

UNDERSTANDING AND SHAPING AI IN THE WORLD OF WORK

ki_ German Observatory on Artificial Intelligence in Work and Society



Observatory on Artificial Intelligence
in Work and Society



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AI Observatory: Applying Germany's AI Strategy in Work and Society

German labour market

- Germany has one of the **largest (46 Mio.) and an aging workforce**
- Germany is **an industrial nation** and innovation-friendly
- Germany's economy is based on **social partnership** and **codetermination**

National AI strategy to **promote innovation** and **responsible AI** that serves public interest

AI Strategy of the German Federal Government

- ▶ • **2018: Adoption Federal Government's Artificial Intelligence Strategy**
- 2020: Update of Federal AI Strategy
- 2024: OECD Artificial Intelligence Review of Germany
- **Budget: 3,5 billion Euros**
- Joint responsibility by the three Ministries of Economy, Education, and Labour
- **Observatory** on AI in Work and Society **established at Ministry of Labour in 2020**

Observatory on Artificial Intelligence in Work and Society

- **analyses** the **impact** of AI on the world of work
- **promotes** a **human-centred and responsible use** of AI
- in collaboration with **partners**:

Business

Civil Society

Science

Social Partners

AI Observatory: Monitoring and Shaping AI's Impact in the World of Work Across Key Dimensions

Productivity & Employment Opportunities

How can the **productivity potential of AI** be realized across the economy, including in SMEs?

Inequality

How can the use of AI **prevent the creation of new inequalities** and help **address existing inequalities**?

Decent Work

How can **working conditions** and **quality of work** be improved for all workers through the use of AI?

Codetermination & Societal Dialogue

How can we ensure **broad participation** in the design of AI **in workplaces and across society**?

Empowerment & AI Literacy

How can all groups be **enabled to use and shape AI** as active participants?

... addressed in more than 15 projects with more than 50 national and international partners.

AI Studios Project: Empowering Workers and Representatives to Shape AI Adoption

Project Activities

Empowering Key Players

Supporting **workers** and **their representatives** across sectors, particularly in **SMEs**.

Low-Barrier Access

AI Buses bring knowledge directly to companies across Germany, with **workshops** and **interactive demonstrators** making AI's opportunities and risks tangible.

Broad Reach

350 events will reach workers from around **2,700 companies** by mid-2026.

Joint project with Fraunhofer IAO and IAT of University Stuttgart.

Insight

Lack of knowledge is the most commonly cited reason why companies do not use AI (71%).



Federal Statistical Office (2024)



OECD AI-WIPS Programme: International Insights into AI Technologies and Their Impact

Project Activities

14.4 Mio. Euros funding (2020-2026)
for building the evidence base on:

WORK	How is AI transforming the labour market?
INNOVATION	How can we make technological change human-centred?
PRODUCTIVITY	What are opportunities and inequality risks?
SKILLS	What role does training and empowerment play?

Evidence is used by OECD and its member states, EU Commission, G7, G20, UN organizations and standardization authorities.

Example Insight

*New report on “Algorithmic management in the workplace”
by OECD (2025):*

Algorithmic management tools are already widespread in Europe (79% of companies). [...] **Instruction tools** (69%) are the most commonly used.



What We've Learned About Artificial Intelligence in the German Labor Market

Diffusion

- The diffusion of AI is speeding up: **20% of German businesses used AI** in 2024 compared to 12% in 2023.
- By **2030** there will be no job that doesn't involve AI.

Productivity

- **Workers with access to generative AI can solve their tasks faster and better.**
- **High productivity potential** for vertical integration of AI in key industries: manufacturing, ICT, and business-related services.

Inequality

- Half of large companies, but **only every fourth medium-sized and every sixth small company** uses AI.
- **Workers with high incomes and qualifications** use AI more frequently.

Codetermination

- In companies **involving employees** in AI adoption, workers more frequently reported **positive effects on productivity and working conditions.**

Promoting Human-Centred AI in the World of Work Which Serves the People, Not the Reverse

- 1 **Broad Participation:** We need to ensure that everyone can influence AI development and use. Social partners need to be closely involved from the beginning.
- 2 **Empowerment:** We need to foster a widespread, fundamental understanding of the technology across society to enable everyone to participate in and benefit from its opportunities.
- 3 **Protection:** We need to safeguard trust, privacy and workers' rights through clearly defined rules and boundaries.
- 4 **International cooperation:** We need to collaborate globally, sharing insights and best practices to ensure AI has a positive impact on the world of work.