boundaries, formulate AI decision data calling specifications, and only allow authorized personnel to use data in compliant scenarios to avoid legal risks and reputation losses caused by data abuse.

### **3.2. Scenario-based AI technology integration and application: Focus on core decision-making links for precise empowerment**

#### **3.2.1. Strategic decision-making: AI-driven trend prediction and planning optimization**

Build an industry trend prediction model, predict industry development directions and market opportunities by analyzing macroeconomic data, policy dynamics, and technological innovation trends, and provide a scientific basis for enterprises' medium and long-term strategic planning (product line layout, market expansion, technological R&D investment) <sup>[11]</sup>. Apply the SWOT-AI analysis tool, combine internal enterprise resource data and external competitive environment data, automatically generate quantitative analysis reports on strengths, weaknesses, opportunities, and threats, and assist management in formulating differentiated competitive strategies. Through simulation technology, conduct virtual deduction of the implementation effects of different strategic plans, evaluate input-output ratios and risk levels, and optimize the feasibility and effectiveness of strategic decisions.

#### **3.2.2. Operational decision-making: AI-empowered efficiency improvement and cost optimization**

- (1) Supply Chain Decisions: Build an intelligent supply chain scheduling model based on machine learning algorithms, dynamically optimize procurement plans, inventory levels, and logistics routes in real time, reduce inventory backlogs and stockout risks, and lower supply chain operational costs <sup>[12]</sup>.
- (2) Production Decisions: Combine the industrial internet with AI to realize real-time monitoring and parameter optimization of production processes, predict equipment failures and perform preventive maintenance, improve production efficiency, and reduce scrap rates.
- (3) Marketing Decisions: Through a refined user portrait model, integrate customer behavior data and consumption preference data to achieve precise customer acquisition, personalized recommendations, and dynamic pricing, improve marketing conversion rates, and reduce waste of marketing expenses.

#### **3.2.3. Human resources decisions: AI-driven intelligent talent management**

- (1) Intelligent Recruitment: Use natural language processing and machine learning technologies to automatically screen resumes, match job requirements, conduct AI video interviews and competency assessments, shorten the recruitment cycle, and improve recruitment accuracy.
- (2) Performance Evaluation: Build a quantitative performance evaluation model, combine work output data, collaboration data, and customer feedback data to achieve objective and fair performance scoring, avoiding subjective biases in manual evaluation <sup>[13]</sup>.
- (3) Talent Development: Analyze employees' competency gaps and career development needs through AI, formulate personalized training plans and promotion paths, and improve talent retention rates and organizational combat effectiveness.

#### **3.2.4. Financial decisions: AI-empowered risk prevention and control and fund optimization**

- (1) Intelligent Budget Preparation: Based on historical financial data and business plan data, automatically generate departmental budgets and project budgets through AI algorithms, and dynamically adjust budget allocation to improve the efficiency and rationality of budget preparation.
- (2) Cash Flow Prediction: Build a cash flow prediction model, combine sales collection data, procurement payment data, and market environment variables to accurately predict future capital gaps or surpluses, and optimize capital allocation and financing decisions.
- (3) Financial Risk Early Warning: Use AI technology to monitor abnormal fluctuations in financial indicators, dynamically track overdue accounts receivable and declining gross profit margins, timely warn of financial risks, and provide suggestions for risk response plans.

### **3.3. Optimize decision-making processes and organizational collaboration: Build an “AI + Human” collaborative decision-making model**

#### **3.3.1. Establish a closed-loop process of “Data - Model - Decision - Feedback”**

- (1) Data Layer: Realize full-dimensional data collection and governance through the data middle platform to provide basic support for decisions;
- (2) Model Layer: Build exclusive AI models for different decision scenarios and regularly iterate and optimize model parameters;
- (3) Decision Layer: AI provides decision suggestions and data support, while humans focus on core judgments and value trade-offs, forming a decision-making mechanism of “AI assistance + human final review”;
- (4) Feedback Layer: Track the effect of decision implementation and feed data back to the model layer to realize continuous optimization of the decision-making process.

#### **3.3.2. Break cross-departmental collaboration barriers**

Build a cross-departmental AI decision-making collaboration platform to realize real-time data sharing and collaborative analysis among marketing, finance, production, human resources, and other departments, avoiding the one-sidedness of single-department decisions<sup>[14]</sup>. Establish cross-departmental decision-making teams, clarify the division of responsibilities of each department in AI decision-making, such as the technical department being responsible for model maintenance, the business department for demand submission, and the management department for final decisions, to improve collaboration efficiency.

#### **3.3.3. Optimize dynamic allocation of decision-making authority**

Based on the risk level and impact scope of AI decisions, formulate a differentiated decision-making authority system. Low-risk, routine decisions such as daily procurement approval can be automatically decided by AI or approved by grass-roots managers; high-risk, strategic decisions such as major investments and strategic adjustments need to be finalized by senior management, combined with AI suggestions. Establish a dynamic adjustment mechanism for decision-making authority, optimize authority allocation according to the enterprise’s development stage and changes in the market environment, and balance decision-making efficiency and risk control.

### **3.4. Strengthen talent training and organizational adaptation: Consolidate the talent foundation for AI decision-making implementation**

#### **3.4.1. Build a compound talent echelon**

Recruit compound talents with both business administration professional knowledge and AI technical capabilities, focusing on introducing core talents such as data analysts, AI algorithm engineers, and AI product managers to support the construction and operation of the AI decision-making system. Cooperate with universities and vocational colleges to offer interdisciplinary courses of “Business Administration + AI”, cultivate compound talents that meet enterprise needs in a targeted manner, and establish a talent reserve pool.

#### **3.4.2. Conduct comprehensive AI skill training**

- (1) For Management: Carry out AI decision-making thinking training to improve their understanding and application capabilities of AI technology, and learn to use AI tools to assist strategic decisions;
- (2) For Business Layers: Conduct AI tool operation training to ensure that employees can proficiently use functions such as data query, report generation, and basic model application on the AI decision-making platform to improve work efficiency;
- (3) For Technical Layers: Conduct cutting-edge AI technology training (deep learning, large language model application) to improve model development and optimization capabilities<sup>[15]</sup>.

### 3.4.3. Promote organizational culture transformation

Cultivate a decision-making culture of “data-driven and AI-empowered”, encourage employees to carry out work based on data and AI suggestions, and abandon traditional thinking of “empiricism” and “impulsive decision-making”; establish an AI decision-making incentive mechanism, reward departments and individuals that actively apply AI tools and optimize decision-making effects through AI, and stimulate the enthusiasm of all employees to participate; tolerate AI decision-making trial and error, clarify the boundaries and responsibility division of AI decision-making, avoid resistance to AI technology application due to fear of mistakes, and create a relaxed environment for the implementation of AI decision-making.

## 4. Conclusion

In summary, relying on the advantages of continuous learning algorithms and models, artificial intelligence plays an increasingly prominent role in industrial transformation, enterprise management, and social development, leading the transformation of decision-making paradigms in enterprise business administration. In a complex market environment, to achieve sustainable and high-quality development, enterprises should correctly recognize the value of artificial intelligence technology in the digital transformation of decision management. By building an intelligent data system, promoting in-depth integration of AI with decision scenarios, constructing human-machine collaborative organizational processes, and strengthening the training of AI decision-making talents, enterprises can fully integrate internal and external data sources, mine hidden data with high value attributes, more scientifically and comprehensively understand market prospects and customer needs, and enhance the scientificity and accuracy of business administration decisions. Looking forward to the future, enterprise managers and decision-makers should combine business directions, conduct in-depth research and exploration of artificial intelligence technology application practices, find more integration paths between business administration and artificial intelligence, and inject new impetus into the high-quality development of enterprises.

## Disclosure statement

The authors declare no conflict of interest.

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