APB REMBAU E-BULLETIN

EDITORIAL BOARD

The Impact of Artificial Intelligence (AI) on Employment

Written by: Anis Suriana Binti Sainuddin, Muhammad Haziq Bin Harman, Nur Fadhlin Sakina Binti Mohamad Nawawi, Nur Arifah Alia Binti Muhamad Fauzi, Puteri Nur Chempaka Ellyssya Binti Othman and Dr Asiah Ali

Artificial Intelligence (AI) is revolutionizing industries worldwide, significantly affecting the job market. While AI enhances efficiency, productivity, and innovation, it also presents challenges, particularly concerning job displacement and the transformation of traditional employment roles. This report examines AI's impact on employment, highlighting both the positive and negative effects while suggesting strategies to adapt to these changes.

Introduction

AI refers to the development of machines that perform tasks requiring intelligence, such as problem-solving, learning, and decision-making. The rapid advancement of AI technology has led to its integration into various industries, raising concerns about its influence on employment. While some fear mass job displacement, others argue that AI creates new job opportunities and improves workforce efficiency.

Positive Impact of AI on Employment

Job Creation – AI has introduced new employment opportunities, particularly in technology-related fields such as data science, machine learning, and cybersecurity. Organizations now require AI specialists to develop, manage, and maintain AI systems.

Increased Efficiency and Productivity – AI-driven automation streamlines repetitive tasks, allowing employees to focus on more complex and creative aspects of their jobs. This improves overall productivity and workplace efficiency.

Enhanced Decision-Making – AI aids businesses in making data-driven decisions, optimizing strategies, and identifying market trends. This enhances business performance and fosters job growth in AI-assisted decision-making roles.

Workplace Safety and Risk Reduction – AI is employed in hazardous environments, such as construction and mining, reducing workplace injuries and

allowing workers to focus on supervision and management roles.

Negative Impact of AI on Employment

Job Displacement – Automation replaces manual labor, particularly in industries such as manufacturing, retail, and customer service. Self-checkout machines and AI-powered chatbots reduce the need for human cashiers and customer service representatives.

Skills Gap and Employment Challenges – As AI evolves, there is a growing demand for specialized skills. Employees without relevant expertise may struggle to secure stable employment, widening the skills gap in the workforce.

Economic Disparities – AI may contribute to wage inequality, benefiting highly skilled professionals while reducing employment opportunities for lower-skilled workers. This can lead to economic polarization.

Loss of Human Touch – AI lacks emotional intelligence, which is crucial in industries such as healthcare and education. While AI can assist professionals, it cannot fully replace human empathy and judgment.

Findings from the Research

A survey conducted among students and employees revealed varying perceptions of AI's impact on employment:

Familiarity with AI: 66% of respondents were aware of AI's influence on the job market.

Job Creation vs. Job Loss: 49.1% believed AI would create more jobs than it eliminates, while 15.1% disagreed.

Concern Over AI Replacing Jobs: 67.8% expressed concerns about AI replacing human workers.

Training and Education: 52.8% of respondents had not received AI-related training, highlighting the need for skill development programs.

Industries Most Affected: Manufacturing (36.5%), cybersecurity (32.7%), and customer service (30.8%) were identified as the most impacted sectors.

Strategies to Adapt to AI in the Workforce

Upskilling and Reskilling – Continuous learning is essential to remain competitive in the job market. Governments and organizations should invest in AI-related training programs to equip employees with relevant skills.

Human-AI Collaboration – AI should be integrated as a tool to enhance human capabilities rather than replace jobs entirely. Encouraging human-AI collaboration can maximize efficiency while preserving employment.

Regulatory Measures – Policymakers should implement laws to ensure ethical AI usage and mitigate economic disparities caused by AI-driven automation.

Promoting Emotional Intelligence and Creativity – Jobs requiring emotional intelligence, critical thinking, and creativity are less susceptible to automation. Encouraging careers in these fields can reduce AI-related job displacement.

Conclusion

AI presents both opportunities and challenges in employment. While it enhances productivity and creates new job roles, it also threatens traditional jobs. The key to adapting to AI-driven changes lies in continuous learning, human-AI collaboration, and policy regulations. AI should be viewed as a tool for progress rather than a replacement for human labor, ensuring that its benefits are equitably distributed across all sectors of society.