

The Future of Work and Social Dialogue in the ICT Sector

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The information and communication technologies (ICT) sector is not just one industrial activity; it acts as the central nervous system of a modern digital economy. This sector has been part of the economic and social infrastructure for a while, alongside, for example, the energy system or the traffic sector. The sector's infrastructural role grows with digitalization and digital transformation. At the same time, the sector serves as a primary *laboratory* for testing new forms of work, organizational structures, and management practices. While traditional industries are gradually being digitalized, the **ICT sector** already operates in a reality where borders between physical and digital space, as well as between work and private time, are largely erased. This transformation creates a specific set of challenges that redefine working conditions, shifting from classical work questions to complex problems of psychosocial well-being, cognitive load, algorithmic surveillance, and the ethical deployment of artificial intelligence. This shift creates new challenges for social dialogue and workers' collective representation before employers through unions and works councils. These challenges are visible today in the ICT sector, but they will be present in other sectors too. Thus, it is extremely important to understand the ongoing change in the ICT sector, how it will influence work and employment relations in that sector as soon as possible, and consequently social dialogue and the role of the union in shaping working conditions.

Challenges are visible today in the ICT sector, but they will be present in other sectors too

Recognizing these challenges, **Hrvatski sindikat telekomunikacija** (the **Croatian Telecommunications Union**) and **Republički sindikat radnika** (the **Republican Workers' Union**) have, in terms of their project **Challenges of Social Dialogue in the Digital Economy: Focus on the Private Sector and ICT**, financed from European Social Fund Plus, already predicted the range of activities in order to identify trends that have already changed or will change the nature of work, need for work, structure of work force, work organization, employment relationship

and consequently instruments of collective representation of workers toward employers, that is, union organizing in the sector and representation. These activities form the basis of this publication, which summarizes and synthesizes different processes and trends that change, or will change, work and social dialogue in the **ICT sector**. Activities included two workshops with trade union representatives, four interviews with HR managers in the **ICT sector**, and analysis of literature, professional studies, and scientific theses on the relevant topic.

While collecting information through these activities, we aimed to include two relatively separate subsectors that are increasingly converging within what is now called the ICT sector: telecommunications and IT. Publications place greater emphasis on the telecommunications subsector than on the IT subsector. This follows because both trade unions involved in these projects have a much stronger presence in telecommunications than in IT. Consequently, the telecommunications subsector perspective was more dominant.

Information collected from the above-mentioned sources is organized and systematized, formed as stylized facts, without detailed elaboration or argumentation for each thesis. The publication does not aim to provide final answers, nor does it offer scientifically rigorous conclusions. That is why this publication should be read as a guide for further discussion and analysis about the **future of work and social dialogue in the ICT sector**. The contribution of this publication is that it is trying to list all possible trends that are to be followed and analyzed in detail – everything in one place.

The ICT sector continues to offer above-average working conditions, but at the same time is becoming a source of stress, constant availability, and growing insecurity

Working Conditions in the ICT Sector

Through the workshops with trade union representatives and company employees in **the telecommunications and IT sector in Croatia**, and through interviews with HR managers of the most significant companies in the sector, we identified key characteristics of working conditions in that sector, taking into consideration the situation in related and comparable sectors in terms of the level of technological development, the level of value added, the profile of employees, etc. The draft of current working conditions in the sector also represents the initial state for estimating the effectiveness of technological, business, market, social, and other changes expected in the upcoming period. Overall, working conditions are still largely favorable compared with the rest of the market, but this sector has some specific drawbacks.

Advantages and Benefits in the ICT Sector

Flexibility and remote work

The most prominent and most appreciated benefit in the contemporary **IT and telecommunications sector** is flexibility, emphasizing remote work (home office). The remote model, widely adopted during the pandemic and since normalized as a regular practice, has become a key differentiator for attracting and retaining employees. This model brings tangible benefits to employees: significant time savings, the possibility to work from alternative locations (from the coast), a relaxed working environment, and a better balance between private and business life, which finally results in high satisfaction, engagement, and productivity. Flexibility is also present in flexible working hours. These characteristics are not universal across all companies, sectors, or employee groups, but they are characteristic of this sector, and they are increasingly present in other sectors as well.

The advantages of working in the telecommunications and ICT sectors can be grouped into four categories

Salary level, security of employment and career perspectives

Alongside flexibility, financial compensation is another positive characteristic of work in the **telecommunications and IT sector**. Financial compensation includes performance- and productivity-based bonuses, which motivate some employees, while others see it as a source of continuous high workload (if they want to keep higher incomes).

The telecommunications sector has stable business, continuous income, and cash flow. Although the sector is not *young*, it still has prospects for future growth, which ensures stable demand for workers and overall job security. Because it is a primary source of new technologies, employees have countless opportunities for horizontal and vertical promotion within companies, to work on global projects, and to pursue international careers (through multinational corporations and outside them as well, by changing employers).

Professional development

Great possibilities for professional development are still a strong motivational factor for working in this sector. This sector, as the headquarters of technological innovations, requires continuous improvement, and sometimes it comes to significant technological changes that require different skills and knowledge. It brings continuous improvement, mainly through structured programs offered by corporations. Company management, regardless of size, continuously and significantly invests in employee development and education. Some corporations in this sector offer special systems to assess the need for

new skills and systematic development of these skills, adjusted to the career preferences of their employees. Employees in this sector are always exposed to the newest technologies and business and management trends, which makes the job more interesting and dynamic.

Organizational culture, care for employees, and management quality

Employers strive for a modern organizational culture that promotes collegial, positive relationships among employees. It continually monitors employees' satisfaction and invests in health protection. Companies introduce different accommodations for workers and their family members, such as paid health appointments, supplementary and voluntary insurance policies, 24-hour accident cover, and free, anonymous psychological counseling and support. **ICT companies are historically more advanced than other sectors**; employers are ready to accommodate specific workers' wishes to retain them and increase satisfaction

Management more often implements clear rules and procedures, and companies are run at a high professional level

Management more often implements clear rules and procedures, and companies are run at a high professional level. This improves working conditions for all employees because procedures are clearly defined, continuously improved, and gaps are removed. A lot of education and campaigns against discrimination are being conducted, as well as clear treatment in cases of mobbing and other inappropriate relationships toward subordinate employees. Some workers have the privilege of working in modern organizational formats, like project teams and agile work methods that encourage a flat organizational structure, greater autonomy, and a strong sense of personal contribution and purpose through work.

Nevertheless, in big systems, **a high degree of social dialogue** is being promoted through which employers, unions, and works councils strive to become equal partners in creating strategies for workers' well-being.

Negative Aspects of Work in the ICT Sector

The formation of work in this sector could be described through four basic topics.

Constant workload, structural pressures, and isolation

The flip side of rapid technological growth brings serious challenges, including an *always-on* culture.



Technological connection and constant notifications, next to corporate culture and specific management, create pressure for constant availability. Workdays are often overloaded with long meetings that take time away from focused work, creating a tense environment and expanding daily tasks. The constant need to keep up with technology and learn new tools, although nominally positive, can cause fatigue from information overload and chronic stress because of (unrealistic) high expectations.

Introducing a performance-related pay system, where a substantial part of final salary is variable (so-called bonuses) and directly depends on measurable outcomes and achievements, creates constant pressure to maintain *high work efficiency* to keep a certain income level. Although contemporary capitalism imposes giving your best as a norm and value, it is not possible without *invisible costs* for employees in terms of stress and health risks. In any work rhythm, it is normal to have periods of high, average, and low efficiency, which models like performance-related *pay systems punish*.

Constant availability is becoming a new form of workload and the boundary between private and professional life is becoming increasingly blurred

The flip side of remote work is social and psychological isolation. **The loss of direct personal contact**, communication, and collegiality in office space transforms the sector toward extreme individualization, which employees often describe as a *passive* and *selfish* atmosphere. Additionally, remote work creates *invisible jobs* (like housework) that intertwine with professional work, blurring the boundary between private and business space.

Instability of working environment

One characteristic of work in the telecommunications and IT sector is continuous organizational change, including relocating workers from one department to another, changes in workplace systematization, and so on. Constant experimentation with organizational structures and models creates in workers a continuous feeling of insecurity, unpredictability, and, consequently, stress. To feel satisfied, workers need a certain amount of stability in their work environment, including job titles and descriptions, colleagues and team members, and superiors. Continuous changes in that direct environment necessarily result in uncertainty. This is especially true because occasional reorganizations are followed by redundancies or efforts to push older employees out of the organization.

This is followed by experimenting with organizational models like outsourcing, that is, extracting specific business processes to separate companies or outsourcing core business processes that are part of the regular business processes of a company. Although this practice was more prevalent in previous periods, it remains a key feature of working conditions in this sector. This is followed by the constant introduction of precarious work (see below). All of this creates a strong sense of uncertainty and insecurity about keeping the workplace separate, even as the sector prospers and employs.

Telecommunications is a typical sector where all characteristics of work in multinational corporations are being materialized. On the one hand, they offer quick expansion of new technologies and knowledge, advanced management practices and procedures, and the possibility of international careers for employees. On the other hand, national management is subordinated to multinational corporations' goals and focuses on achieving business goals set from abroad. In that process, the interests and needs of domestic workers are pushed into the background.

Big internal differences

Constant pressure to acquire new skills, introduce new technologies, and consequently obsolete old knowledge results in continuous stratification of workers inside the sector. Stratification happens due to multiple criteria. Workers who work on the newest technologies have a better negotiating position than those who work on older technologies, which creates differences in income, bonuses, and base salary. Older workers, compared with middle-aged or younger workers, adjust more to change and can barely keep up with new technologies and shifts. Workers who develop the newest services have significantly greater chances of promotion and salary raises than those in lower-level technical jobs that provide customer service.

Processes That (Re)Shape Work in the ICT Sector

One of the two main goals of this publication is to identify the processes, trends, and phenomena that are already shaping working conditions, work organization, labor demand, the structure of the labor force considering the level and the type of competition, and all trends on the market relevant for this sector, as well as trends that will shape the work in the ICT sector in the next five years. Based on the sources and methods used in this analysis, four macro processes have already influenced work in the ICT sector over the past five years, or will significantly influence it over the next five years. The key subprocesses are identified within each macroprocess.

Transformation of the ICT Sector

The future of telecommunications companies lies not in infrastructure but in their transformation into technology companies

New Technologies

The telecommunications sector has recently entered a significant investment cycle in new technologies, such as 5 G mobile technologies and optical networks. New technologies have brought changes in services and improved the quality of existing services, but they have also significantly changed how technology is maintained. These technologies deeply change the traditional way of working within the telecommunications and IT sector. This technological transition strongly influences the structure of the labor force because automation and reliance on new networks result in the need for significantly fewer people in direct work and a dramatic decrease in physical maintenance of the equipment in the field. **New technologies require entirely new competencies in technicians** who maintain networks, which now happens centrally, without the need for intervention at separate locations (for example, in a local center). This results in reorganizing work by centralizing business processes and integrating local teams into larger teams. Centralizing maintenance enables the globalization of these business processes because the jobs in this network could be outsourced internationally. Technical aspects of business (networks and their maintenance), which were until recently highly localized and dispersed, are now undergoing **concentration and centralization**.

The listed changes have direct consequences for the structure of employment. On the one hand, the need for local and regional centers with large teams is decreasing. On the other hand, there is a need for wor-

kers with different competencies, who are less technical and more software-oriented. In this area of business, the need for qualified workers is increasing more than it traditionally was. In the end, all these processes impose Comprehensive organizational adjustments. Companies must continually update their organizational structure and job descriptions. This requires interventions for existing employees who must requalify, find new roles in the company, or, in the worst case, continue their careers outside that system.

These processes strongly influence trade union activity in the sector. Above all, trade unions must be active participants in restructuring business processes, which includes many challenges, the most important of which is how to balance companies' need for technological advancement with the protection of workers' and members' interests. Furthermore, changes in employee structure, with a larger number of highly qualified workers, make recruiting new members and maintaining trade union density more difficult.

Using a 5G network or introducing gigabit fiber is no longer a wow effect for the average user. The service has become an infrastructural standard and part of daily life

Commodification and Rising Price Sensitivity

If the telecommunications sector is viewed narrowly, it could be said that it is gradually becoming a **traditional industry**. Above all, this means that room to expand the market by launching new services or new customer groups is limited. Technological changes in the previous period (see above) haven't significantly increased the number of users or services, nor have they increased the prices of existing services. The technologies mentioned above have improved service quality and created new possibilities for users, but they have not significantly affected service prices or users' income. When 3G was introduced (enabling mobile Internet) or 4G (enabling video streaming), users experienced a significant quality improvement. Using a **5G network** or **introducing gigabit fiber** is no longer a *wow effect* for the average user. The service has become an *infrastructural standard* and part of daily life. The market has become saturated with incumbent services, which results in shifting the focus to price competition among providers. Consequently, incomes and profits per user stagnate.

Normalizing telecommunication services, as everyday and widely present, that do not have significant quality improvements notable to regular users results in an increase in users' criticism of these services, which means higher price sensitivity. Because telecommunications services are less exciting, buyers are more likely to pay more based on emotion. The process by which a product or service loses market differentiation and visibility is usually referred to as *commodification*. A high-tech product (what telecommunications used to be) becomes a *commodity* over time–an ordinary good. The user doesn't see a di-

fference between operator A, B, or C, because everyone delivers the *same service*, so the price becomes the main source of differentiation[1].

Future risks to continuing or strengthening this trend include increasing competition, which can come in two ways. On the one hand, new traditional telecommunication operators in the domestic market could trigger a new, intense cycle of price competition among service providers. Another way competition increases in the telecommunications services market is the emergence of alternative providers for certain services offered by traditional operators. These alternative competitors are known as **MVNOs** (*Mobile Virtual Network Operators*), that is, telecommunications companies that don't have their own network infrastructure but procure network capacity from large, traditional mobile operators to offer services to users under their own brand. Since they don't have the high costs of building and maintaining networks, virtual operators usually focus on marketing, customer service, sales, and creating specific, often cheap packages. They can operate with very few employees and serve more than a thousand users. Because of these low operating costs, they often seem disruptive in the market and drive prices down. This leads to reallocation of market shares, that is, reallocation of value added among traditional operators and new competitors. The consequence is lower income and added value per employee at traditional operators.

All of this necessarily steers management toward cost efficiency across all segments of the business, including labor management, with consequences for workers' bargaining position (individually and collectively) and the possibility of further salary improvement, as well as material and nonmaterial rights and benefits. For certain types of employees in the sector, this could at least result in decreasing salary in relation to comparable workplaces in other sectors, which could lead to additional employment reduction in these workplaces in the sector or hard employment of workers in such workplaces (see below). Additionally, these trends could widen differences among employees within the sector. Of course, that could mean losing some usual material rights, but not nonmaterial benefits. For unions, that means increased demand for collective negotiation to better meet members' expectations, satisfy different groups' expectations, and engage more in mobilizing members and workers through industrial action.

From Telco to Tech Companies

One of the companies' responses in the telecommunications sector to declining value added and margins is to expand into new services and business segments. The existing infrastructure business

[1] For more on the commodification process in the telecommunications sector, see: Groene, F., Navalekar, A., & Kramer Coakley, M. (2017) *An industry at risk: Commoditization in the wireless telecom industry* Strategy&. strategyand.pwc.com/gx/en/insights/2017/an-industry-at-risk/an-industry-at-risk.pdf

model is reaching saturation in terms of income and costs. Expanding the range of products and services that are offered to users, especially to business users, are partly shaped by new possibilities, such as optical and 5G infrastructure, and by the need to secure a return on investment in that infrastructure. **The future brings transformation of telecom into technological companies that create new added value above the infrastructure itself and traditional telecommunications services**. This is manifested in greater inclusion of telecommunications companies in segments of classic IT services, like digital services, cloud services hosted in telco-owned data centers, computer and cyber security, the Internet of things, managing and maintaining IT systems of companies, etc. Geopolitical uncertainties reinforce the importance of cybersecurity at both the company and national levels. Because of constant global attacks on telecommunications infrastructure, cybersecurity is no longer optional; it is fundamental to business.

Highly qualified workers with highly specialized competencies have a strong individual bargaining position

As companies enter new businesses, they change their internal organization by opening new departments or using acquisitions to integrate their ecosystems into traditional IT companies. This also changes employment structures, with greater demand for highly specific competencies and, consequently, major shifts in the labor market, increasing internal heterogeneity in workers' interests. Highly qualified workers and very specific competencies have a strong individual negotiating position, which reduces their interest in trade union organization and collective bargaining. This expands the share of employees not fully covered by collective agreement pay scales, reducing the drive to introduce collective bargaining where it is currently absent. Meanwhile, human resource management operations are becoming increasingly complex, and they should combine completely different models of contracting terms and fostering employee satisfaction. Recruiting and retaining talent in the extremely demanding segment of the labor market is especially challenging.

Nevertheless, business diversification not only introduces new advanced ICT services but also strengthens traditional business functions, such as sales. To optimize sales capacity and increase income per user (per client who visits the store or other sales channels), telecommunications companies are expanding the range of products and services they sell. Alongside entering segments for selling mobile devices, they are also expanding sales of devices that can be bought in telecom companies' stores. Thus, alongside phones and tablets, they are offering more game consoles, smartwatches, and other devices. Telecom companies are entering some segments of financial services as well, like selling insurance.


Business diversification is not moving solely in the direction of introducing new, advanced ICT services

This trend also increases the need for medium-qualified labor in the sales segment. Sales has long been an activity in which flexible salary models are developed based on efficiency, a trend that has long been present.

Weakening the Sector's Reputation

The earlier-mentioned commodification of services in the telecommunications industry definitely decreases the sector's reputation and its attractiveness for different stakeholders, both investors and workers, and especially highly specialized talent. The **IT segment** of this sector wasn't affected by the challenge of declining reputation until recently. But the rapid development of AI models, which are capable of doing tasks that were, up to this point, reserved for IT experts at lower and mid-levels, introduces this challenge in the IT segment of the ICT sector.

The possibility that certain expert jobs in the IT sector are now being done by people with lower levels of technical qualification, but with skills in using the most advanced AI tools, could result in the *banalization* and *devaluation* of competences (known as *commoditization of software engineering*) which had a really high reputation on the market and in society till recently. By automating basic skills (more on that later), this sector is eroding the perception of work value.

In the long term, continuing this trend could reduce the attractiveness of **ICT study programs** and, consequently, reduce job offers for graduates with adequate profiles. The speed and extent of these changes are not possible to predict at this moment, but identifying the processes that can drive them is an important step in preparing all stakeholders for the relevant changes.

Demographic Trends, Forms of Employment and Generational Changes

Labor Shortage

In the last five years, one factor influencing business across all sectors of Croatia's economy has been labor shortages. High rates of emigration of younger, working-age people after Croatia's entry into the European Union, in combination with a negative Natural increase rate over a longer period and economic growth encouraged by good tourism results and a significant amount of funds from

the EU, resulted in growth in total employment and a decrease in unemployment. For the first time in almost forty years (since the mid-1980s), demand for labor exceeds supply in the domestic labor market. This trend describes the overall situation, but it is uneven across sectors and professions.

In telecommunications, the listed problems are especially present in certain positions, particularly those requiring mid-level qualifications. All companies in the sector face the challenge of meeting labor needs in sales and customer support, as well as in parts of the technical business. **Labor fluctuation** in these positions has grown significantly over the past five years and still presents a great challenge in managing human potential. This challenge is especially pronounced in tourist regions (for example, Dubrovnik, Dalmatia), where local inhabitants choose other career paths. During the tourist season, the supply of the same worker profiles is significantly higher because some workers leave telecommunications companies, or the number of applicants is lower than expected and needed. Compared to hospitality and construction, telecoms can't solve the deficit by hiring foreign workers because of the language barrier. Telecommunications service users (in stores and customer service) need access to the local language. Even regional labor mobility is sometimes not enough.

All companies in the sector are facing challenges in meeting workforce needs in the sales and customer support segments, as well as in technical field operations

In some mid-level and administrative positions, labor has flowed out of the telecommunications sector toward the public sector over the last couple of years. This shift was encouraged by significant salary growth in the public sector, so **overall working conditions** (job security, salary level, and daily workload) are not competitive enough for some professions. Workers deliberately choose stable jobs with less pressure on results and bonuses; they trade greater engagement for fixed working hours. In this way, the earlier-mentioned approach of paying workers according to personal efficiency returns to the telecommunications sector like a boomerang.

Although salaries in the telco sector are high, fast-growing **IT companies** with modern work models compete strongly to attract and retain specific engineers and technical experts. Thus, even for the most qualified workers with specific competencies, positions in the telecommunications sector are not enviable. Croatia must look for a model to import highly qualified workers, and the plan's key trend is to use instruments like the EU Blue Card, which enables employers to hire foreign experts based on work experience rather than a diploma. The need to internationalize higher education is presented as a way to attract foreign students who would then most likely remain in Croatia as highly qualified workers.

The trend in the sector goes toward a **structural increase in workers' negotiating power**, individually and collectively, which should ease salary increases and material rights. This gives unions in the sector a stronger negotiating position. At the same time, the workforce shortage leads companies to accelerate the automation of individual business processes to reduce reliance on a workforce that cannot be easily and quickly replenished and whose costs are rising faster than productivity gains. It could result in a long-term change in employment structure in terms of reducing the share of employees at lower and mid-qualification levels, that is, workers in technical maintenance, sales, and customer service, and increasing the employees' share at higher qualification levels with specific competencies. Such a change in the employee structure can exacerbate the challenge of maintaining union density, given the well-known difficulties of organizing highly qualified workers in the private sector, especially in the **ICT industry**.

Outsourcing and external vendors

A focus on cost efficiency in the early stages of the telecommunications sector's development led companies to outsource some business functions, mostly labor-intensive ones. Companies' **main motivations for outsourcing** usually include reducing labor costs, increasing work intensity, and shifting costs and flexibility risks to workers and external vendors. This model is often used to bypass employee representation, avoiding obligations under collective agreements and broader labor market regulations. The consequence is fragmented labor within the production or service value chain, which directly reduces collective bargaining coverage and lowers union membership in transferee companies (vendors).

In the domestic telecoms market, these practices have been present for ten years. The well-known example within the sector is the 2014 **carve-out of Hrvatski Telekom's network maintenance operations** to an external entity managed by Ericsson Nikola Tesla (ENT). Under the business unit transfer agreement, a substantial number of HT employees transitioned to the newly established company Ericsson Nikola Tesla Servisi d.o.o. The contract included planning, building, and maintaining the fixed and mobile network. Moving this work outside the HT system weakened, for the unions, the protection of workers' rights and increased the complexity of the unions' activity, which had to invest significant effort to maintain the union's organization and the level of work and material rights of certain workers. Ten years after extracting business processes related to maintaining and building fixed and mobile networks, there was a change of things – in which this business returned to Hrvatski Telekom.

Telecommunications operators often employ external vendors, not only for technical functions but also for sales, instead of building

these capabilities in-house. Although the trend of classic outsourcing has currently stopped, the transfer of certain business functions to external vendors will probably remain stable, or even increase, in the coming period. The listed practices reduce formal employment within the operator and increase the share of small and medium-sized companies in sectors and activities that formally don't belong to this sector (for example, if sales are entrusted to companies specialized in sales and registered in retail).

Workers in these models often face insecurity and poor working conditions. By transmitting the work, including employment, to small and medium-sized companies, it is harder for unions to organize the workers in the sector, which means that a significant part of workers who participate in the same service value chain stays outside of the union, that is, without the possibility of formal collective rights protection. This results in lower salaries, fewer material rights, and generally lower working standards in the sector. When, in certain parts of the same sector, salaries, material rights, and standard working conditions differ significantly, it creates the risk of reducing these rights and standards in parts of the sector where they are higher. Thus, continuing the outsourcing trend, whether by extracting existing business units or transferring work to external suppliers (vendors), poses a significant risk of reducing working conditions in the ICT sector, especially in its traditional telecommunications segment.

The Croatian Telecommunications Union frequently draws attention to the situation of workers

Agency Work and Student Work

On the Croatian market, **agency work** was introduced in 2003 by amendments to the Labor Act. In that way, agencies regulated temporary employment as an employer-worker agreement, not based on the work itself, but on an assignment contract that allows the worker to be seconded to other employers. Due to later amendments to the Labor Act, some regulations have become stricter to equalize the working conditions and rights of temporary agency workers with those of those directly employed by the user enterprise.

Croatian telecommunication companies were among the most to use new and flexible forms of employment. Agency workers are most often employed in call centers, customer support, technical support, field sales, and as field technicians for in-home equipment installation. **Hrvatski sindikat telekomunikacija** (HST) often warns about these workers' position. Although the law prescribes equal base pay, agency workers often don't have the right to additional benefits that telecoms give to their permanent workers under collective agreements (like Christmas bonuses, holiday allowances, annual bonuses, and supplementary health insurance). Also, workers are often uncertain because their contracts are prolonged to shorter deadlines (for example, month by month).

Croatian telecommunication companies were among the most to use new and flexible forms of employment

Student work is a specific legal form of employment in Croatia, rarely present on other markets with that level of regularity and specificity in relation to a standard work contract. Student work was primarily imagined for temporary work for full-time students, who can't have continuity or stability, but should oscillate with regard to the season, that is, the dynamics of lectures and exams. They also can't have a full-time job, except for the summer. In practice, this form of work is usually used as a replacement for full-time employment, so students work a full-time job for a longer period. With agency workers, Croatian telecommunication companies are big users of student work. They often use it to replace workers on employment contracts, for example, in sales, promotions, and customer service.

Using flexible forms of employment in the telecommunications sector over the past ten years has been hard to justify with real needs, like a lack of labor or demand volatility. Telecommunication companies used (and still use) flexible forms of employment in jobs and workplaces where there is and still is continuous need (sales, customer service, and similar). Avoiding permanent employment in jobs and workplaces that have continuous and stable need presents a form of corporate social irresponsibility, where there is an advantage of short-term profitability. These practices are especially problematic when presented through legal institutions, for example, using the **student contract** as a model of relatively long-term employment.



These practices in the telecommunications sector have contributed to an increase in heterogeneity of workers in the sector with regard to legal status and the form of relationship with the employer, creating two categories of employees who often work together at the same jobs or in the same or similar workplaces. One preferred category is made up of employees of telecom companies with permanent work contracts; the other is agency workers and students. The first group has greater security and better rights, while the other categories are in a precarious position.

New opportunities on the market, which are marked by a lack of workers in workplaces where there were workers with flexible and precarious forms of work, enable unions to exert stronger pressure on employers regarding models of workers' engagement.

Lump-Sum Sole Proprietorship

IT segment of the wider ICT sector developed its own models of disguised employment, that is, avoiding employing people on standard work contracts. That model in the ICT sector is specifically related to using lump-sum sole proprietorship as a legal and tax status. Since 2012, there has been a strong rise in the number of lump-sum sole proprietorships: back then, there were around 4 500; in 2013, the number grew to 12 500; by the end of 2020, there were more than 52 000[2]; and at the beginning of 2026, there were around 100,000. Over

These practices are especially problematic when presented through legal institutions

[2] Grgurinović, M. (2021, December 30). *The government first enabled increased entry into the lump-sum system, and now fears abuses.* https://faktograf.hr/2021/12/30/vlada-prvo-omogucila-pojacan-ulazak-u-pausal-a-sada-se-plasi-zloupotreba/



the last ten years, sole proprietorships in intellectual services, including the IT sector, have grown significantly. **IT sole proprietorship**s in HOK (Hrvatska obrtnička komora – Croatian Chamber of Trades and Crafts) belong to the Guild of Intellectual Services. By the end of 2016, 9,300 sole proprietorships were registered. By June 2025, the number rose to 38,111 sole proprietorships, making this sector the one with the **biggest growth in crafts**[3]. A significant part of this growth is due to sole proprietorships in the IT sector. According to the Croatian Tax Administration, at the end of 2017, there were only 1,271 sole proprietorships in Computer and information service activities. By the end of 2018, that number doubled to 2,303, and by mid-2019, it was over 3,000. Considering that service activities have quadrupled, it is estimated that today in the IT sector there are significantly more, and some say even over 10,000, sole proprietors.

The main attraction of lump-sum taxation is lower taxes and social contributions, which are, depending on the tax bracket, double or triple lower in comparison to standard employment. In 2021, the Croatian Tax Administration noticed that sole proprietorships were being used as a model to disguise dependent employment and started systematic supervision to establish a tax offense. This consists of a worker formally quitting his job or arranging continuous collaboration; the worker registers a lump-sum sole proprietorship and continues or starts to work exclusively for the same company, but now as an external service provider and subcontractor. Since the taxes and social contributions are significantly lower, especially for higher salaries that involve high tax rates, this enables a sole proprietor/disguised employee to have a higher net income for the same gross cost to the employer. This model was used to increase the net income of IT professionals without increasing employers' costs, at the expense of budget tax revenues and pension and health insurance social funds.

Although this work model has mutual interest for both employer and employee, it has **a series of negative consequences on individual and collective levels**. On the individual level, it is about a precarious form of work: although it is formally treated as entrepreneurial activity, it is actually about standard employment disguised within tax and legal forms, in which the employee doesn't have employment security, nor does he have income predictability. Furthermore, it is a form of work where the employee doesn't have the usual rights like employees with a work contract; they also don't have **effective instruments for protecting their rights**[4]. The job and income

[3] Croatian Chamber of Trades and Crafts. (2025). *Statistical information June 2025*. https://www.hok.hr/sites/default/files/page-docs/2025-09/Statističke%20informacije%20lipanj_2025.pdf

[4] On self-employment as a form of precarious work, see: Ostojić, J. (2026). *Decomposition of precarious work in Croatia* [Doctoral dissertation, University of Zagreb]. National Repository of Dissertations and Scientific Master's Theses.



These platforms function like marketplaces for highly specialized project work, where IT experts offer their services and employers post business tasks of varying scope

uncertainty and the inability to manage opportunities and offers often make employees work intensively and for many effective hours, which often crosses the line of a healthy lifestyle.

Generally speaking, **that form of work undermines the wage system** and exacerbates the challenge of establishing a coherent, transparent, and fair wage and reward system within the IT sector. Formal work fragmentation through lump-sum sole proprietorships decreases the companies' size, which worsens the establishment of advanced organizational structures with clear labor division and job descriptions, the development and management of human potential, and, consequently, a collective approach to regulating employment. The result is highly individualized employment, with little space for social dialogue and systematic employee representation.

Cloud-Based Platform Work

In work sociology and the IT industry, cloud-based work (known as *cloud work*, *crowdwork*, or *online web-based platform work*) refers to employment in which tasks are offered, assigned, executed, and paid exclusively online through digital platforms. Compared with on-location platform work (like *Uber* or *Glovo*), *cloud work* is completely independent of the worker's geographical location. The client could be in the USA, the platform in Ireland, and the programmer in Croatia. In recent years, a series of platforms were developed (*Upwork*, *Toptal*, *Freelancer*, *Fiverr*, and others) that enable this kind of work, specialized for the IT industry, such as complex projects like software development, database architecture, or web design. These platforms function like **marketpla-**

ces for highly specialized project work, where IT experts offer their services and employers post business tasks of varying scope, from small few-day projects to big several-month projects. There are also platforms (*TopCoder*, *99designs*) where clients post their IT problems, and programmers offer solutions. The one whose solution the client chooses gets paid. From companies' perspectives, it is about a new outsourcing model, this time for highly qualified jobs.

These platforms bring **algorithmic management**, especially when IT experts join large projects and teams, where they handle segments of technical work and executive tasks. Algorithms assign jobs, measure time spent per task, mark activities, and automatically calculate the fee. Workers' futures depend on grades and reviews from previous clients, similar to platforms for on-location work (*Uber*, *Bolt*, and others). A rating decline can mean automatically losing access to better jobs, or even profile suspension (*algorithmic dismissal*)[5].

Since workers from countries with low living costs can compete for the same tasks, prices per hour are steadily declining on many platforms

Such digital platforms created a **unique global marketplace with deep power asymmetry**. There is a clear division between client and contractor. More than 70% of demands (clients who commission work and invest capital) come from rich countries of the Global North (especially the USA, the UK, Germany, and Australia). On the other side, the workforce is primarily concentrated in countries in development and transition (India, the Philippines, Ukraine, and other Eastern European countries). Global competition creates a lot of **pressure on labor costs**. Since workers from countries with low living costs can compete for the same tasks, prices per hour are steadily declining on many platforms, which exacerbates the subsistence of workers from more expensive environments. Working on these platforms means doing tasks below the worker's qualification level. Due to the impossibility of finding adequate jobs on the local market, sometimes programmers do routine microtasks (such as image labeling for AI model training) that are below their qualification level. Working on these platforms also means a **large number of unpaid tasks**. Workers spend part of their work time on unpaid activity, which includes researching available tasks, writing offers, dealing with unpaid qualification tests, and similar.

It is not possible to find data on how many IT experts from Croatia work using these platforms. But, considering the growth of lump-sum sole proprietorships connected to IT, supposedly there is a certain group of programmers who combine work for big domestic and

[5] Data and main theses taken from: International Labour Organization. (2021). *World Employment and Social Outlook 2021: The role of digital labour platforms in transforming the world of work*. https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@dgreports/@dcomm/@publ/documents/publication/wcms_771749.pdf

European companies using these platforms. For example, when there is less work from regular clients.

With regard to the negative influence of platform work on certain workers, it should be mentioned that it has a negative systemic effect on the market. Before everything, platform work puts a part of the work outside the standard frame of regulated employment relationships and creates new, **vague legal forms**. Although it is often presented as a form of entrepreneurship, it is not, because **workers depend entirely on platforms and their rules**, leaving little room to build their own business models. It is about relations that are not adequately and in detail regulated, except for general regulations. Although introducing this form of work is often justified by the need for market flexibility, adjusting market regulation using new technological possibilities and entrepreneurial spirit, platform work doesn't have any of these characteristics and presents a form of work organization that primarily uses platforms or service buyers through platforms, while the executors themselves have worse working conditions and earnings in comparison to classical forms of work organization.

Generational Changes

Managers of human potential in the sector notice changes in the characteristics of younger working generations who demand different approaches regarding managing the labor force and work organization. When talking about new generations, it mainly refers to *Generation Z* (born between 1997 and 2012). That's the first generation of real *digital natives*. They don't know the world before smartphones and social media. They are extremely visual, fast information consumers, appreciate authenticity greatly, and are socially and ecologically aware. They bring **demand for more flexibility and mental health care**.

The possibility of doing certain tasks using digital tools, especially artificial intelligence, is not proof of deep understanding and knowledge of the matter

New generations, according to managers, have access to a lot of information, often mixed with knowledge and understanding. Due to that, they have a tendency to estimate their own capabilities and readiness to do complex tasks incorrectly. The possibility of doing certain tasks using digital tools, especially artificial intelligence, is not proof of deep understanding and knowledge of the matter or the process that is behind relatively automated task performance. According to interlocutors, they have a tendency toward instant solutions, while they acquire knowledge through effort and questioning (*sleepless nights*), and not in a way that the system or the computers deliver the asked result in just two clicks.

This phenomenon is described in the literature as an *illusion of competence* that implies consequences of getting used to doing tasks



New generations of workers require and ask for a lot of self-time in terms of attention that is expected from the supervisor, and also toward themselves

with the help of artificial intelligence. Daily usage of these tools creates a deceptive feeling of capability. People think they are skilled, while their real cognitive and practical capabilities are actually weakened because the practicality of artificial intelligence encourages a passive and superficial approach to tasks instead of active mental engagement. This threatens to degrade the cognitive capabilities of new generations. Excessive reliance on artificial intelligence undermines crucial capabilities like memory, analytical problem solving, and critical thinking[6].

According to experienced human potential managers, the new generation seeks a different way of managing their work and has a different relationship with teamwork and functioning in complex organizations. There is an impression that ***Generation Z*** members look more for feedback about their work that has to be shaped in a friendly and supportive way; they want to be managed in a formal-informal way. They like to have a clearly defined framework, but within it they prefer a relaxed relationship with the supervisors. The mentor's approach is highly desirable and necessary for their development from the organization's perspective. They have different expectations than a traditional structure. They are less inclined toward large teams, prefer an individual approach or microgroup work (2 to 3 people), and really value their time and autonomy. Unlike previous generations, which tended to socialize more, hold gatherings, and actively seek togetherness in a broader sense, new generations are significantly more individually oriented, according to the human resources manager's impression.

[6] Matueny, R. M., & Nyamai, J. J. (2025). *Illusion of competence and skill degradation in artificial intelligence dependency among users. International Journal of Research and Scientific Innovation*. https://doi.org/10.51244/IJRSI.2025.120500163

Consequently, the level of loyalty toward companies is lower than in previous generations, who were building their personal identity in terms of their profession, job, and the company they were working for.

Generation Z has a considerably different view of working in the telecommunications sector. While to older generations it was really attractive due to its traditional features (network, headquarters, infrastructure), for new generations these features are not something they can identify with, or that attracts them. If it's about highly qualified people, what attracts them is working in the IT sector more than in the traditional telecommunications sector; with regard to salaries and working conditions, they are not attractive in comparison to other opportunities that have, meanwhile, appeared on the market.

New generations of workers require and ask for a lot of self-time – in terms of attention that is expected from the supervisor, and also toward themselves. **They appreciate their free time and working time extremely**. They come with a clear attitude where *they put themselves first* and, in terms of that, they shape the expectations they have. Consequently, there is an impression that they lack social and verbal skills during face-to-face conversations that are not mediated by digital communication tools.

Scientific literature confirms human potential managers' impressions and experiences. Bhagyashree Barhate and Khalil M. Dirani published scientific work presenting results from 19 published studies on *Generation Z*'s career expectations and ambitions[7]. Based on a systematic analysis, the authors concluded that *Generation Z* members are described as highly self-confident and persistent. To reach their goals, they rely more on their own skills than previous generations and depend less on the team. On the one hand, they expect close, almost family relationships with colleagues and a good working atmosphere. On the other hand, part of the study states they prefer independent work because their inefficient teams can frustrate them. They see supervisors primarily as mentors and role models who should lead them. Rather than classical hierarchical advancement, they prefer horizontal growth and acquiring new professional and technical competencies. They are strongly motivated by self-actualization and finding purpose in their work. They expect coherence between their personal values and the company's values and **require immediate affirmation from supervisors for a well-done job**.

As digital natives, they rely on technology to work, study, and socialize, and they expect professional technology in their workplace

As *digital natives*, they rely on technology to work, study, and socialize, and they expect professional technology in their workplace. Having seen

[7] See: Barhate, B., & Dirani, K. M. (2022). *Career aspirations of generation Z: A systematic literature review. European Journal of Training and Development*, 46(1/2), 139–157. https://doi.org/10.1108/EJTD-07-2020-0124

parents lose their jobs despite their loyalty, *Generation Z* has become cautious and distrustful of employers, and they prioritize financial stability. They are drawn to technology-oriented companies and large international corporations that offer a flexible work culture. They expect **flexible work hours** and the **option to work remotely** so they can pursue their own interests. Although a competitive wage matters, it is not the only driver in career choices; self-confidence helps them negotiate. Generation Z aims for continuous, informal learning, whether independently using technology or collaborating with a network of colleagues.

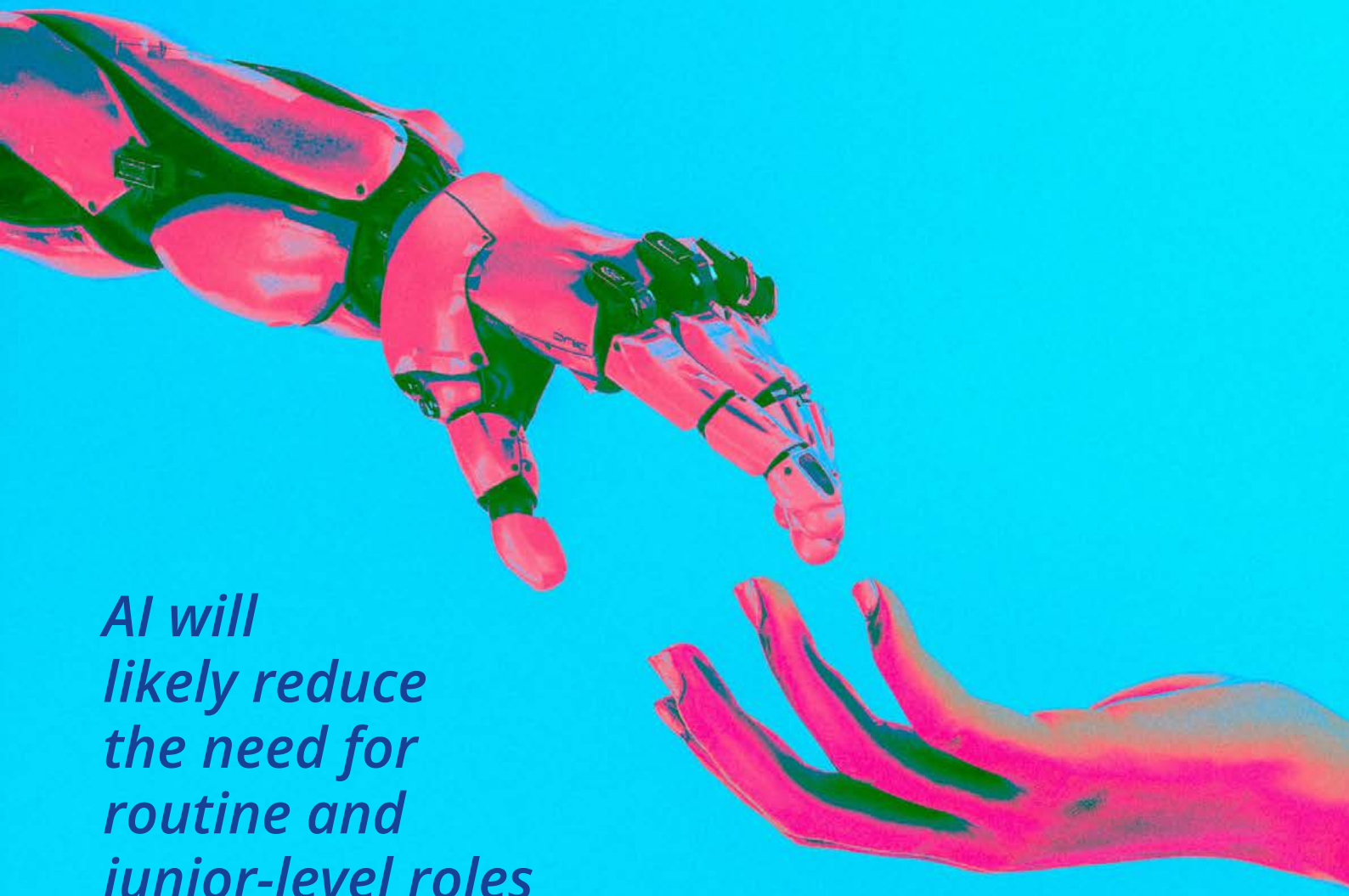
If the human potential managers' impression and current knowledge survive these times, and if the specialty of *Generation Z* proves to be the real generational effect, and not just the effect of the time of life[8], gradual changes in organizational cultures in the telecom and IT sector are expected. This will require adjusting business processes, organizational structures, and human resource management policies. There is also a growing risk of discrimination against older workers as business processes and **organizational culture shift** to meet the expectations and sentiments of younger generations. It will, for sure, change the role of collective labor relations, that is, the role of trade unions and work councils. Thus, unions must follow generational changes as managers of human potential and adjust their ways of working, goals, messages, and communication channels with the new generation of workers.

Artificial intelligence

Cautious Rollout

Based on the workshops conducted and interviews with human resources managers in the sector, artificial intelligence tools are gradually but carefully introduced into everyday business processes in telecommunications and IT companies. Companies gradually test AI tools in certain business processes and encourage employees to use and test different tools. AI tools become part of meetings and, alongside people, help find the best solution to real problems. In real time, they help with material preparation, writing records, and testing hypotheses. Companies try to ensure the availability of advanced licenses for specific AI tools to a larger number of employees. They are working fast to level up employees' competencies to use these tools. All big telecommunications companies currently conduct their own educational programs with the same goal. Companies

[8] Most research, given its lack of longitudinal character, as well as managers' impressions, cannot clearly distinguish between generation/cohort effects and life cycle effects.



AI will likely reduce the need for routine and junior-level roles but increase demand for expertise, experience, and complex skills. But "how can you become a senior if you never had the opportunity to be a junior?"

want to make sure that a majority of their employees are educated on the usage of artificial intelligence. The aim is to give the workers basic knowledge so they can, within their specific scope, **independently seek solutions and possibilities to implement AI that will ease their everyday work**. It is expected of employees to find intrinsic motivation to acquire new knowledge related to AI usage, so they can be competitive in the market. It is pointed out that introducing AI brings the risk for those who are *complacent* because if one doesn't accept the new tools, somebody else who knows how to use them will become more competitive for the same position.

Consequently, doing certain work tasks and business processes is faster, and the quality of output is on the rise, especially when AI tools are used in a systematic way of doing tasks. For example, customer service, with the help of AI, finds information and searches internal databases, product and service specifications, and other sources necessary for responding to users' questions more easily. That increases the rapidity and accuracy of answers. A similar example is using an AI tool in accountancy to match paid invoices with corresponding receivables. Implemented AI solutions deal with these problems more effectively with considerably less monotonous work.

So, it seems that AI tools in ICT companies in Croatia are currently an additional tool to do jobs just like before their implementation

Major interventions to further automation using AI tools are still developing. The biggest steps are likely to come soon in **customer service**, with further development of **chat** and **voice bots**. This will lead to additional automation of answers to standard users' questions, while human work will stay in the domain of more complex and atypical questions. Thus, it can lead to a reduced need for precarious forms of work, like agency and student work, in customer service and sales.

Companies have started founding new departments and employing experts specialized in AI tools that should help with further rollout of AI into business processes. That includes strengthening teams for data science, who have a task to systematize collected data and ensure its quality, so it can be the basis for more efficient usage of AI tools in business processes.

So, it seems that AI tools in ICT companies in Croatia are currently an additional tool to do jobs just like before their implementation. For now, there are no signs of a significant increase in automating certain business processes, except for efforts to speed up and expand automation in processes that were previously partly automated or are becoming automation trends. Thus, implementation of AI tools hasn't yet resulted in a visible change in the amount of necessary human work or the structure of employees.

Expectations and Predictions



Although there are currently no visible changes in work organization, the amount of necessary human work, or the employee structure, all stakeholders in the ICT sector have expectations and predictions about possible future changes caused by the implementation of AI tools. Most stakeholders point out the **unreliability of predictions** about the medium- and long-term influence of AI implementation on business processes. Insecurity comes from two basic factors. The first is the fact that there is still a period of exponential development of artificial intelligence possibilities, so it's hard to predict the outer limits of the capabilities and capacities of AI tools in the following years. The second source of insecurity is that it's unclear how future AI development will affect labor needs across different jobs, including ICT. While earlier technological revolutions mainly automated simpler manual and routine tasks and consequently freed human potential for complex jobs and new service activities, there is no guarantee that the same pattern will hold with the technological revolution based on artificial intelligence.

Most stakeholders who participated in the project activities that led to this publication have **more optimistic than pessimistic expectations** regarding artificial intelligence's influence on work in the ICT sector. The expectation that artificial intelligence will help automate simple, routine, and tedious jobs is prevailing. Still, at the same time, it will increase the need for specialized and advanced knowledge, that is, a highly qualified workforce. It suggests that the AI revolution will result in a new surge in productivity and added value, increase demand for a highly qualified workforce, and decrease demand for a low- and mid-qualified workforce in the ICT sector. In that case, stakeholders expect the continuation of the trend that has existed for some time in this sector, especially in its telecommunications part (see the earlier section).

It is expected to be a decrease in demand for workers in roles such as technicians, sales, and customer service. These business processes are the ones within telecommunications that will experience the biggest automation, so there will be less need for current employee profiles, mainly mid-qualified level. Meanwhile, these are the positions for which telecommunications companies already have difficulty finding workers on the market, as described previously. The workforce shortage will likely accelerate companies' investments in automating these processes, which will address one of the structural problems in employment. The fact that there is already a lack of workforce at the mid-qualified level will make the process of automation

easier and decrease social costs of that process in the telecommunications sector, as a result, it will be easier to ensure alternative jobs in areas where these jobs could disappear.

In the IT sector, expectations are primarily structured around the decreasing need for junior positions, that is, programmers in charge of routine code writing. This expectation is widespread in the IT industry. Some data show this is not just an expectation, but a clear trend. Stanford Digital Economy Lab analysis demonstrated that from the beginning (2022) of the massive availability of LLM models, there is a decrease in demand for young programmers (under 30 years old, with less than 10 years of experience), while it stagnates or there is an increase in demand for IT experts with more experience. GitHub analysis shows that artificial intelligence enables programmers to finish tasks 55% faster and deliver 46 more lines of code weekly; by 2030, it will automate up to 30% of existing software engineering tasks, including routine implementation and writing template code. Nevertheless, **McKinsey Global Institute estimates that overall employment in the sector will continue to grow** because of the need to do complex tasks (system architecture, solving complex problems, managing projects). Because of the rising complexity level, teams will need fewer engineers for repeatable jobs, but considerably more for system design and supervising artificial intelligence, which strongly shapes the global market where, by 2030, **170 million new jobs** are expected to open, led by technological positions like artificial intelligence experts, machine learning data engineers, and automation experts (*World Economic Forum, Future of Jobs Report 2025*)[9].

Because of the rising complexity level, teams will need fewer engineers for repeatable jobs, but considerably more for system design and supervising artificial intelligence

Some speculate that applying artificial intelligence to write computer code will change the IT industry's relationship with junior talent, who were, according to some, glorified and held privileged status with employers and when employed. Leading technology companies in Silicon Valley preferred junior programmers, usually because of their creativity and innovativeness. But studies show their main competitive advantage was durability, energy, and readiness for continuous work, including coding late at night. However, with the rise of artificial intelligence, which can now generate enormous amounts of code in just a few seconds, that key advantage of youth has irreversibly lost its importance. Artificial intelligence takes over routine and exhausting tasks that once required hours of typing, as industry focus has shifted from speed and physical endurance to experience and wisdom. Therefore, in his essay, Brian James Curry claims that the ICT industry is entering an age of the *master craftsman*, where

[9] Source: Sundeep Teki. (2025). *Impact of AI on the 2025 Software Engineering Job Market.* Impact of AI on the Software Engineering Job Market (2025 Data) - Sundeep Teki

the most valuable resource becomes **older, experienced engineers** with a deep understanding of system architecture, business logic, and complex problem-solving. Since artificial intelligence solves the problem of quantity, developers are now primarily demanded for quality, vision, and the ability to strategically instruct tools, which are skills that are gained exclusively through years of experience and overtime work to exhaustion[10].

This raises a question: **"How do you become a senior if you couldn't become a junior?"** In other words, which position will young employees enter in the future, and where and how will they gain the knowledge and experience needed to do more complex jobs that were previously learned on the job? The problem can be solved in two ways. Either the market will set new expectations for universities around students' competencies, or companies will have to develop internal academies that let young employees skip junior positions, the usual career path, and workplace learning.

Now that the "if you won't do it, someone else will" mentality has weakened, there is concern that it will be replaced by a new one: "If you won't do it, AI will."

Decision-making is expected to speed up dramatically because data and analysis are faster and easier to access. Employees no longer have to *wait in a queue* for someone else to provide the data and analytics that form the basis of decisions. Companies believe that analytical tools, backed by verified data and driven by artificial intelligence, will be available to more employees, rapidly speed decision-making at different management levels, and create a big flow within the company.

Among the **less optimistic expectations** and predictions are those related to **rising expectations and higher worker standards**, which underpin variable pay under AI tool implementation. Management will demand faster task completion from workers and, consequently, more tasks per unit of time. Where variable pay depends on the number of tasks completed and measurable outputs, questions about appropriate expectations and norms will again arise. It will demand new estimates of appropriate expectations and a new round of individual and collective negotiations on norms. Generally speaking, it includes workplaces where salary is not based on efficiency; that is, bonus systems and awards based on productivity. One can expect supervisors to reset expectations around how quickly certain tasks are done and how many tasks a performer can complete, which will also create new challenges in managing people.

Some stakeholders fear a new wave of weakening workers' negotiating positions. After workers, in the midst of migration and nega-

[10] Source: Curry, B. J. (2026.). *The age of the master: How AI is about to destroy Silicon Valley's obsession with youth. Medium*. The Age of the Master: How AI Is About to Destroy Silicon Valley's Obsession with Youth | by Brian James Curry | Medium

tive demographic trends, strengthen their individual and collective bargaining positions, due to the common saying, "if you don't want to do it, someone else will, " that is losing its persuasiveness; there is a fear that a new saying will be imposed that suggests replacement of a certain worker by AI tools: "if you don't want to do it, AI will." Scopes who haven't been exposed to the pressure of a saying „If you don't want to do it, someone else will" could be exposed now, like younger and less experienced IT experts.

Another pessimistic expectation is the fear of a widening gap between employees in terms of **AI competencies**. It is possible to imagine a scenario where there comes polarization of the workers due to understanding and the possibility of using AI tools – those who handle technology in comparison to those who become redundant workers in the midst of AI's application in automating business processes. In that case, the key for one to survive in the market would be **lifelong learning**.

AI in Managing Human Resources

The European Union's AI Act recognizes the work environment as an extremely sensitive area because algorithmic decisions can directly affect existence, careers, and fundamental human rights[11]. As a result, regulation in human resources is very strict. **It is strictly forbidden to use AI systems to recognize workers' emotions in the workplace**, except for extremely specific medical or security purposes, like detecting tiredness in professional drivers or pilots. It is forbidden to score or rank workers based on social behavior outside what is directly related to the business.

Almost all artificial intelligence tools that are used in managing human resources are classified as **high-risk systems**. They include employment and selection, that is, algorithms that filter CVs, estimate candidates based on the tasks, or analyze video interviews; make decisions about work status, which includes systems that suggest or make decisions on promotions, task division based on profiling workers, and decisions about termination of contract, as well as tracking efficiency, like software for continuous supervision, behavior analysis, and estimating workers' performance. These systems are considered high-risk because "these systems can perpetuate historical patterns of discrimination, for example discriminating against women, certain age groups, disabled people, or people of a certain race or ethnic descent or sexual orientation. AI systems that are used to track the efficiency and behavior of such people can at the same time disturb their fundamental rights to personal data and privacy protection."

[11] Directive (EU) 2024/1689 (Artificial Intelligence Act): https://eur-lex.europa.eu/legal-content/HR/TXT/HTML/?uri=OJ:L_202401689



Employers must clearly and in advance notify that they will be supervised or evaluated using artificial intelligence

Consequently, the AI Act proposes strict rules for using these tools. **Algorithms** mustn't independently and finally decide whether someone gets a job or is dismissed. A person with the authority to override the system's recommendation must review and confirm the decision. Employers must clearly and in advance notify workers (and their union representatives) that they will be supervised or evaluated using artificial intelligence. Systems must be rigorously tested to prove they do not discriminate against marginalized groups, and they must include built-in mechanisms to manage risks.

According to available data, implementing these tools in human resources management in Croatian telecommunications companies is still in the early stages. Employee selection and hiring are still predominantly conducted using traditional methods, and face-to-face interviews with the most relevant candidates are considered the best way to evaluate candidates and make employment decisions. Based on the available information, systems that supervise employees' work in detail and monitor productivity are not yet implemented, which can influence decisions about promotions and quitting jobs.

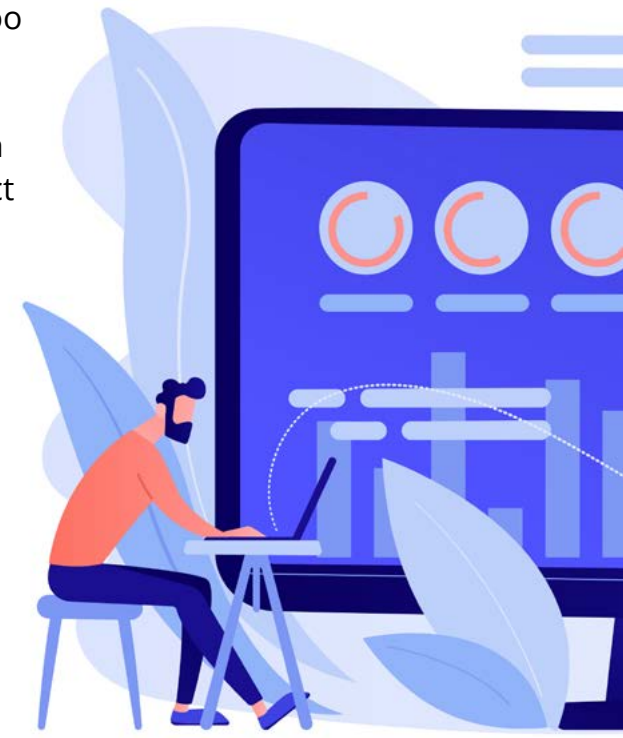
Companies introduce **AI tools** primarily in career and skills development, where AI tools recommend and plan employee education based on competencies, work tasks, and affinities. Based on input data, AI tools suggest specific training, tools, and mentorships or, in advanced versions, offer open job applications within the corporation. Therefore, AI tools are currently used in human resources only for employee development, not for evaluation systems, selection, or assessing workers' personal efficiency.

Regulatory Environment, Geopolitical Changes, and Safety Challenges

New Regulation

One of the most common topics in the context of the ICT sector's development in the European Union is the level and type of regulation. In the last couple of years, there has been a narrative that the level of regulation in the EU has become a burden to developing the ICT sector, especially in terms of developing artificial intelligence, in comparison to the United States of America. Fights around ICT sector regulation and connected activities, like social media, have become geopolitical questions lately. American corporations that stand behind the most popular social media exert direct and indirect pressure on the EU to reduce social media regulation or to prevent the introduction of new regulations. Reactions of American technological companies are negative to each new regulation initiative, and since President Trump's administration, American authorities have been more strongly involved in lobbying.

Although there are **numerous critics of EU regulations that influence the ICT sector**, there are also opposing opinions. Thus, in 2020, Anu Bradford published the book titled *The Brussels Effect*: *How the European Union Rules the World*[12]. The main thesis of the book is that, although the EU may not have technological giants like the USA (*Google*, *Apple*) or China (*Tencent*, *Alibaba*), its power lies in regulation. EU dictates global game rules because the European market is too big to be ignored by multinational companies. Therefore, American and Chinese ICT companies design their products according to strict EU standards (to avoid making two software versions), by which European regulation actually globalizes user protection and makes foreign competitors adjust.



European regulations are recognized as additional challenges to domestic companies too. **New re-**

[12] See: Bradford, A. (2020). *The Brussels effect: How the European Union rules the world. Oxford University Press*

gulations demand significant effort from companies to adjust their business to them. A few years ago, the General Data Protection Regulation (*GDPR*) demanded from all corporations in the sector, especially telecommunications, considerable adjustments of business processes to satisfy all requirements of that regulation.

Human resources managers in the telecommunications sector recognize a new challenge similar to the previous one: *the Pay Transparency Directive*[13]. The Pay Transparency Directive has the main goal of ensuring the application of the same salaries for men and women for equal work and reducing the gender pay gap. Countries that are members, including Croatia, had to build it into their national legislation til June 2026. Croatia is one of the members that is late in implementing this directive into national legislation, so there is still uncertainty about how the directive's regulations will be operationalized in amendments to the Labor Act. The directive imposes a series of obligations on employers related to the way of posting job advertisements, salary determination in companies, and gives employees and their representatives tools to control. Precisely, the employer has to publish to candidates the starting salary and the salary range for the advertised workplace before the interview. The institute of payment secrecy has been considerably limited, and workers have the freedom to communicate about the amount of their salaries with other workers. Now, every worker can ask the employer (and get within two months) written information about the average salary level of workers doing the same job, and this data has to be grouped by sex. The system of advancement of salary determination has to be based on clear, objective, and gender neutral criteria that have to be available to all workers. Bigger organizations have to submit reports about the salary differences between male and female workers regularly. Companies with 250 or more workers have to do it annually, while companies that employ between 100 and 249 workers submit reports every three years.

Human resources managers expect that, in the initial stages of its implementation, this directive will be a significant source of dissatisfaction and upward pressure on wages



Human potential managers expect that in the initial phases of applying these directives, it will generate serious dissatisfaction and put pressure on salaries, because employees will ask for insight into colleagues' salaries for the same job, which, due to subjective interpretation, will create tensions. Introducing

[13] Directive (EU) 2023/970.: https://eur-lex.europa.eu/legal-content/HR/TXT/HTML/?uri=CELEX:32023L0970

a new transparency system, and indirect obligation of editing workplace systematization, creates new opportunities for social dialogue and increases the role of union representatives and the works council. It's a chance for unions to strengthen their roles and to strengthen partnership with employers, considering the fact that the union can now become a partner to the employer in mitigating dissatisfaction that can cause the beginning of applying this directive.

The new Consumer Credit Directive brings significant changes for all subjects that offer any form of installment payment or deferred payment[14]. It directly affects telecommunication operators, who practice installment payments of mobile and other devices within monthly subscriptions. Using this sales model, telecom operators have become big creditors because they massively sell devices on 24 or 34 installments; that is, they provide them with credit. A new directive imposes an obligation on telecom operators to conduct considerably more rigorous checks of creditworthiness if one buys a device in installments, before they approve the purchase of such an expensive device, like the bank checks clients before approving a cash loan. It has to take into consideration the user's income and total life costs. That change will demand new procedures from telecommunication companies, and possibly new departments and new employees in jobs that haven't even existed so far.

Human resources managers expect that, in the initial stages of its implementation, this directive will be a significant source of dissatisfaction and upward pressure on wages

Geopolitical Changes and Safety Challenges

The world entered a nonstable phase of geopolitical relationships and security threats. These processes directly influence all activities and branches, including the ICT sector and work within it. Of course, these insecurities can affect the ICT sector in different ways; some present opportunities, while others create challenges.

Among the opportunities these security challenges bring is the **increasing demand for cybersecurity services**, which is becoming a new developmental driver of the ICT sector. That new demand directly influences business models, because one of these factors is the transformation of telecom companies into IT companies. These demands also create a need for a workforce with precise competencies, which strengthens the worker's negotiating position.

The positive effect of ICT has, in some way, increased investments in defense generally speaking, with regard to stronger integration of ICT solutions in contemporary armament. For example, drones and other types of autonomous aircraft require integration of ICT solutions. Nowadays, the USA experiments intensively with the role of artificial intelligence in fighting in war. It also generates new de-

[14] Directive (EU) 2023/2225: https://eur-lex.europa.eu/legal-content/HR/TXT/HTML/?uri=OJ:L_202302225

mand for ICT services and strengthens the strategic importance of telecommunications infrastructure. Due to the strategic importance of such investments, it would be the only chance to develop the domestic and European ICT industry, as a precondition to realize strategic autonomy. Consequently, it could strengthen employment in the sector and reinforce the classical labor contract model, given the need to secure high safety standards in developing these projects. It could result in a rise in average employment in IT companies and weaken the freelancing model of work (look for earlier passages).

Geopolitical instabilities in the short term and mid-term are useful in Croatia in the tourism sector, and in one way in other sectors too, like telecommunications. At the same time, it reinforces some other challenges that the telecommunications sector already has, primarily the impossibility of satisfying needs for certain workforce profiles, which additionally creates pressure for high salaries. From the perspective of the union, this could be considered a chance to strengthen the negotiating position.

When there are negative factors of geopolitical and security changes, it is important to mention the fact that telecommunications are big consumers of energy. Every geopolitical instability that influences prices and energy supply reflects directly on their business. Extremely high fuel prices and energy costs could endanger even basic aspects like workers traveling to work and back and significantly influence changes in work organization.

New Chances and Challenges for Social Dialogue in the ICT Sector

The future of work is determined not by technology, but by power relations and the actions of social actors

Described processes that already transform work in the ICT sector, especially those portended as new, and that could additionally transform work in that sector, surely bring a series of new opportunities and challenges for trade unions and for social dialogue as a tool to edit work relationships. Using the same sources (workshops with union commissioners and workers, interviews with human resource managers, overview of literature review), we tended to identify key challenges and changes to strengthen the role of social dialogue in the ICT sector. This passage is organized according to specific challenges and opportunities that are caused by the earlier described process, with influence on the work in the ICT sector.



The structure of employees in telecommunications companies looks more like the structure of employees in IT companies

The Change in Employees' Structure

Trade unions' organization of highly qualified and very mobile workers in the IT sector is recognized as a challenge. Thanks to a high demand for this profile of workforce, the individual negotiable position of these workers has so far been mainly very favorable, which reduced their need for collective performance toward employers. Aversion to union organization and, more generally, to a collective approach to arranging work relations is partly a consequence of a specific culture that has developed in that sector, marked by individualism, emphasis on competition, speed and dynamics, and a start-up culture (a tendency to create something big out of small). Union organization additionally exacerbates employers' fragmentation; that is, a high proportion of self-employed and employed in small teams. The **high rate of young people**, who are in the initial phases of their careers and generally less prone to collective solutions in work relationships and trade union organizations, also presents one of the structural obstacles to trade unionization. With that, there is a question of *Generation Z* attitudes toward trade unions, which are perceived as old-fashioned organizations from the past.

A new challenge for trade unions in the ICT sector is the process of change in employees' structures in traditional telecommunication companies, which were based on the basis of trade unions' organization in the whole ICT sector. A series of trends (lack of workers, automation, new technologies, new jobs/activities etc.) leads toward a reduction in the number and share of employed workers with mid- and low-level qualifications, which so far formed the basis of union organization in the sector. On the other side, the opposite process is happening: strengthening the share of employees with really high



qualifications and specific, very competitive knowledge. Therefore, the structure of employees in telecommunications companies looks more like the structure of employees in IT companies.

We should elaborate on organizational models of bogus self-employed, especially in the IT subsector

It demands that trade unions find **new strategies and recruitment tactics** for this type of employee to maintain and increase the level of union density and, consequently, the influence of unions in shaping work relationships and working conditions in the sector. The existing presence in telecommunications companies for developing and testing recruitment models of IT experts should be used, also identifying questions in their work conditions they want to solve collectively, like in other unions' services that could awaken interest in trade union organizing. These experiences can also be applied to union organizing in larger and mid-sized IT companies.

Standardization of Employment Relations

Conducted analysis suggests that there are strong trends and circumstances (lack of workforce, more and more larger security challenges, security sensitive jobs and orders, advanced technologies etc.) that lead to a decrease in the importance and attractiveness of nonstandardized forms of work in ICT sector; that is, they weaken encouragement toward companies to use **precarious and nontypical arrangements**, like agency work, student work, freelancing approach to employment (lump-sum sole proprietorship etc.), outsourcing etc. This gives unions a chance to put additional pressure on employers by reducing reliance on these atypical forms of employment and r*enting work*, and by strengthening standardized forms of employment. Empowering standard forms of employment, by employment contract, typically for an indefinite period, decreases internal competition and *the race to the bottom*,

which empowers the collective bargaining power of workers (by trade unions) and makes recruitment of new members easier, with regard to the well-established fact that workers in standardized forms of employment have access to trade unions more easily, because their long-term benefits are clearer and predictable.

To fill this in, it should elaborate on organizational models of *bogus self-employed*, especially in the IT subsector. These employees have clear interests as workers, and people should be aware of that. Narrative and the consciousness that their experience toward the concept of entrepreneurship is invalid and long-term damaging for them, with regard to the fact that their reality and position on the market is much closer to classical dependent work. The trade union can figure out certain experimental activities in the plan that would contribute in the long term to the arrangement of work relations and sector standards, which can be useful for everyone.

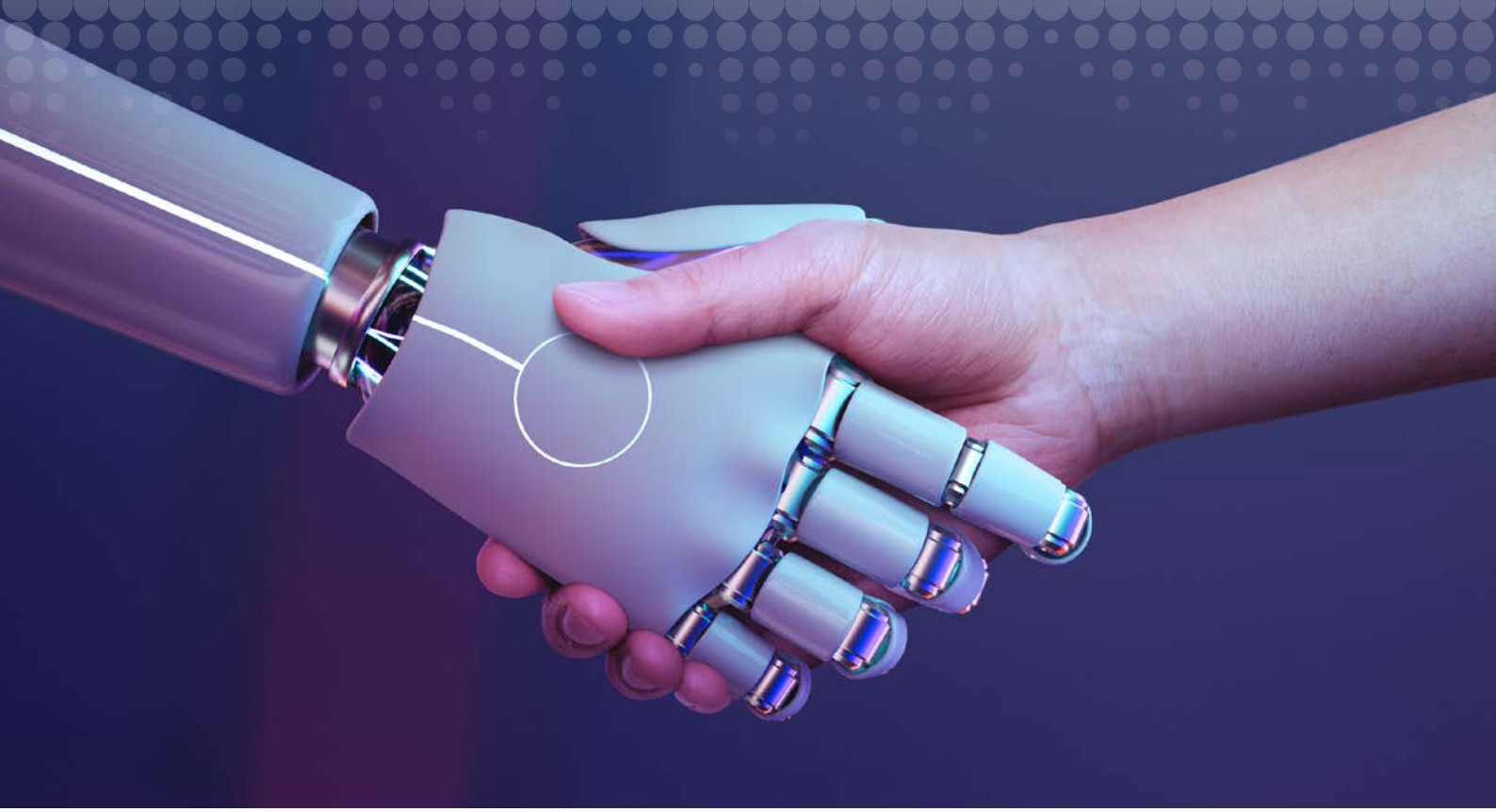
Promotion of a *Normal Working Culture*

Culture of sacrifice, long working hours, exceptional productivity, exhaustion, continuous changing of jobs and projects, insecurities and lateness, as well as start-up culture that gives hope for big success, fast progression and enrichment, were for a long time implicit characteristics of the ICT sector, especially for certain segments of workforce within it. However, working in those conditions and according to these rules and expectations is not sustainable in the long term, especially in later phases of life (founding family, raising children, old age). As industry is getting older, demographically and commercially, there is an opportunity to make people aware of negative aspects of that work culture. **Trade unions could be proactive actors in reshaping that culture** and promoting a standard work culture, which means stable and predictable working time, stable work and business relationships, and work organization that enables balancing private and business life. By promoting that culture of relationship toward work, trade unions not only directly contribute to the workers in the sector, but also normalize forms of work beneficial for union organizing and representation.

The implementation of artificial intelligence in the workplace is becoming an important new topic in collective bargaining

New Areas of Collective Negotiation

European trade unions have already well recognized the need to protect workers' interests in that process. There are already well-documented examples of including topics related to regulation tools of artificial intelligence in the workplace, for example in France. In



French collective agreements and contemporary business practices, the regulation of artificial intelligence and algorithms in the workplace has been conducted through six key areas that follow the topics that have already been discussed in terms of the so-called ***AI Act***[15]. First, transparency and workers' information are extremely important. The main goal in this segment is opening *the black box* of algorithms to remove informational asymmetry between employer and employee. In practice, that means ensuring information about indicators that, for example, digital platforms use to track and evaluate work. There is also human supervision, which warrants the right to human supervision and revision of algorithms' decisions. **The goal is to prevent situations where automated systems independently make decisions on punishing or firing workers**. A practical example of this principle is securing the right to object and appeal in front of a real, human manager. The third domain includes protection of privacy and personal data, with a focus on strict compliance with *GDPR* within the work environment and preventing invasive profiling and continuous monitoring of employees' behavior. Examples from practice include protocols for the protection of data confidentiality in the company Air France, as well as actively conducting rights to exclusion. Equality and nondiscrimination focus on repressing algorithmic bias that can appear when employing or estimating work efficiency. Companies like *Orange* apply this through securing professional equality between sexes, while *Schneider Electric* uses these instructions for quality involving people with disabilities. To successfully adjust to changes, collective agreements

Collective negotiations can be a strong mechanism for implementing artificial intelligence tools in workers' favor, not to their detriment

[15] See in: Odile Chagny, Claire Marzo. (2026, June 09). *Artificial intelligence and social dialogue in France. In ETUI, The European Trade Union Institute.*://www.etui.org/publications/artificial-intelligence-and-social-dialogue-france

Implementing AI tools brings risks from increased managers' expectations and rising norms for completing tasks. It creates the need for a new round of collective bargaining on work norms to avoid pressure that leads to burnout

devote special attention to education and upskilling. Rather than firing workers because of automation, the goal is to offer proactive training to use new tools and support reskilling. Companies like *AXA* and *Orange* are already conducting compulsory educational programs on artificial intelligence and developing clear plans for the transition of workplaces. In the end, health and safety at work remain a top priority. Technological transformation brings specific risks, such as information overload and psychosocial challenges caused by hectic work. The answer in practice to these problems is manifested through structural programs for stress prevention and enhanced tracking of workers' mental health after introducing new technological solutions. These practices, described in other publications[16] as well, should become the topic of collective negotiation in the Croatian context, both in the ICT sector and in other sectors. Trade unions in the ICT sector could lead that trend.

Collective negotiations can be a strong mechanism for implementing artificial intelligence tools in workers' favor, not to their detriment. Daron Acemoglu, David Autor, and Simon Johnson of MIT are prominent economists who discuss this in the book *Building Pro-Worker Artificial Intelligence*. The authors claim that current artificial intelligence development emphasizes automation (replacing human work with machines) rather than complementarity (increasing the value of human skills). They introduce the term *pro-worker* technology: technology that makes human skills and expertise more valuable by expanding workers' abilities. They warn that society is systematically investing too little in pro-worker AI because of market failures, tax policy, and dominant corporate ideology aimed at exclusively lowering the cost of work. To realize that idea, trade unions play a key role through collective negotiations and by advocating for precise regulations (see below).

Changes related to implementing the Pay Transparency Directive on salary transparency also create space for new topics and content in collective agreements that can serve as a good mechanism for elaborating obligations that employers have, with regard to salary determination, when implementing that directive. Collective agreements can define gender-neutral salary-determination criteria, giving employers a chance to share responsibility with the trade union and giving workers security that these criteria are set. Hence, the salary-determination system is gender-neutral and transparent. Basically, this could be a matter of the sector's collective agreement, as part of a broader effort to standardize working conditions in the sector.

[16] See for example: Aída Ponce Del Castillo et al. (2024). *Artificial intelligence, labour and society . In ETUI, The European Trade Union Institute.*://www.etui.org/publications/artificial-intelligence-labour-and-society Source: Acemoglu, D., Autor, D., & Johnson, S. (2026). *Building pro-worker artificial intelligence*. MIT.

Implementing AI tools brings **risks from increased managers' expectations** and rising norms for completing tasks. It creates the need for a new round of collective bargaining on work norms to avoid pressure that leads to burnout. At the same time, it opens a chance for trade unions to approach new groups of employees and make them interested in collective bargaining.

Partnership in New Regulations and New Trends

Transformation through which the sectors go and through which they will go in the following period, as the new layers of regulations that will be established, especially regarding artificial intelligence, create a chance for developing new partnerships between trade unions and employers. Trade unions, as representatives of workers, and employers have **common interests** in shaping the conditions under which the sector does business. These common interests can be articulated and advocated before the government, which shapes regulation and indirectly influences productivity, sector profitability, attractiveness for workers, and working conditions. These interests can be articulated through various formats of social dialogue. In the sector's collective agreement, it should be noted that, in the Croatian context, sectors provide social councils. This is a format of bipartite and tripartite social dialogue in which interested parties discuss common-interest topics and reach a common standpoint that becomes the basis for public policy. **The Croatian system of social dialogue** has recognized and institutionalized this format of collaboration, and in the coming period, the Office for Social Partnership plans to further enforce and promote this type of collaboration and social dialogue. All changes to the sector will be carried out through that format of collaboration.

One topic that could form the basis of a new partnership is educational policies and lifelong learning, given the need to improve the skills of almost all employees in the sector in relation to the newest technologies and artificial intelligence. Interlocutors who participated in project activities see potential for unions and employers to jointly define skills policies, agree on suggestions, and present them to the government. Trade unions and employers, with direct field experience, are more aware of market changes than the government; therefore, they should facilitate the adoption and timely adjustment of regulations.

Interlocutors who participated in project activities see potential for unions and employers to jointly define skills policies, agree on suggestions, and present them to the government

Partnerships can be built through collaboration to drive organizational changes brought about by new technologies. This means partnering on timely change planning, timely activities to acquire new skills, and jointly encouraging workers to be timely involved in educational processes. Unions already have experience supporting workers who became *redundant*, a phenomenon that could quickly recur in some professions and workplaces. These valuable union

experiences can help employers without similar experience manage restructuring processes without major worker dissatisfaction and with adequate protection of workers' interests. The need to attract and keep workers in the sector can also be the basis for establishing stronger partnerships of unions and employers. Seeking common solutions and a partnership approach to create a convenient work environment for all workers in the sector is one of the best tools to maintain competition for the workforce. **Sector competition so far**, especially in telecommunications, can no longer be assumed, and creating a totally positive impression about work in that sector will be an important factor in future labor management. That's a new opportunity for unions to impose a collective and partnership approach in human resource management.

High understanding of technological processes and changes

To play a constructive role and actively participate in all processes of change, unions in the ICT sector must stay well informed about key technological, economic, and social trends and processes. Therefore, to maintain unions' relevance in ICT, it is important to ensure a high level of education and information for all union activists at all levels.

Following the newest trends, sharing information and continuously questioning and thinking about the consequences on workers and the work relationship, there have to be systematic and central activities of the union if they want to keep and increase its relevance in a sector that is changing and developing quickly.

Summary and Conclusions

Organizational culture in big ICT companies is often more developed than in other sectors, with an emphasis on workers' education, wellbeing programs, and professionalized management

The publication **The Future of Work and Social Dialogue in ICT Sector** analyses key changes shaping work relationships, work organization, and the role of social dialogue in the Croatian ICT sector, with specific emphasis on telecommunications. The ICT sector still offers relatively favorable working conditions compared with the rest of the market, with main advantages including flexibility, the possibility of remote work, relatively high salaries, and opportunities for professional development and an international career. **Organizational culture in big ICT companies** is often more developed than in other sectors, with an emphasis on workers' education, wellbeing programs, and professionalized management. However, alongside these advantages, the sector has negative consequences of contemporary digital work. The *always-on* culture is often cited, along with chronic stress, heavy workloads, and a blurred boundary between private and work life. Reward systems based on efficiency also increase pressure on employees, while remote work can lead to social isolation and the individualization of

work. At the same time, there are increasing differences among employees–between younger and older workers, experts in new technologies and those who work on older systems, and also between highly qualified experts and those employed in routine jobs.

Highly qualified employees often have strong individual negotiating positions and less interest in collective organizing, which creates additional challenges for trade unions

The sector is undergoing significant change that will affect work, working conditions, workforce structure, and employment relationships. One of the most important trends is technological transformation connected to the development of 5G networks, optical infrastructure, and automation. New technologies reduce the need for many employees in field and technical roles, while also increasing the need for highly educated experts with software and digital competencies. The result is more centralized business processes, a changing employment structure, and the need for workers to requalify continuously. **Telecommunication services become standardized and mutually similar**, due to competitors being based on prices, and less on innovation. As a result, profit margins shrink and pressure to be cost-effective increases, directly affecting employment relationships, the possibility of salary reductions, and employees' collective rights. In response to the declining profitability of traditional telecommunications services, companies are shifting from traditional telecom operators to technology companies that offer cloud services, cybersecurity, digital services, and IT solutions. As a result, demand is growing for specialized experts and a more diverse workforce. Highly qualified employees often have strong individual negotiating positions and less interest in collective organizing, which creates additional challenges for trade unions.

The sector has until now been strongly marked by the introduction of non-standard forms of work, like *outsourcing*, agency work, student work, lump-sum sole proprietorship, and cloud work. This phase could end through a series of ongoing processes. These forms of work often reduce costs and avoid standard employment relationships. Consequences include job insecurity, weaker collective protection, increased precariousness, and more difficult union organizing.

However, the biggest challenges in the following period are connected with the application of artificial intelligence. Although Croatian companies in the sector for now experiment carefully with introducing AI tools in business processes and there are no strategic decisions about the future role of AI in the sector, it is completely predictable that there will be certain changes. Consequences will be significant for work organization, the need for certain competencies, and how employees are managed. Although artificial intelligence can increase productivity and automate routine tasks, it also risks reducing the value of specific professional knowledge and creating

Without workers organizing collectively through unions, it won't be possible to balance the power needed to protect workers' interests

an *illusion of competence*, especially among younger generations that rely on digital tools without a deeper understanding of the process. The way AI will shape future work relationships in the ICT sector is not exclusively dependent on technology alone, but it will be shaped by decisions of social and economic actors.

Changes facing the sector are not predetermined; they are shaped by power relationships and the actions of specific actors. Therefore, what will influence the future of work relationships in the ICT sector, and wider, is the influence of power and the engagement of trade unions. Without workers organizing collectively through unions, it won't be possible to balance the power needed to protect workers' interests and influence decisions that will shape the new technological, economic, and social order. **Trade unions emerged and grew during the Industrial Revolution because people needed to balance power between technology owners and workers**. Today, we are probably witnessing a similar technological revolution. The advantage is that today we have trade unions and other institutions that can establish, at least, a certain power balance faster.

For trade unions to play such a role, they have to empower their capacities systematically – from strategic and deep following and understanding of changes to continuous upgrading of their own position, requirements, and strategic activities. It is more important to systematically interpret the situation we are in and the existing common interests of workers of all qualification levels to be a collectively significant subject in shaping these processes. That means continuous work on interpreting the roles of trade unions and the importance of collective representation, as well as continuous work on union organizing of workers from all qualification levels.

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