

# Future of AI & Layoffs

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*Abstract*— Recently, as we have heard of layoffs taking place in many Million dollar companies, it has been seen due to many reasons, one of the main reasons is AI which plays a massive role. AI has slowly started taking up jobs and replacing human employees. We can see that AI has come a long way and AI is going to grow more and become better & stronger with time. Mostly we have a sense that AI will become so evolved that it would be able to shift humans with machines by replacing complicated tasks that need human intelligence, with ease, but that's not all true. Research says that though AI and Automation can replace the Human Workforce, it can't totally replace the HI because AI itself is created by HI. Our research tells you the insights of the current scenario of the layoffs and future of HI with the growth of AI.

*Keywords*— Layoffs, AI, HI, Artificial Intelligence, Automation, Human Intelligence, Future, Limitations, Jobs, Human Workforce

## I. Introduction

We all have heard this dialogue from the Spider Man movie that goes like “With great power comes great responsibilities” but what if your responsibility is taken by something more powerful than your Intelligence. Yes, it is about Artificial Intelligence. We can see the rapid growth of AI in every direction on the earth, but with that growth we can also see the rapid layoffs from many companies. Covid has changed the work environment. People have started working from home, doing online meetings. Many work in hybrid mode. This has made us realise that we don't need humans for every work, it can simply be done by the computer. Covid has made us realise the pain points of Human Intelligences and its limitations. And the simultaneous growth of AI has shown the amazing capabilities of computation. It has automated many tasks. Automations has made our lives more modern, easier and more efficient.

This changing trends and adaptations in the human race has slowly started a new phase of AI, in which, human jobs are getting replaced by

the machines and their intelligence causing many Layoffs. Many million dollar high tech companies have fired many employees for certain reasons. And one the major reason behind the layoff stays to be the automation in their jobs.

## II. Recent Layoffs

Since the time when Covid hit, there have been many layoffs. As there were curfews and lockdowns all over the world, many young, startup companies could barely maintain the profits and provide monthly salaries to the employment, which led to the mass layoffs. This was the major reason for such a huge layoff trend that we saw in the year 2020.

There have been many layoffs in 2020 as the Fig. 1 shows that, in red, 2020 has been the year of mass layoffs. The reason seems to be quite understandable for many companies to fire so many employees at once.

It is surprising to see the trend in 2021 that there has been a very low rate of firing of employees. As it can be seen that in blue colour, there is a very low amount of layoffs in 2021.

But in contrast, what's more surprising is that in 2022 there has been a huge mass layoff, this layoff has surpassed the number of employees fired in the covid year.

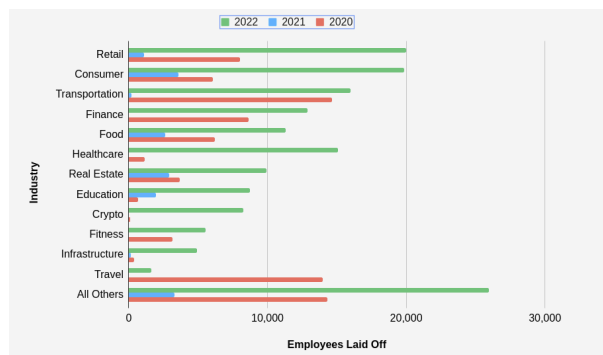


Fig. 1 Tech layoffs since 2020 to 2022

Mass layoffs have been taking place lately, and that too in many big tech leading companies like Google, Facebook, Microsoft, Amazon, Twitter, Uber, etc.

Mass layoffs have been so huge that almost 13% of the workforce have been cut. Almost 12,000 employees have been fired overnight in google.

Company	# Laid Off	%	Location HQ	Industry	Date
1 Google	12000	6%	SF Bay Area	Consumer	1/20/2023
2 Meta	11000	13%	SF Bay Area	Consumer	11/9/2022
3 Microsoft	10000	5%	Seattle	Other	1/18/2023
4 Amazon	10000	3%	Seattle	Retail	11/16/2022
5 Amazon	8000	2%	Seattle	Retail	1/4/2023
6 Salesforce	8000	10%	SF Bay Area	Sales	1/4/2023
7 Dell	6650	5%	Austin	Hardware	2/6/2023
8 Philips	6000	13%	Amsterdam	Non-US, Healthcare	1/30/2023
9 Booking.com	4375	25%	Amsterdam	Non-US, Travel	7/30/2020
10 Cisco	4100	5%	SF Bay Area	Infrastructure	11/16/2022

Fig 2. Top 10 Tech Companies layoff details

- “Google India layoffs: Gurugram man fired despite ‘working round the clock’”  
-Hindustan times
- “Google India fires 453 employees; CEO Sundar Pichai writes to laid-off employees”  
-Business today
- “Apple fires hundreds of contract workers, company previously assured their jobs were safe”  
- India today
- “Zoom fires around 1,300 employees, CEO takes salary cut of 98 per cent”  
-India today

As the data shows that there has been a huge layoff in the Tech Industry, there are several reasons behind it, few reasons ranging to business purpose and other few reasons ranges because of recent rise in technology and artificial intelligence. The automation seems to do the jobs of the employees more efficiently. The reason being the same many small as well as big companies tries to

bring in automation, to make the process faster and efficient

### III. Causes of Layoffs

Layoffs are being a hot topic recently which has resulted into many job losses, covid was a acceptable phase for layoffs but it has seen that post pandemic ,the rate of layoffs have multiplied because of many reasons like

- over hiring during covid,
- improper,
- negative cash flows,
- investors pushing the company because of slow company growth, and
- the growth in the tech sector.

The most recent research says that AI growth in the industry and the ability of AI is making company founders who have embedded AI in its business at some level lead colossal layoffs,as AI and automation can perform tasks efficiently done by humans in past, due to which huge rate of employees have anxiety over new innovations and robots. As per research it is predicted that humans will have less work to do as slowly technology will replace millions of jobs. Last Year, Microsoft launched Chat-GPT, which came in limelight and got a great audience pull affecting Google Business. Although layoffs cannot fully satisfy the companies, and senior leaders as technology is evolving every single day, it might be fruitful for a short duration. One thing which can help reduce layoffs is workforce strategies and thoughtful planning which various companies like Nokia have done.

### IV. Growth of AI

From an idea to an actual reality, AI has had its way in terms of its great journey till today. From just technology for the next decade to being the present and the future today. AI is transforming in every possible way with better evolution. AI and Automation have changed and made everyday routine tasks, complicated tasks easier , efficient, and flexible for the world, which humans are not able to do efficiently. About every tech as well as non-tech company today uses narrow or weak AI. As of today I have reached a place where computers, robots can see, talk, smell as well as humans and that's an incredible thing. It has been

observed by a robot in testing actually understanding the

#### V. Future of HI & AI

As we all can see the rise in AI, and also we can feel the AI surrounding us in many forms. From mobile assistance to Ads that we see. We are feeding data continuously and consistently to AI everyday. This is not only making the AI grow but also making us, humans, rely on it for every small action that we perform. It's like a permission we are giving to the AI to help us out in every small task.

AI is getting better and better and developing vastly in every aspect of our lives and it is promising to be more productive in the future and make an efficient economy through it. AI has the ability to generate more prosperity and growth for people. Stronger and better AI in future will make us secure as it cuts off human errors. As the narrow AI is growing, research says improving narrow AI will lead humans to be over dependent on machines and the advancement of AI will transform the human workforce by performing 50% of human jobs in the next 20 years, the number could go on a higher basis. Many companies are already replacing employees with robots. As it's the age of artificial intelligence, the popularity and increasing trend have the power to cut off 10% of the current volume of employees. AI can be a unique opportunity for the future, also non-creative companies will have to re-educate the workforce. Employees would have to deal with higher responsibilities rather than basic routine handling work. For high portable machines, the rate of engineers, programmers, maintenance crew and repairmen will have diverse growth. Humans will dive into learning coded AI language, handling machines and this skilled workforce will result in a strong economy which will lower the poverty rate and will lead to greater higher education access for the people in the IT sector.

#### VI. Limitations of AI

As we have seen and known the evolution of AI, it is a fact that AI can create massive things from making complicated tasks easy, to perform something extraordinary, which is quite difficult for HI to perform. But as we know, AI is created by HI, a powerful and power packed intelligence itself which can never be entirely replaced by AI. As HI

has certain limitations which made it create AI likewise AI too have certain limitations. Humans can feel, have high level interaction skills, critical decision making ability, understand human psychology, though AI can not excel in these human qualities and will always keep it differentiated. Talking about limitations AI can not take over what Teachers, lawyers, politicians do. As per research it is said AI would be more powerful and stronger in future but being a technology it consists of various chunks. Talking about stronger, which means it will have the ability to deal with huge complicated tasks which will require large data for the AI which might be difficult to build a flexible interoperability and usability for the user. Recently, Alphabet had a \$100 billion loss overnight because of a minor error in their newly launched AI chatbot 'Bard'.

#### VII. Power of HI

The human brain has the power to function the entire human body. A human mind is gifted with EQ and IQ which makes it powerful in many ways. The emotional factor makes a Human brain incomparable and unique. Humans have the ability to learn and communicate better than any robot or machine. Human brain has the ability to control and handle thoughts and actions. Human minds don't have any limits. The most powerful power is something we know really well today as it has changed the working of the world. Yes its Artificial Intelligence, being the most powerful creation it comes with a powerful intelligence - Human Intelligence.

#### VIII. Conclusion

Artificial Intelligence has the ability to surpass human intelligence and perform many complicated tasks, no matter what field it is, AI has the ability to fit in and be a solution to every possible problem today and in the future. Future holds many more surprises with AI. Growth of the global economy and Future productivity will have a difference as compared to today's condition because of better and advanced AI. Layoffs are occurring because of today's AI and as per research the rate of layoffs might increase in a strong way.

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