

AI and Digital Transformation Impacts and Solutions

by **Mário Lelovský**, First Vice President of the Republic Union of Employers



The most recent research results on requirements for human capital change due to digital transformation shows it is essential to shift skills development towards competence development, as part of the workforce will be replaced by machines and skills will be gradually replaced by artificial intelligence. The development of systemic and critical thinking in the context of ICT use represents a fundamental added value for an employee in the labor market at a time of digital transformation. Canada is an example – a country where artificial intelligence development is fundamentally changing the structure of the labor market, and the adoption of a national program for the development of basic competences (communication, digital, mathematics, etc.) will be the answer for the labor market.

Systematic support for the development of digital competences for employers, evaluation and certification of the competences will, on a long-term basis, raise the level of skills of employees in the Slovak Republic. At the same time, the impact of the introduction of artificial intelligence in the labor market will be decreased. According to an independent OECD analysis, within ten years there is a 62% chance that nearly 800,000 employees in Slovakia will be at risk of losing their jobs. In order to re-integrate them quickly, their level of digital competence will be crucial. The Slovak Republic should do its utmost to create and implement such a system in both the public and private sector, as it is the most threatened country among all OECD member countries. Neglecting this problem at the national level could have negative consequences for fulfilling Slovakia's obligations as a member of the EU and a

complex set of solutions and actions will have to be taken.

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The conditions for implementing such solutions in the national context, with the target group expanding not only to low-skilled adults, but also to those who are threatened by digital transformation in the context of the OECD study, will be provided by the proposed Slovak national EU project Get Employed – Be Competent which was prepared by a consortia of employers (represented by the Republic Union of Employers) and a team of experts led by Mrs. Darina De Jaegher. The project defines the development, evaluation and certification of digital competences as a fundamental prerequisite for getting work in the 21st century. It focuses on determining the threshold level of competences in informatics, which includes the level of self-management of digital skills without the help of third parties. Inter alia, Slovakia will be able to verify the level of digital competence and also the level of its use in different working contexts.

The project's goal is based on the demand and needs of employers in sectors threatened by the development of

artificial intelligence. Artificial intelligence development will mean the following knowledge is needed for effective management of human resources: to know the levels of competences in informatics (which are not subject to frequent changes due to the development of ICT) of their employees or future staff clearly, to define the qualification conditions in informatics clearly and universally, to have access to assessment and certification that clearly verifies compliance with the qualification requirement in informatics at levels A1 – B2 and to know the average level of competences in informatics of employees in non-IT professions in order to manage human resources effectively.

The results of the project will enable employees to know the real level of employee competences in informatics and qualifications in the given field, help them to develop the level of competences in informatics based on available MOOC courses and to plan to raise the level of competences in informatics.

The aim of the project is to ensure a uniform approach at the national level to the development of digital competences, their evaluation and certification in order to maintain the labor force in the labor market, which will change as a result of automation and development of artificial intelligence for target groups of employees who are non-IT specialists.

Another goal is to mitigate the effects of automation and the development of artificial intelligence on labor market potential. Employers believe that the project will start this year and will help them and their employees to match their competences to the jobs of today and to the jobs of the future.

BIOGRAPHY

WORK EXPERIENCE

- First Vice President of the Republic Union of Employers of Slovakia (since 2014)
- First Vice President of the IT Association of Slovakia (since 2014)
- Chairman of the Supervisory board of SEWA (Slovak Electronic Waste company) (since 2005)
- CEO, Media Control – Smart Home solutions provider (since 2001)
- CEO, BaSys Czech and Slovak Group of companies (1992 – 2013)
- Chairman of the Executive board of Slovak National Digital Coalition for Digital Skills and Jobs – Digitálna koalícia (since 2017)

EDUCATION

- Master of Science, Faculty of Electrical Engineering and Informatics, Department of cybernetics, Slovak Technical University in Bratislava (1983-1988)