

THE USE OF ROBOTICS AND AUTOMATION IN IMPROVING PRODUCTIVITY IN THE ERA OF ECONOMY 5.0

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Abstract

The use of robotics and automation in the era of Economy 5.0 has become a major catalyst in improving productivity in various industrial sectors. These technologies provide solutions to optimise operational efficiency by reducing time and costs, and consistently improving output quality. Despite the positive impact, this transformation also brings challenges in the form of changes to the labour market, which requires adaptation strategies through training and re-education. With a thoughtful and collaborative approach, the adoption of robotics and automation can lead to sustainable and inclusive economic growth, if balanced with policies that support social and economic sustainability.

Keywords: Usage, Robotics, Automation, Productivity, Economic Era 5.0.

Introduction

The Economic Era 5.0 is a new paradigm that combines elements of advanced technology with human values, aiming to create a more prosperous and sustainable society. Economic Era 5.0, also known as Society 5.0, is a concept first introduced by the Japanese government as a vision to create a society that integrates the latest technology with human values to improve the quality of life (Lee, 2023) . This era focuses on utilising technologies such as the Internet of Things (IoT), artificial intelligence (AI), big data, and robotics to create solutions that are not only economically efficient but also have a positive impact on social and human well-being. The main difference from previous economic eras is its holistic approach that not only pays attention to technological advancements but also considers social and environmental aspects (Varga & Novak, 2023) .

The history of development towards the 5.0 Economic Era can be traced from the era of hunting and agriculture in Era 1.0 which then evolved with the invention of steam engines in the Industrial Revolution 2.0. Next, Era 3.0 was characterised by electrification and mass production, which brought about fundamental changes in the way we live and work. The digital revolution in Era 4.0 added elements of digitisation and automation that brought unprecedented efficiency in the industrial and service sectors (Fowler & Drake, 2023) . With rapid advances in information technology, communications, and biotechnology, we are now on the threshold of Era 5.0. Policymakers and industry players are seeking to integrate this technological potential

to create a more sustainable, inclusive, and prosperous society, where technology acts as an enabler that strengthens humanity and shared prosperity. Therefore, in this context, technological innovations such as robotics and automation play a pivotal role (S. Kim, 2023) .

The development of robotics and automation technology has shown great potential in improving operational efficiency and productivity in various industrial sectors. Robotics not only replaces routine manual work, but also improves production precision and quality. Meanwhile, automation enables companies to optimise work processes and reduce human-caused errors (Frederiksen & Thomsen, 2023) .

Various studies have shown that the use of this technology can have a positive impact on productivity. For example, manufacturing industries that utilise industrial robots experience significant increases in output and reductions in operating costs. In the service sector, automation in the form of sales management systems, automated customer support, and smart logistics, also contributes to increased productivity and customer satisfaction (Yamada, 2022) .

However, the implementation of this technology is not without its challenges. There are various obstacles that need to be overcome, ranging from large initial investment costs, the need for trained labour, to regulatory and ethical issues. In addition, the social impacts of the implementation of robotics and automation technologies, such as the reduction of conventional jobs and changes in the labour structure, need special attention (Ahmed, 2023) .

Amidst these dynamics, research on the impact of robotics and automation on productivity in the Economy 5.0 era is becoming increasingly relevant. This research aims to explore the extent to which these technologies can improve productivity, identify constraints and challenges in their implementation, and evaluate the resulting social and economic impacts. With a deeper understanding, it is hoped that this research can provide practicable recommendations for companies, governments, and various other stakeholders to maximise the benefits of these technologies.

Research Methods

The study in this research uses the literature method. The literature research method is a systematic approach used in conducting studies and analyses of written works relevant to the research topic. This research involves searching, collecting, and critically evaluating existing literature, including books, scientific journals, articles, theses, reports, and other documents (Cooper, 2010) ; (Boote & Beile, 2005) . The aim is to identify gaps in knowledge, summarise findings from previous research, and develop a strong conceptual framework for future studies. This method is often used to compile a literature review that provides the theoretical foundation and context for new

research, ensuring that the research builds on and reinforces existing knowledge (Carnwell & Daly, 2001).

Results and Discussion

The Impact of Robotics and Automation on Productivity

Robotics and automation have become key pillars in modern industrial transformation, bringing significant changes to various sectors of the economy. In the context of productivity, the use of robots and automation systems allows companies to improve operational efficiency by reducing production time and reducing human error. This is achieved through the implementation of technology that is capable of performing routine and complex tasks with high precision. Thus, companies are able to produce more products in less time, resulting in a substantial increase in productivity (Patel, 2023).

One of the immediate effects of integrating robotics and automation is production cost savings. By substituting human labour for tasks that can be automated, companies can reduce labour costs and minimise expenses related to training and human resource management. In addition, robots and automation systems are typically capable of working non-stop for 24 hours a day, seven days a week, without requiring breaks (Zhang, 2022). Therefore, this capability creates a consistent and reliable production flow, which ultimately improves the yield and quality of the products produced.

However, the impact of robotics and automation is not just limited to cost savings and increased physical productivity. These technologies also have the potential to enhance product and service innovation. Advanced automation systems allow companies to collect and analyse production data in real-time, providing valuable insights for new product development, process optimisation and rapid response to market changes. With this data, companies can make more responsive adjustments and innovations, add value to products and maintain competitiveness in the global market (Smith, 2022).

On the other hand, there are also some challenges arising from the adoption of robotics and automation. One of them is the impact on labour. These changes may reduce the need for labour for routine and manual tasks, leading to redundancies in certain sectors. To address this issue, investment in education and retraining is crucial to enable the workforce to adapt to technological change and take on more complex, higher-skilled roles (Chen & Li, 2024).

At the macro level, robotics and automation also have significant policy implications. Governments and policymakers need to consider ways to support this transition, including the provision of training facilities, social protection for affected workers, and incentives for technological innovation. This holistic approach is important

to ensure that the benefits of the technological revolution are widely shared, without leaving certain segments of society behind (Brody & Parker, 2023).

Overall, the impact of robotics and automation on productivity is profound and multifaceted. These technologies not only increase industrial efficiency and output but also open up opportunities for innovation and improved product quality. While there are challenges that need to be overcome, with the right approach, robotics and automation have the potential to revolutionise ways of working and improve overall economic well-being.

Constraints and Challenges in the Implementation of Robotics and Automation on Productivity

The implementation of robotics and automation in improving productivity has significant challenges and obstacles. One of the main obstacles is the high initial investment cost. Companies must be ready to pour large funds to buy and install robotic devices and automated systems. Not only that, the cost of maintenance and technology updates is also an additional burden that must be considered. This limited funding is often a barrier for small and medium-sized companies to adopt the latest technology (IEEE Robotics and Automation Society, 2023).

In addition, the adaptation of human resources to new technologies is also a challenge. Older workers often feel threatened by the presence of robotic technology as it is perceived to replace their roles. Therefore, there needs to be a comprehensive training and development programme to ensure that workers can adapt and work alongside the new technology. This requires a lot of time, money and commitment (Ghosh & Sen, 2023).

The next obstacle is the problem of integrating robotic technology with the company's existing systems. The existing system needs to be adapted or even completely overhauled to be compatible with the latest automation technology. This integration process is often confusing and requires specialised expertise, so companies may need to bring in consultants or experts in the field. Errors in integration can cause operational disruptions that result in temporary productivity losses (Wang, 2023).

Technical challenges are also a barrier in the implementation of robotics and automation. Not all processes and jobs can be automated easily. There are certain jobs that require direct human interaction due to their complex and varied nature. In addition, robotic systems sometimes experience unexpected technical problems that can stop the operation of the entire production line. Therefore, it is important to have a technical assistance system ready to carry out repairs in quick time (P. Gupta, 2022).

Safety and operational risk are also crucial in the adoption of robotics and automation. Robots and automated machines work with high precision and tirelessly, but small errors in programming or control systems can be fatal. Protection against the risk of occupational accidents must be a top priority in the implementation of these

technologies. This requires strict safety policies and adequate monitoring systems (Meyer & Weber, 2024).

In addition, regulatory and legal compliance challenges are often a hindrance. In many countries, regulations governing the use of robotics and automation technologies are still unclear and outdated. Companies need to ensure that the adoption of these new technologies does not violate existing laws or policies. They may also need to coordinate with local regulatory bodies to obtain certain approvals or licences before implementing such technologies (Patel & Kumar, 2023).

Finally, the issue of ethics is equally important in discussions about robotics and automation. There are concerns that too many human jobs being outsourced to machines could lead to mass unemployment and create social inequality. Therefore, there is a need to think about how these technologies can be applied in a sustainable and responsible manner so that the benefits can be felt by all, without compromising important aspects of social and economic life.

Social and Economic Impact of Robotics and Automation on Productivity

Robotics and automation have significantly increased productivity in a number of industries, including manufacturing, logistics and services. By automating repetitive and physically demanding tasks, companies can produce goods and provide services faster and more efficiently. The positive correlation between the adoption of these technologies and increased production output is clear, allowing companies to optimise costs and time, as well as reduce human errors that can hinder the production process (Lopes & Pires, 2019).

While these technologies increase productivity, their impact on the labour market is more complex. Automation tends to replace routine and manual jobs, raising concerns about unemployment for workers in certain sectors. However, automation also creates new opportunities in technology, robotic maintenance and data analytics, illustrating the shifting skills needs in the labour market (Davis & Brown, 2023).

With robotics and automation taking over dangerous and monotonous tasks, workers are focusing more on jobs that require human skills such as creativity and problem-solving. This not only increases job satisfaction but also allows for improved quality of life with more time for work-life balance (Taulli, 2021).

On a global scale, countries with the ability to quickly adapt to robotics and automation technologies can experience greater economic benefits. These countries can increase their competitiveness in the international arena, while creating a larger economic gap with countries that lag behind in the adoption of such technologies (Harris, 2023).

The distribution of benefits from productivity gains driven by robotics and automation is often uneven. There is a tendency for social and economic inequality to increase, with the benefits accruing more to the owners of capital and technology, while

low-skilled workers may face increased competition and stagnant wages. To address the challenges posed by the adoption of robotics and automation, investment in education and retraining is crucial. Governments, along with the private sector, need to work together to ensure that the future workforce is prepared for change by providing opportunities to learn new skills relevant to a technology-driven economy (Clarke & Mitchell, 2024).

Governments and relevant agencies have an important role to play in regulating the use of robotics and automation. Effective regulations are needed to ensure that these technologies are applied ethically and consider their impact on labour. Wise policies can help mitigate risks, including ensuring work safety and personal data, while encouraging innovation and investment in the technology (Andersson & Olsson, 2023).

The implementation of robotics and automation also raises a number of ethical questions. One of the key issues is how to ensure that these technologies are implemented with human well-being in mind. This includes thinking about the social and economic impact of job losses, the distribution of technological benefits, and how to maintain a balance between technological progress and human values (Smith, 2022).

In the long run, robotics and automation have the potential to drive innovation in many other fields. Not only can these technologies accelerate research and development (R&D), but they can also pave the way for other technological breakthroughs, including artificial intelligence (AI), internet of things (IoT) and big data. This convergence can lead to better and more efficient solutions to global challenges (S. Gupta, 2020).

Various sectors have started adopting robotics and automation to improve their operations. In the healthcare sector, for example, robotics is used in precision surgical procedures and patient rehabilitation. In the agricultural sector, the technology enables more efficient monitoring and optimisation of crop yields. Other sectors such as transport, energy, and public services are also seeing tangible benefits from the application of these technologies (Wilson & Johnson, 2024).

The availability of business and financial support also plays an important role in accelerating the adoption of robotics and automation. Startup companies that focus on developing these technologies need access to sufficient financing and investment to thrive. In addition, collaboration between the private sector, government, and financial institutions can accelerate the implementation of these technologies in various industries (L. Kim & Park, 2023).

The adoption of robotics and automation is also influenced by market conditions and the level of global competition. Those companies that are able to quickly integrate these technologies will have a competitive advantage on the international stage. Conversely, companies that are slow to adapt may face the risk of intense competition and losing market share (Smith & Taylor, 2021).

Overall, robotics and automation have great potential to transform various aspects of life. By increasing productivity and efficiency, transforming labour markets, improving quality of life and driving innovation, these technologies play a vital role in the global economy. Challenges, such as socio-economic inequality and ethical impacts, need to be carefully managed through appropriate regulation, education and retraining, and inter-sectoral cooperation. With a thoughtful and inclusive approach, robotics and automation can bring wider benefits to the global community.

Conclusion

The use of robotics and automation in the era of Economy 5.0 has a significant impact in increasing productivity in various industrial sectors. These technologies enable increased operational efficiency by reducing the time and cost required to complete certain tasks. The implementation of robots in production lines, automated inventory management, and artificial intelligence (AI)-based data analysis gives companies the ability to optimise their resources and achieve more consistent and high-quality results.

However, the integration of robotics and automation also poses challenges that need to be addressed wisely. These changes may result in shifts in the labour market, where some manual jobs may be replaced by machines. Therefore, it is important for the government and industry sector to work together to provide training and re-education programmes for the affected workforce. Thus, social and economic sustainability can be maintained by helping workers adapt and acquire new skills relevant to technological developments.

Ultimately, the success of robotics and automation in Economy 5.0 will not only be measured by the increase in productivity, but also by how these technologies can be used responsibly and inclusively. Collaboration between the public and private sectors in formulating applicable policies will be crucial to ensure that the benefits of these technologies can be enjoyed by various layers of society. With a balanced and strategic approach, robotics and automation have great potential to drive sustainable and inclusive economic growth.

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