

## **Ai Adoption and The Future of Employment Relations**

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### **Abstract**

Artificial intelligence (AI) is becoming embedded in recruitment, performance management, workforce planning, scheduling, monitoring and decision-making, thereby changing not only how work is performed but also how employment relationships are governed. This opinion paper argues that the central employment-relations question is not whether organisations will adopt AI, but how they will govern its use. AI can improve efficiency, support decision-making and augment human capability, yet poorly governed adoption can weaken employee voice, increase perceptions of job insecurity, intensify surveillance and erode trust. The paper examines these tensions through the linked issues of employee participation, job security, organisational trust, managerial power and human resource governance. It contends that sustainable AI adoption requires meaningful consultation, transparent and contestable decision processes, human oversight, data protection, reskilling and fair distribution of technological benefits. The future of employment relations will therefore depend on whether AI is used primarily as an instrument of control and labour substitution or as a shared organisational resource that strengthens human judgement, job quality and productive cooperation.

***Keywords: Artificial intelligence; employment relations; employee voice; job security; organisational trust; algorithmic management***

### **Introduction**

Artificial intelligence (AI) has moved rapidly from a specialised technological tool to an important feature of contemporary organisational life. Organisations now use AI in recruitment, workforce planning, performance management, customer service, data analysis, scheduling and the automation of routine tasks. These applications can improve productivity and decision-making, but they also affect how employees are supervised, evaluated and involved in organisational decisions. The OECD (2024) notes that workplace AI creates opportunities for improved performance while also raising concerns about work intensity, privacy, inequality and automation. AI adoption is therefore not only a technological issue; it is an employment-relations issue.

Employment relations have traditionally rested on interaction among management, employees, trade unions and other workplace institutions. AI complicates this arrangement by allowing software to perform functions once exercised mainly by human managers, including task allocation, monitoring and performance assessment. Algorithmic management can improve consistency and speed, but it can also reduce autonomy and make decisions harder to understand or challenge (OECD, 2023; Milanez et al., 2025). The

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central question is consequently not whether AI will enter the workplace, but how its introduction will redistribute authority, risks and opportunities.

This paper argues that the future of employment relations will depend on the governance of AI adoption. Employee voice, job security and organisational trust are especially important because they shape whether workers experience AI as a supportive technology or as a source of insecurity and control. A sustainable approach must therefore combine technological innovation with participation, transparency, human oversight, reskilling and protection of the human foundations of work.

### Understanding AI Adoption and Employment Relations

AI adoption refers to the integration of intelligent technologies into organisational processes and decision systems. It goes beyond purchasing software: organisations must decide which tasks AI will perform, how its outputs will be used, what data it will process and how responsibility will be shared between humans and technological systems. Adoption is influenced by organisational readiness, workforce capability, leadership, compatibility with existing systems, ethical concerns and perceived risks as well as expected efficiency gains (Sousa Pinto et al., 2025).

A major development is algorithmic management, in which software performs or supports managerial functions such as instructing, monitoring, scheduling and evaluating workers. Evidence suggests that these practices are moving from the margins of work into ordinary organisational settings (Rani et al., 2024; Milanez et al., 2025). This changes employment relations because managerial authority can increasingly be exercised through systems that employees may not fully understand. AI can augment human work rather than simply replace it, but its benefits depend on whether organisations preserve accountability, human judgement and opportunities for employees to influence decisions that affect them.

### AI, Employee Voice and Participation

Employee voice is the opportunity for workers to express ideas, concerns and objections about matters affecting their work. AI can support voice through digital communication, feedback systems and better access to information, but it can also weaken voice when employees are closely monitored or when important decisions are transferred to opaque systems. Organisational listening is therefore critical. Research on workplace generative AI indicates that employees are more willing to contribute suggestions when they perceive that the organisation listens to them and supports their autonomy and competence (Lee et al., 2024).

Meaningful voice should extend to the governance of AI itself. Employees and their representatives need opportunities to discuss why a technology is being introduced, what data it will collect, how it may change jobs and how its decisions can be questioned. International case studies show that social dialogue can help workers influence AI-related decisions concerning job design, skills and algorithmic management (Doellgast et al., 2025). Consultation is not merely a concession to employees; workers possess practical knowledge about how jobs are actually performed and can identify risks that designers or senior managers may overlook.

The quality of participation matters. Consultation after an AI system has already been selected and deployed offers little real influence. A stronger model involves employees before implementation, communicates expected benefits and risks, and retains channels for continuing review. Such participation can improve acceptance while reducing the perception that AI is being imposed solely to intensify control or reduce labour costs.

### **AI, Job Security and Skills**

AI has intensified concern about job security because it can automate cognitive as well as routine tasks. However, the employment effect is more complex than a simple replacement narrative. The ILO's refined global assessment indicates that many occupations are exposed to generative AI, but transformation and augmentation of tasks are more common possibilities than complete occupational elimination (Gmyrek et al., 2025). The practical issue is therefore how jobs will be redesigned and whether workers can move into new or expanded roles as particular tasks are automated.

Job insecurity can arise even before displacement occurs. Employees may fear that their skills are losing value, that future restructuring will reduce opportunities, or that productivity gains will lead to workforce reductions. This uncertainty can weaken commitment and make employees more cautious about speaking openly. Organisations can reduce these effects through timely communication, reskilling, redeployment and credible transition support. The employment-relations challenge is not to guarantee that every job will remain unchanged, but to ensure that technological transition is managed fairly and predictably.

Skills policy is consequently central to responsible AI adoption. Training should not be limited to teaching employees how to operate a new system. Workers also need the capacity to interpret AI outputs, recognise limitations, exercise professional judgement and understand when human review is required. Where organisations invest in these capabilities, AI is more likely to complement human contribution than to be experienced mainly as a threat.

### **Trust, Surveillance and Organisational Power**

Trust is essential when AI influences recruitment, performance assessment, work allocation or career opportunities. Employees need confidence not only in the technical competence of a system but also in the fairness and intentions of the organisation using it. Research suggests that trustworthy leadership, adequate explanations and visible safeguards influence employees' initial trust in workplace AI (Xu, 2024). Employees may also distrust AI management when it appears less capable than human managers of benevolence, contextual judgement and concern for individual circumstances (Li & Bitterly, 2024).

Surveillance is a particularly sensitive issue. AI can continuously collect and analyse information about productivity, communication and behaviour, making managerial control more extensive and less visible. Experimental evidence indicates that algorithmic surveillance can reduce perceived autonomy and increase resistance compared with human surveillance (Schlund & Zitek, 2024). The danger is not simply data collection itself, but the possibility that employees begin to organise their behaviour around what an algorithm measures rather than around professional judgement, creativity or service quality.

AI also alters workplace power. Algorithmic decisions may appear neutral even though organisations choose the data, objectives and rules behind the system. As algorithmic management becomes more central to organisational life, the ability to understand, question and appeal against AI-supported decisions becomes an important employment right (Keegan & Meijerink, 2025). Trust is therefore strengthened when employees know who is accountable, when consequential decisions remain subject to human review, and when technological efficiency does not remove the possibility of explanation or negotiation.

### **Implications for Human Resource Management and Industrial Relations**

Human resource management must treat AI as an employment-relations issue rather than merely an operational technology. HR professionals increasingly participate in AI-supported recruitment, workforce planning, performance management, learning and employee monitoring. Their role should begin at the design and procurement stage, where they can ask how a proposed system will affect fairness, employee experience, job design and accountability. Contemporary HRM scholarship similarly emphasises that AI raises questions about organisational justice, human judgement and the changing role of managers (Gong et al., 2025).

Industrial relations institutions also need to extend traditional representation into technological governance. Trade unions and employee representatives should be able to discuss what AI will be used for, what employee data will be collected, how performance will be assessed and what employment consequences may follow. Social dialogue can create mechanisms for workers to influence technological change rather than merely respond to its consequences (Doellgast et al., 2025).

Organisations should therefore establish clear AI governance rules. Employees need to know when AI is being used, what decisions it supports, how personal data are protected and how they can request human review. High-impact employment decisions should not be treated as unquestionable because an algorithm produced or recommended them. Managers remain responsible for the consequences of systems they choose to deploy.

### **Towards a Human-Centred Future of Employment Relations**

A human-centred approach starts from a simple principle: technological progress should improve organisational performance without reducing employees to data points or disposable inputs. AI can remove repetitive work, support judgement and improve service delivery, but efficiency cannot be the only measure of success. Responsible adoption should also consider autonomy, dignity, job quality, privacy, fairness and employee wellbeing (OECD, 2024).

Human-centred governance requires participation, transparency and contestability. Employees should understand the purpose of an AI system and the ways in which it may affect them. Where a decision appears unfair, there should be an accessible explanation and an effective route to human review. Organisations should also monitor systems for discriminatory or harmful outcomes rather than assume that technological processes are inherently objective.

Consultation can produce benefits for both sides of the employment relationship. Experimental OECD evidence suggests that worker consultation can help organisations preserve productivity while improving job quality in the design of algorithmic management (Milanez, 2025). The broader OECD/ILO approach similarly emphasises human-centred AI, worker preparation and resilient employment systems (OECD/ILO, 2026). These principles indicate that the future of work is not technologically predetermined; governance choices will shape whether AI strengthens cooperation or deepens insecurity and control.

The future workplace is therefore likely to contain different models of employment relations. Some organisations may pursue extensive automation and data-driven control, while others will use AI to augment professional capability and involve employees in technological change. The more sustainable model is one in which AI supports human judgement, workers can influence decisions that affect them, productivity gains are accompanied by investment in people, and accountability remains clearly human.

### Conclusion

Artificial intelligence is reshaping employment relations, but its consequences depend less on the technology itself than on how organisations govern it. AI can improve efficiency and augment human capability, yet it can also weaken employee voice, intensify surveillance, increase perceptions of job insecurity and erode trust when introduced without adequate safeguards.

The central requirement is therefore a human-centred system of adoption built on meaningful consultation, transparent decision-making, human oversight, reskilling, data protection and accessible mechanisms for challenging AI-supported outcomes. Organisations that combine innovation with these protections are better positioned to secure both performance and sustainable employment relationships. The future of employment relations should not be framed as a contest between humans and machines, but as a governance choice about how technological capability will be used, who will benefit from it and how the dignity and agency of workers will be preserved.

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