

## **“What they say is what they sell?” How Account Managers shape Algorithm Aversion and (AI) Augmented Decision-Making Performance of Demand Managers**

Kees Maton

Despite the widespread adoption of artificially intelligent (AI) algorithms, research consistently shows that employees fail to fully utilize algorithmic recommendations to enhance decision-making performance. One factor reducing the uptake of algorithmic advice is *algorithm aversion*—a tendency for employees to intuitively prefer their own or other humans’ judgments over superior algorithmic advice. While algorithm aversion has been extensively studied, much of the research has focused on controlled settings, leaving a gap in understanding how it manifests within real-world organizational contexts wherein interpersonal dynamics shape employee behavior. This study explores these dynamics in a field setting, examining how demand managers engage with an AI algorithmic decision-support system (DSS) for demand forecasting.

Our focus is on the interplay between demand managers' trust in competence and relational energy with both the DSS and their human counterparts, specifically account managers, who influence their demand predictions. Using dual-processing theory, we argue that if demand managers display higher levels of trust in the account managers’ competence, they engage more frequently in heuristic processing (intuitive as they are pressured/influenced by account managers). Consequently, we hypothesize that they will adjust DSS advice more often (H1), particularly by making upward adjustments (H2a), which we propose may lead to reduced demand forecasting accuracy (H3a). Further, we propose that demand managers’ trust in the DSS, through enhancing systematic processing (as they carefully consider DSS advice) may mitigate (buffer) these tendencies (H1b, H2b, H3b).

We collected data from 38 demand managers from a multinational organization, including trust in the DSS they worked with, and trust in their three most important (in terms of revenue) account managers (i.e.,  $N = 114$ ) that they interacted with. The demand decisions ( $> N = 1200$ ) were nested in (or connected to) account managers, and were compared with DSS advice and the actual demand for that period. Given the nested structure of our data (i.e., account managers within demand managers, and demand decisions within account managers), we tested our Hypotheses using Hierarchical Linear Modelling.

Preliminary results show that trust in account managers (sales forecasts) is the most significant factor explaining (decreased) decision-making performance. At this moment, we are further analysing the data to test our hypotheses, these findings will be presented.