WORLD SERIES EVENTS ON ARTIFICIAL INTELLIGENCE

Event 10 Report

Artificial intelligence in the world of work – today and tomorrow

*Rep*ort: Artificial intelligence in the world of work – today and tomorrow

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This online event was hosted by the Slovenian Embassy in Berlin (Germany) and is part of the World Series Events on AI. The Ministry of Foreign Affairs of the Republic of Slovenia, the Slovenian Presidency, and the International Research Center Artificial Intelligence (IRCAI) have joined forces to organize 13 events in close cooperation with Slovenian embassies and other permanent representatives in 12 countries around the world.

The aim of this effort is to set an active agenda for AI during the Slovenian Presidency and to provide a basis for continuing and promoting bilateral discussions in the field of AI and sustainable development beyond the Presidency.

Read the full transcript of the event here.

Abstract

As more and more firms are acquainting themselves with applications of artificial intelligence (AI), employees in various sectors are stumbling upon AI-enabled machines in their day-to-day work. Already when applying for a job, AI tools might pre-screen them to assess their skills. Then, once they get the job, AI-enabled chatbots could help them get their grips with the company. Eventually, based on observations of how they have been carrying out their daily tasks, AI can pass on advice to their fellow employees.

However, as more and more firms are starting to use AI and data-gathering tools to evaluate their teams' performances, give instructions or provide incentives, their employees want to know: Are they safe sharing personal data with their managers? Will their job be replaced by AI in a few years' time? In a platform setting, how can they unionize with their colleagues?

To answer these questions, three experts (whose work revolves around the use of AI at the workplace) have been invited to the panel. The event has been opened by **Jelka Travnik** (Chargée d'Affaires at the Slovenian Embassy in Berlin) and moderated by **Lenart J. Kučić** (Journalist at podcrto.si & Podcaster at marsowci.net). The roundtable was joined by:

- **Dr. Markus Dicks** (Member of Policy Lab "Digital Work in Society" & Project Manager of German Observatory for AI and Society)
- **Tobias Müllensiefen** (Legal Officer at the Directorate-General for Employment, Social Affairs and Inclusion at the European Commission)
- **Dr. Massimo Preziuso** (Assistant Professor in Entrepreneurial Finance at University of Twente & Chair of the IRCAI Business and Impact Council)

Introduction:

Artificial intelligence is no longer a distant reality. This also goes for the world of work, as marked by Jelka Travnik (Slovenian Embassy in Berlin): "Employers around the world are already increasingly using technological solutions such as AI applications, both in the public and the private sector". Indeed, as employers in various fields are acquainting themselves with the opportunities offered by AI, employees come across AI-enabled machines more and more frequently: Already when applying for a job, AI tools might pre-screen them to assess their skills. Then, once they get the job, AI-enabled chatbots could help them get their grips with the company. Eventually, based on observations of how they have been carrying out their daily tasks, AI can be used to pass on helpful advice to their fellow employees.

Throughout the discussion, the panelists have brought forward a whole lot of opportunities that can come with AI applications at the workplace: With technologies giving rise to whole new business models and industries, Markus notes that AI can significantly foster innovation and create new jobs. AI technology can also be harnessed to take over the mundane parts of our jobs, leaving employees free with tasks that involve more creativity, for example. Speaking for the finance sector, Massimo adds that AI-based fintech solutions relief the challenges that come with a growing "gig economy" we are living in, under which growing number of independent workers are continuously hired for short-term commitments: "Underserved workers like freelancers or part-time workers are now being given new opportunities that were not present in the traditional financial services."

However, as AI is encroaching itself into this wide variety of work environments, all panelists emphasize the challenge posed by technological unemployment. With AI, indeed, contributing to the replacement of a series of jobs with autonomous processes, Markus points at the urgent need for a "re-education and strengthening of the vocational training system". Referring to the German labour market, he notes that by 2025, the country will aim to take up a workforce of about 800 thousand adequately skilled employee which the market is currently missing. Thereby, Tobias remarks that, while striving to reshape the future labour market, we should actively try to avoid a polarization into two labour camps – a camp of "highly skilled employees who can navigate well in this society" and a camp of "those who will be left behind and will have to compete for the few manual jobs that technology will not have taken over yet". To close this gap, Massimo calls for a widespread incorporation of the required skills into educational curricula.

Algorithmic management: A threat to human autonomy?

Over the past decades, development aid According to Markus, "individual decisions should always be backed by human decision-making at the end of the day": The development of algorithms should therefore always ensure that the algorithm-based decisions are made in a transparent, understandable, retraceable and reversable way. As such, the German public sector ensured that the AI is not allowed to make a fully automated decision in matters revolving around the provision of public goods or social services. Meanwhile, in the finance sector, Massimo reveals that some banks do not merely use algorithmic processes to suggest actions to their clients: "Some even take actions on their clients' behalf".

In the frame of the AI Act, Tobias accentuates: "We are not prohibiting platforms from using algorithms of course. However, if these algorithms take significant decisions (which have an impact on working conditions), they must be monitored and evaluated by humans". He adds that the EU's legal framework for AI regards most workplace applications of AI as of high risk, pointing at the risks it poses on human autonomy: Referring to his area of regulation, algorithmic management, brings to the

fore that instances in which management is assisted by algorithms and automated systems is more and more common: Functionalities include the allocation of jobs, provision of instructions, evaluation of the employees' performance, provision of incentives, imposition of sanctions - and the list goes on. Focusing on the context of platform work (where such systems have first been deployed), he emphasizes the importance of regulation to alleviate the risk posed on human autonomy. However, with practices of algorithmic management being increasingly adopted also beyond the boundaries of the platform-based economy, he notes: "We will certainly not stop there. In the coming years, we will certainly also look at the broader picture."

Trustworthy AI at work: The role of transparency & data privacy

As the Project Manager of Germany's AI Observatory, Markus has overseen several studies on the workers' perception of AI. He shares that the picture is bleak: With 40% of employees sharing that they were afraid of AI surveillance at their workplace, he notes that the deployment of AI should come with significantly more transparency, as a way to work on the technologies' trustworthyness.

The moderator (Lenart J. Kučić) notes that people can be asked already as early as in the job application stage to share their personal data with "a black box" to decide whether they are a fit. Referring to the European Commission's legislative work, Tobias emphasizes that the GDPR, in fact, already defines a strong set of principles on related individual rights including directives on which personal data can be used for which purposes. It also provides a segment of rules on automated decision-making systems – although including numerous exceptions. Still, in the case of exceptions, the GDPR calls for the provision of human safeguards which allow job applicants to contest the decision that have been taking by such algorithm-based selection schemes. Once at the workplace,

Tobias adds: "Automated systems and the AI behind them influence workers' conditions so much that they should have a right to know on which basis decisions are taken": According to the European Commission's proposals, workers should be able to ask which parameters are involved in the algorithm's decisions and which actions of theirs are monitored – in clear and plain language.

Labour unions: Organizing in a platform-based economy

As noted by the moderator (Lenart J. Kučić), the mobilization of employees working under the scheme of a modern-day transnational digital platform is not as easy as in a factory under the one and same roof. Massimo agrees claiming that "Unions need to speak a new, platform-based language to adapt to this environment": Unions should strive to better understand platform workers' needs as well.

This is why the commission's proposal to improve the working conditions of people working through digital labour platform, amongst others, also pressurizes platform employers to link an internal communication channel to their platform such that their workers can get in touch with each other. Although, as noted by Tobias, workers will at some point want to shift to an external communication channel when it comes to organizing, an internal communication platform would definitely come in handy to find each other in first place.

Insights from policy: Germany's AI Strategy & the European Coordinated Plan on AI

"AI has been a buzzword in the European bubble for a couple of years now", says Tobias. However, with the AI Act proposal that came out in April 2021, he adds that "things have become much more concrete". As put forward by

Jelka Travnik, Slovenia's EU presidency period has been marked by a strong emphasis on digital transformation and the ethical use of AI, which has been conducive to significant progress with the rollout of the AI Act.

Markus perceives such legislation on a European level as a global opportunity for better regulated AI: "If we set rules for the whole European continent, everybody who wants to enter our market has to deal with these rules concerning data protection and beyond". Massimo gives the nod: According to him, the European Union should have the power to "coordinate new policies that bring Europe towards a potential leadership position in regulating and governing the differences that you can see across its Member States". Tobias agrees that, although implementations should not impede innovation, legislations like these are a means to ensure that "European values are upheld in its digital labour market". Just as the EU General Data Protection Regulation (GDPR) has inspired other legislations across the globe to harmonize their AI regulation in a similar fashion, Tobias regards the AI Act could serve as an effort to pave the road towards more human-centered AI in the European labour market and beyond. Massimo emphasizes the importance of a continental policy on education to enable a better balance of vocational skills across the regions and therewith a better labour mobility. Moreover, in order to truly harmonize labour law on a continental scale, Massimo calls on leading countries in the region to share their experiences with implementing their approaches at reskilling their workforce and defining platform workers' rights, such as Germany's national continuing education strategy (*Nationale Weiterbildungsstrategie*) agenda.
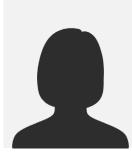
Quotes

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> *"Artificial intelligence is no longer a future topic, but already ubiquitous. This is also true for the work environments, as employers around the world are already increasingly using technological solutions such as AI applications, both in the public and the private sector."*

Jelka Travnik (Chargée d'Affaires at the Slovenian Embassy in Berlin

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> *"There is a gap which we have to close. We have to re-educate people and we have to strengthen our vocational training system as well as our higher education system."*

Dr. Markus Dicks (Member of Policy Lab "Digital Work in Society" & Project Manager of German Observatory for AI and Society)

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> *"We are not prohibiting platforms from using algorithms. However, if these algorithms take significant decisions, which have an impact on working conditions, they must be monitored and evaluated by humans."*

Tobias Müllensiefen (Legal Officer at the Directorate-General for Employment, Social Affairs and Inclusion at the European Commission)

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> *"If everybody's in the same physical place, you have one [labour union] representative. It's much easier than having a platform. In the context of a global platform, you often don't even know your colleagues on the platform."*

Lenart J. Kučić (Journalist at podcrto.si & Podcaster at marsowci.net)

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> *"The European Union should have the power to coordinate new policies that bring us towards a potential leadership position in regulating and governing the differences that you can see in different countries."*

Dr. Massimo Preziuso (Assistant Professor in Entrepreneurial Finance at University of Twente & Chair of the IRCAI Business and Impact Council)