The emergence of the Industrial Revolution 4.0 which emphasizes on the development of virtual reality technology without much use of manpower has certainly impacted the various aspects of human life. Communities should be prepared to face the Fourth Industrial Revolution (Industry 4.0) and its challenges to continue to advance the country. The Industrial Revolution is a current-based development where the revolution will prioritize the Internet of Things (IoT) concept in almost every aspect of everyday life and differs from the first industrial revolution that focuses on the use of steam-powered machines, second to electricity, and thirdly to the use of information technology (IT). There are many challenges that need to be addressed by every member of the community, especially youths in ensuring the development of the 4.0 industry revolution can create a better quality society. Among the major challenges in the development of the industry revolution 4.0 is how psychology can be applied in addressing these problems. Human and humanity concepts need to be optimized in human life as well as skills and knowledge based on technology that youths need to master as well as negative effects such as internet addiction and smart phone abuse can be addressed.

**keywords:** Malaysian Youth; Industrial 4.0; Psychology; Challenges; Humanity