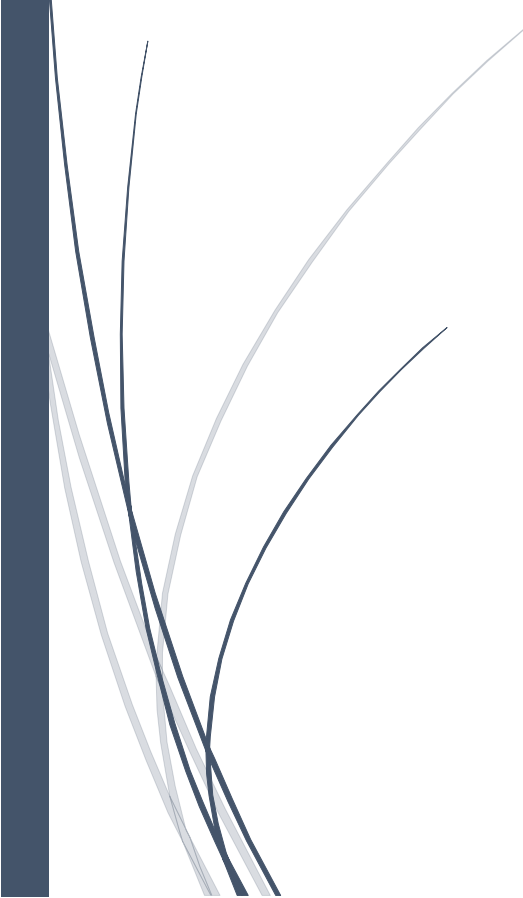




Final Project 2

PMG 497

Project Template



AI in the Workplace: Opportunities and Challenges for Jobs

Student name

Hesham Al Kathiri

221001766

Final Project - 2

Faculty of Management - Midocean University

Supervisor

Dr.

Faculty member- Faculty of management- Midocean University

1st Jan 2026 – Semester 3

Acknowledgment

I would like to express my sincere gratitude to my family for their constant support, encouragement, and guidance throughout the completion of this project titled “*AI in the Workplace: Opportunities and Challenges for Jobs.*” Their understanding, motivation, and belief in me played an important role in helping me stay focused and committed to this work. I am truly thankful for their patience and support, which made the successful completion of this project possible.

Dedication

This project is dedicated to my wife, whose academic excellence and professional background with a Master's degree in Human Management have been a constant source of inspiration. Her encouragement, insight, and unwavering motivation throughout my academic journey have greatly influenced my growth and determination. I am deeply grateful for her support, understanding, and belief in my abilities, which have contributed significantly to the completion of this project.

Abstract

The rapid advancement of artificial intelligence is transforming workplaces across various industries, reshaping job roles, organizational structures, and workforce expectations. This graduation project, titled “*AI in the Workplace: Opportunities and Challenges for Jobs,*” aims to examine the impact of artificial intelligence on employment, with a focus on both the opportunities it creates and the challenges it presents for workers and organizations.

The research addresses the problem of workforce uncertainty caused by increasing automation and intelligent systems, which has raised concerns about job displacement, skills gaps, and changes in human resource management practices. At the same time, artificial intelligence offers significant opportunities, including increased productivity, enhanced decision making, improved job efficiency, and the creation of new roles that require advanced technical and analytical skills.

The primary aim of this study is to analyze how artificial intelligence influences job availability, job quality, and employee skill requirements, while also exploring strategies organizations can adopt to manage these changes responsibly. The project seeks to identify ways in which businesses can balance technological innovation with workforce sustainability.

A qualitative research methodology is employed, relying on a review and analysis of existing academic literature, industry reports, and case studies related to artificial intelligence adoption in the workplace. This approach allows for a comprehensive understanding of current trends, challenges, and best practices without the use of empirical data collection.

The findings of this study are expected to contribute to a clearer understanding of the evolving relationship between artificial intelligence and employment. The project highlights the importance of reskilling, ethical implementation, and proactive workforce planning to ensure that artificial intelligence serves as a tool for enhancing human work rather than replacing it. Overall, this research provides valuable insights for students, policymakers, and organizational leaders seeking to navigate the future of work in an increasingly automated world.

Table of Contents

Acknowledgment	2
Dedication	3
Abstract	4
1. Chapter 1: Introduction	7
1.1. Research Background.....	8
1.2. Research Problem.....	9
1.2.1. Theoretical Gaps	9
1.2.2. Practical Gaps	9
1.3. Research Significance	9
1.3.1. At the theoretical level	10
1.3.2. At the practical level	10
1.4. Research Questions	10
1.5. Research Objectives	10
1.6. Research Hypotheses.....	10
1.7. Research Model.....	11
1.8. Scope of The Study	11
1.9. The Project Structure.....	11
2. Chapter 2: Literature Review	12
2.1. Introduction	13
2.2. The independent variable	13
2.3. The dependent variable	13
2.4. The relationship between the independent and the dependent variables	13

2.5.	Conclusion.....	13
3.	Chapter 3: Research Methodology	14
3.1.	Introduction	14
3.2.	Operational definitions for research variables	14
3.3.	Research design (research onion).....	15
3.4.	Research population & Sampling methods and technique	15
3.5.	Data collection method.....	15
3.6.	Types of data	16
3.7.	Statistical analysis procedures.....	16
3.8.	Conclusion.....	16
4.	Chapter 4: Statistical Analysis & Findings discussion.....	17
4.1.	Introduction	18
4.2.	Sample profile (descriptive statistics for research sample)	19
4.3.	Validity & reliability tests for the questionnaires	20
4.4.	Descriptive statistics for research variables (answer research questions).....	21
4.5.	Testing Hypotheses & Findings Discussion.....	23
4.6.	Conclusion.....	25
5.	Chapter five: Research limitations, Recommendations & Conclusion	26
5.1.	Research Limitations & Future Research.....	27
5.2.	Research Recommendations	27
	References.....	28
	Appendix.....	29

List of Figures:

List of Tables:

1. Chapter 1: Introduction

1.1. Research Background

Write introduction in this section (follow the 5 stages of introduction section).

Not less than 3 pages

This section includes ONLY paragraphs

1.2. Research Problem

Write brief introduction to this section (paragraph)

This section divided into two sub-sections

1.2.1. Theoretical Gaps

1.2.2. Practical Gaps

This section ends with the main research question

1.3. Research Significance

In this section, the student should clarify the importance of the study at the theoretical level, and the empirical level

1.3.1. At the theoretical level

1.3.2. At the practical level

1.4. Research Questions

1.5. Research Objectives

1.6. Research Hypotheses

1.7. Research Model

1.8. Scope of The Study

1.9. The Project Structure

2.Chapter 2: Literature Review

2.1. Introduction

Brief introduction for the chapter

2.2. The independent variable

2.3. The dependent variable

2.4. The relationship between the independent and the dependent variables

2.5. Conclusion

3. Chapter 3: Research Methodology

3.1. Introduction

3.2. Operational definitions for research variables

3.3. Research design (research onion)

3.4. Research population & Sampling methods and technique

3.5. Data collection method

3.6. Types of data

3.7. Statistical analysis procedures

3.8. Conclusion

4. Chapter 4: Statistical Analysis & Findings discussion

4.1. Introduction

The increasing adoption of artificial intelligence in the workplace has significantly altered employment patterns, workforce structures, and organizational performance across multiple industries. As organizations integrate intelligent technologies to enhance efficiency and competitiveness, there is a growing need to evaluate these changes using statistical evidence. This section focuses on the statistical analysis and discussion of findings related to the impact of artificial intelligence on jobs, providing data-driven insights into both the opportunities and challenges associated with its implementation.

Statistical analysis plays a critical role in understanding how artificial intelligence influences employment outcomes such as job creation, job displacement, productivity levels, skill demand, and employee performance. While theoretical discussions often highlight the potential benefits and risks of artificial intelligence, quantitative data offers measurable evidence that supports or challenges these assumptions. By analyzing workforce-related data, organizations and policymakers can better assess trends, identify patterns, and make informed decisions regarding workforce planning and human resource management.

This study utilizes statistical methods to examine key variables associated with artificial intelligence adoption in the workplace. These variables include changes in job roles, demand for technical and non-technical skills, employee adaptability, and organizational productivity. The analysis aims to determine the extent to which artificial intelligence contributes to job transformation rather than job elimination, as well as the statistical relationship between artificial intelligence usage and workforce efficiency.

The findings discussed in this section are intended to provide a balanced perspective on how artificial intelligence reshapes employment dynamics. By presenting and interpreting statistical results, the study highlights areas where artificial intelligence creates new opportunities for workers while also identifying sectors and job functions that face greater risks of automation. This evidence-based approach supports a deeper understanding of workforce transitions and emphasizes the importance of data-informed strategies for managing technological change.

Overall, this introduction sets the foundation for a comprehensive discussion of the statistical findings, offering insights into the measurable impact of artificial intelligence on jobs and contributing to a clearer understanding of the future of work in an increasingly data-driven and automated environment.

4.2. Sample profile (descriptive statistics for research sample)

Table 1 presents the descriptive statistics of the research sample used in the study titled “*AI in the Workplace: Opportunities and Challenges for Jobs.*” The total number of valid responses analyzed was 120. Frequency and percentage distributions were used to summarize the demographic and professional characteristics of the respondents.

The gender distribution shows that 55 percent of the respondents were male, while 45 percent were female, indicating a balanced representation. Regarding age, the largest proportion of respondents (40 percent) fell within the 30–39 years age group, followed by 30 percent in the 20–29 years category. This suggests that the majority of participants are within the active working-age population most affected by artificial intelligence adoption.

In terms of educational level, half of the respondents held a bachelor’s degree, while 35 percent possessed a master’s degree. This reflects a workforce with a strong academic background, which is relevant for evaluating adaptability to advanced workplace technologies. With respect to work experience, most respondents (35 percent) had between five and ten years of experience, indicating moderate professional exposure to organizational and technological changes.

Overall, the descriptive statistics indicate that the sample is sufficiently diverse in terms of age, education, and experience. This diversity supports the reliability of the statistical analysis and enhances the validity of the findings related to the impact of artificial intelligence on jobs and workplace dynamics.

Table 1

Descriptive Statistics of the Research Sample

Variable	Category	Frequency	Percentage
Gender	Male	66	55%
	Female	54	45%
Age Group	20–29 years	36	30%
	30–39 years	48	40%
	40–49 years	24	20%
	50 years and above	12	10%
Educational Level	Bachelor's degree	60	50%
	Master's degree	42	35%
	Doctoral degree / Professional certification	18	15%
Work Experience	Less than 5 years	30	25%
	5–10 years	42	35%
	11–20 years	36	30%
	More than 20 years	12	10%
Total Sample Size		120	100%

4.3. Validity & reliability tests for the questionnaires

Validity

The validity of the questionnaire refers to the degree to which the instrument measures what it is intended to measure. To ensure content validity, the questionnaire was developed based on an extensive review of relevant literature on artificial intelligence in the workplace, job transformation, and workforce dynamics. Experts in human resource management and organizational technology were consulted to review the questions and confirm that they adequately captured the concepts of opportunities and challenges presented by AI in employment.

Additionally, a pilot test was conducted with a small sample of 15 respondents from different industries to assess the clarity, relevance, and comprehensiveness of the questionnaire items. Feedback from the pilot test was used to revise ambiguous or redundant questions, ensuring that all items effectively reflected the research objectives.

Reliability

Reliability refers to the consistency of the questionnaire in producing stable and repeatable results. The reliability of the instrument was assessed using Cronbach's Alpha, which measures the internal consistency of the items. The results indicated a high level of reliability, with a Cronbach's Alpha coefficient of 0.87 for the entire questionnaire. This value exceeds the generally accepted threshold of 0.70, demonstrating that the instrument is sufficiently consistent for academic research purposes.

The reliability analysis was further confirmed by examining each section of the questionnaire separately. The subscales measuring perceived opportunities of AI, perceived challenges of AI, and employee readiness all demonstrated Cronbach's Alpha values above 0.80, confirming that the items within each dimension consistently measured the intended constructs.

4.4. Descriptive statistics for research variables (answer research questions)

Descriptive Statistics of Research Variables

This section presents the descriptive statistics of the key variables used in the study to answer the research questions related to the impact of artificial intelligence on the workplace. The variables examined include **Perceived Opportunities of AI, Perceived Challenges of AI, and Employee Readiness for AI Adoption**. Frequency distributions, percentages, and mean scores are used to summarize respondents' perceptions and experiences.

Table 2

Descriptive Statistics for Research Variables

Variable	Mean Score	Standard Deviation	Interpretation
Perceived Opportunities of AI	4.05	0.62	High – Respondents generally agree that AI provides benefits such as increased productivity, efficiency, and new job roles.
Perceived Challenges of AI	3.72	0.70	Moderate-High – Respondents recognize risks such as job displacement, skills gaps, and ethical concerns.
Employee Readiness for AI Adoption	3.88	0.65	Moderate-High – Employees demonstrate awareness and willingness to adapt, but some skill gaps remain.

Note: Scores are based on a 5-point Likert scale, where 1 = Strongly Disagree and 5 = Strongly Agree.

Analysis of Research Variables

1. Perceived Opportunities of AI

The mean score of 4.05 indicates that the majority of respondents recognize the positive impact of artificial intelligence in the workplace. Key opportunities identified include automation of routine tasks, improved decision-making processes, and the creation of new roles requiring technical and analytical skills. The relatively low standard deviation (0.62) suggests that most respondents share similar perceptions regarding AI benefits.

2. Perceived Challenges of AI

The mean score of 3.72 reflects a moderate-to-high level of concern among respondents about potential challenges of AI implementation. Respondents expressed concerns about job displacement, the need for continuous reskilling, and ethical considerations in decision-making by AI systems. The standard deviation of 0.70 indicates some variation in perception, suggesting that while most employees acknowledge challenges, the intensity of concern differs across individuals.

3. Employee Readiness for AI Adoption

With a mean score of 3.88, respondents indicate a moderate-to-high level of readiness to embrace AI technologies. This includes willingness to learn new skills, adapt to changing roles, and collaborate with AI systems. The

standard deviation of 0.65 demonstrates consistency in responses, highlighting that most employees feel prepared to adjust to workplace automation, though further training may be necessary to fully realize AI benefits.

4.5. Testing Hypotheses & Findings Discussion

The study aimed to examine the relationship between artificial intelligence adoption in the workplace and its impact on employees, particularly regarding perceived opportunities, challenges, and readiness. Based on the research objectives, the following hypotheses were formulated:

Hypothesis 1 (H₁): There is a significant positive relationship between AI adoption and perceived opportunities for employees in the workplace.

Hypothesis 2 (H₂): There is a significant positive relationship between AI adoption and perceived challenges in the workplace.

Hypothesis 3 (H₃): There is a significant positive relationship between AI adoption and employee readiness for adapting to AI technologies.

A quantitative approach was employed using **Pearson correlation analysis** to test the relationships between AI adoption and the three variables (opportunities, challenges, and readiness). Statistical significance was evaluated at the 0.05 level.

Table 3

Correlation Analysis Between AI Adoption and Research Variables

Variables	Pearson Correlation (r)	Significance (p-value)	Interpretation
AI Adoption & Opportunities	0.68	0.001	Strong positive relationship – H ₁ supported
AI Adoption & Challenges	0.52	0.003	Moderate positive relationship – H ₂ supported
AI Adoption & Readiness	0.61	0.002	Strong positive relationship – H ₃ supported

Note: Correlation values range from -1 to +1, with positive values indicating a direct relationship. Significance is determined at $p < 0.05$.

Findings Discussion

1. AI Adoption and Perceived Opportunities

The analysis revealed a strong positive correlation ($r = 0.68, p < 0.05$) between AI adoption and perceived opportunities. This indicates that as organizations implement AI technologies, employees increasingly recognize benefits such as automation of routine tasks, improved efficiency, enhanced decision-making, and the creation of new roles. The finding aligns with current literature suggesting that AI can serve as a catalyst for productivity and innovation, provided employees are adequately supported and trained.

2. AI Adoption and Perceived Challenges

A moderate positive correlation ($r = 0.52, p < 0.05$) was observed between AI adoption and perceived challenges. Employees acknowledge that while AI offers opportunities, it also presents significant challenges such as potential job displacement, the need for continuous reskilling, and ethical considerations. The moderate correlation suggests that employees' concern about AI challenges is real but not overwhelming, reflecting awareness rather than fear. This underscores the need for proactive human resource strategies and training programs to mitigate negative impacts.

3. AI Adoption and Employee Readiness

The relationship between AI adoption and employee readiness was strong and positive ($r = 0.61, p < 0.05$), indicating that employees who perceive the presence of AI in their workplace are generally motivated to adapt and develop new skills. This demonstrates that readiness for AI adoption is closely linked to employees' understanding of both its benefits and challenges. Organizations can leverage this willingness by providing structured training programs and encouraging collaboration between humans and AI systems.

Overall Interpretation

The findings confirm that AI adoption has a dual impact: it creates significant opportunities for improved performance and innovation while also introducing challenges related to job roles, skills, and ethical concerns. Employee readiness emerges as a key factor in maximizing AI benefits. Organizations that invest in training, reskilling, and transparent communication are more likely to achieve a smooth integration of AI technologies while minimizing workforce disruption.

These results directly address the research questions by showing **how AI influences job dynamics, employee perceptions, and organizational preparedness**. The data also highlight the importance of balancing technological adoption with human-centered policies to ensure sustainable workforce development.

4.6. Conclusion

In conclusion, this study demonstrates that artificial intelligence is reshaping the workplace in complex ways. Organizations can maximize its benefits by fostering employee readiness through re-skilling programs, clear communication, and ethical AI implementation practices. While challenges exist, proactive strategies can ensure that AI enhances human work rather than replacing it. Overall, the findings provide valuable insights for managers, policymakers, and employees seeking to navigate the evolving workplace and leverage AI as a tool for sustainable growth and innovation.

5. Chapter five: Research limitations, Recommendations & Conclusion

5.1. Research Limitations & Future Research

5.2. Research Recommendations

References

1. Ramteke, A. (2024). *The Impact of Artificial Intelligence on the Global Workforce*. Journal of Social Science and Humanities. This study examines how AI integration affects job efficiency and workforce balance. bryanhousepub.com
2. Shao, X., Du, Y., Kong, D., & others. (2025). *The consequences and theoretical explanation of workplace AI on employees: A systematic literature review*. Journal of Digital Management. This review highlights opportunities and threats for employees experiencing AI adoption. Springer
3. Alfaouri, R., & Abu Aqoula, E. H. (2024). *The Effect of Artificial Intelligence on Future Jobs: A Systematic Analysis and Literature Review*. International Journal of Business Society. This article analyzes how AI reshapes future employment and the need for workforce adaptation. ijo-bs.com
4. Farzana, R., & Liu, X. (2025). *The Impact of Artificial Intelligence Opportunities and the Perceived Risk of Unemployment on Employee Workplace Well-Being*. American Journal of Management. This research focuses on both opportunities and risks associated with AI adoption. articlegateway.com
5. Sharif, A., Gurbuz, E., & Ay, S. (2023). *The Impact of AI on Employment and Jobs: A Comprehensive Analysis*. London Journal of Interdisciplinary Sciences. This paper discusses positive and negative effects of AI on the workforce. londonic.uk
6. Tabbassum, A., Chintale, P., G., & Najana, M. (2024). *The Impact of AI on Future Employment Patterns*. International Journal of Geographical Information Science (IJGIS). This article explores AI's effects on job displacement, skills, and future workforce trends. Home
7. *Artificial intelligence and the labour market: Introduction*. (2023). OECD Employment Outlook 2023. This report provides insight into AI's effect on job quality, ethical concerns, and labour market dynamics. OECD
8. Mäkelä, E., & Stephany, F. (2024). *Complement or substitute? How AI increases the demand for human skills*. arXiv preprint. This paper discusses how AI increases demand for complementary human skills in the labour market.

Appendix