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**Практичне заняття 8
Test Paper. Review. The World of Business**

**(Контрольна робота. Підсумковий тест. Діловий світ)**

## The Possible Future Impacts of AI On The World of Business

By Joseph Segal

#### Introduction

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This presentation will share the findings of an investigation into the possible future impacts of AI on the world of business. For those who may be unaware, AI stands for Artificial Intelligence, and it refers to a form of computational system that, beyond its programming, can inform and make its own decisions. In a business, the decision-making of an AI system may allow it to complete tasks by itself, in-turn taking the work done by human employees and instead completing automatically.

There will be sections dedicated to both positive and negative impacts respectively, so as to provide a complete picture of the matter as a whole.

The conclusion towards the end of the presentation will aim to give a summarised telling of what can be gathered from the entire presentation.

The final section will be for references to sources used throughout the presentation; coinciding in-text citations will be seen at the relevant places within the presentation also.

Hopefully, this presentation will be useful to anyone seeking information on AI relevant to their business or a business they are connected to. With this information, it may become easier to decide on how to implement an AI system into a business, or even whether to do so at all.

#### Positive Impacts

This section will be exploring the possible positive future impacts that AI might have on the world of business. These impacts show potential in making businesses more efficient, more profitable, more capable, and so on. The chosen topics, backed up by online sources, are "Taking Care of Menial Tasks", "Improving Throughput" and "Integration". These topics will be elaborated in-order to provide a comprehensive idea of what the positive impacts truly entail.

#### Positive Impacts

#### Taking Care of Menial Tasks

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* AI can be used to complete tasks that people don't want to do.
* Good for tasks like schedule-keeping, process designing/running, decision-making, message delivery and accounting.
* Humans can grow tired and bored of menial tasks, this may lead to errors being made, but with AI this is not an issue as it will not grow tired or bored.
* Depending on the quality of the AI, it may be able to take care of these tasks quicker, do multiple tasks at once, and complete larger workloads compared to human employees.

(Positive Negative Effects, 2017).

#### Improved Throughput

#### Improving Throughput

* AI can improve throughput by executing processes with the precision of technology and machinery. For example, "machine vision" is used in the process of quality checking to accurately and efficiently target faulty products and sort them accordingly. (Puittinen, 2018).
* This can reduce costs for businesses as less faulty products are produced, AI can also accomplish other cost-saving objectives like reducing waste of materials. (Puittinen, 2018).
* AI may increase revenue gained because it can organise/run production processes in a way that generates more output via sheer efficiency. (Forbes Technology Council, 2018).

#### Integration

* AI can integrate both internal and external technological processes to increase the level of automation and simplify the transitions between departments, operations, and business-to-consumer.
* An example of this is Microsoft Azure Cognitive Services, which is used by businesses to integrate various automated tools and processes. (Puittinen, 2018), (Microsoft, No Date).
* AI can also be used to streamline communications across departments, up/down the chain of command, throughout the supply network, et cetera.

#### Integration

#### Negative Impacts

#### Negative Impacts

This section will be exploring the possible negative future impacts that AI might have on the world of business. These impacts could lead to businesses suffering major consequences in the future such as losing control of their processes and paying large costs related to AI installation, upkeep and repair. Negative impacts may affect the broader business world also because unemployment could see substantial increases as human employees are replaced with AI and machines. The topics are "Unemployment", "Loss of Control" and "Costs", these topics will display the finer details of why the impacts are negative and they will explain how exactly they might affect the business world.

#### Unemployment

* Businesses incorporating the use of AI may mean certain occupations becoming obsolete, leading to redundancies and joblessness.
* Jobs at risk are accountants, production-line laborers, and various office-based administrators, among many more.
* AI and automation in general may, in the future, completely take over all working class jobs - this may lead to welfare systems becoming overwhelmed, given time.

(Positive Negative Effects, 2017).

#### Unemployment

#### Loss of Control

* Businesses using AI to run their routine processes involves handing over a relative control from human employees, running things manually, to AI running things automatically.
* This loss of control could serve as a detriment to businesses because placing all trust in an automated system gives little leeway for human intervention should an error occur.
* An example of this is when IBM gave control to its AI programme "Watson for Oncology". It was trusted to give medical advice to doctors regarding cancer treatment, however, it largely gave incorrect suggestions with some even being considered dangerous. (Blier, 2020).

(Forbes Technology Council, 2018).

#### Loss of Control

#### Costs

#### Costs

* The cost of installing an AI system, for a business, is a lot to consider.
* There is the system itself to pay for, possibly up-front or in recurring instalments.
* Time will need to be set aside from certain people's work in-order to discuss how the AI will be implemented, this presents an indirect cost as when employees aren't working, they aren't making the business money. (Cicchitto, 2019).
* Maintenance and system operators require payments.
* Should the system go down, this will present costs - and the more difficult it is to get the system running again, the more costly the situation becomes.
* In the future, when it is the norm for every business to have a built-in AI system, these costs will be a reality that every business must put up with. If the cost is too great for some, then businesses with economies of scale might create more barriers to entry for their respective markets, thinning-out competition.

(Positive Negative Effects, 2017).

#### Conclusion

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To conclude this presentation, it must be stated that there are clear advantages as well as disadvantages when talking about the future of Artificial Intelligence in the world of business. Within the presentation, this fact was represented via positive and negative impacts. From these two sections, it can be inferred that AI is a useful and beneficial addition to almost every business, but the mass inclusion of AI into business operations presents some significant issues that must not be ignored.

In-order for AI to be safely introduced to the world of business, the act of such must be done with substantial caution worldwide. In other words, the potential benefits of AI in the business world are too great to avoid AI altogether, however, the path of least resistance lies within the realm of patience and planning. To prevent issues such as unemployment, loss of control and large costs, every eager business around the world must take its time with implementing AI.

The implementation of AI should be done at a slow pace to avoid abrupt mass redundancies, disastrous errors, and widespread out-pricing of smaller-scale businesses. Businesses must have patience in this; they must plan-out the long-term effects that these systems will have, only through this way will optimal benefits be realised while most dangers are thwarted.

#### References:

#### References

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