



WORK PACKAGE 4

REPORT ABOUT THE EXECUTION OF THE INCLUSIVE FOCUS GROUP DISCUSSION

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Purpose & Overview:

The purpose of this report is to summarize the findings from a series of focus group discussions conducted across nine partner countries as part of the "Transform" project. These discussions involved diverse employers, HR professionals, and other relevant experts from the labor market. The primary aim was to gather valuable insights and perspectives on labor market dynamics, with a specific focus on inclusivity. The discussions explored challenges, opportunities, and current trends within the labor market, helping to inform the project's goals of promoting inclusive practices in employment. By collecting and analyzing the perspectives of professionals from different sectors, the report aims to contribute to a broader understanding of how inclusivity can be better integrated into the labor market across Europe.

Approach and data collection

Before the implementation of the focus groups, Innovation Hive provided all partners with a comprehensive methodology document and a reporting template (ANNEX I). This ensured that each partner followed a consistent pattern in conducting and reporting the focus group discussions. Each partner was required to fill one report per focus group. All reports and participants lists are provided in ANNEX II and ANNEX III accordingly.

The guidelines indicated that the focus groups should be divided into three main categories:

- Group 1: Employees (including trade unions)
- Group 2: Employers (including HR professionals, managers, and CEOs)
- Group 3 (Optional): High-level stakeholders (e.g., public employment services)

A minimum of 12 participants per country was targeted, divided into two or three focus groups. Additional focus groups were conducted if needed to achieve the required participant numbers.

According to the instructions the focus groups could be conducted either online (using accessible platforms such as Zoom or MS Teams) or in-person, depending on feasibility. The choice of venue was determined by participant availability and the need for a quiet, distraction-free environment. Each session should last approximately 90 minutes to allow for in-depth discussion and engagement with the topics.

Each session had to follow a structured approach:

1. Introduction

2. Discussion (60 minutes): Facilitators leading the discussion based on a set of pre-determined interview questions, addressing key themes such as:

- The impact of demographic changes (e.g., aging populations) on future work.
- How technological advancements (automation, AI, digitalization) are or will affect work processes and opportunities.
- Anticipated challenges in adapting to these changes.
- The skills needed for future workforce development and the adequacy of current training programs.
- The effects of climate change and the green transition on industries.
- How new technologies impact employee well-being and flexible work arrangements.

Facilitators had to prepare for each focus group by reviewing materials, testing technology, and ensuring all necessary documents were ready. They were advised to create an open environment, encourage balanced participation, and keep discussions focused.

Key Insights by Country

Slovenia

No of focus groups: 3

No of participants in total: 14

Gender distribution: 80% female and 20% male.

The first focus group, held on January 13, 2025, included 5 participants from **industry, NGOs, higher education, and the public sector**. The discussion focused on technological advancements, demographic shifts, and environmental challenges in the labor market. Participants highlighted the digital divide between generations, with older employees struggling to adapt while younger workers gain more bargaining power. AI and automation were seen as both a necessity and a challenge, improving efficiency but also displacing jobs. The green transition was viewed as costly for SMEs, and while younger workers prioritize flexibility and job satisfaction, manual labor roles remain excluded from these benefits.

The second focus group, held on the same date as the first, included 4 participants from various professional sectors, including the **automotive industry, multinational corporations, and an NGO advocating for workers' rights**. The discussion emphasized economic inequalities in digitalization and AI adoption, as automation benefits corporations while leaving many workers facing job insecurity and skill obsolescence. The mental health impact of hyper-productivity and constant digital availability was a key concern, with employees experiencing heightened stress due to always being expected to be online. The unequal impact of climate change on lower-income workers was also discussed, with participants arguing that sustainability policies must protect vulnerable employees. While younger employees demand ethical work environments, many companies continue to prioritize profit over sustainability, leading to gaps in workplace inclusion and social responsibility. The presence of representatives from diverse sectors highlighted the tensions between corporate interests, industrial shifts, and workers' rights advocacy, further underscoring the complexity of these issues.

The third focus group, conducted on January 16, 2025, included 5 participants as well from **NGOs, trade unions, journalism, and translation sectors**. The discussion explored structural labor market changes and tensions in digital adaptation, as younger workers are often assumed to be digitally skilled but lack formal training. Automation in journalism and translation has accelerated workflows but diminished deep engagement with work. Participants raised concerns about workplace digitalization blurring work-life boundaries, leading to burnout and increased stress levels. There was strong support for reducing the workweek to enhance job satisfaction and productivity. The green transition was seen as necessary but uneven, requiring policy support for sustainable job creation and stronger enforcement of corporate environmental responsibility.

Belgium

No of focus groups: 5

No of participants in total: 12

Gender distribution: 59% female and 41% male.

The first focus group, conducted on February 11, 2025, included 3 junior teachers from the **secondary education sector**. Discussions focused on the impact of AI and digitalization in education, with participants expressing concerns about students' critical thinking abilities and the evolving role of teachers. While they acknowledged AI as a useful tool, they felt unprepared for its rapid evolution. Challenges included keeping up with technological advancements and insufficient institutional training. Participants emphasized that soft skills, like emotional intelligence and adaptability, remain critical. They also highlighted a strong preference for in-person teaching, as remote learning was seen as less effective for student engagement.

The second focus group, held on February 7, 2025, included 1 participant from IT consultancy management and highlighted that while AI has been integrated into the industry, it has not significantly changed workflows. The participant viewed AI as a collaborative tool rather than a disruptive force, emphasizing that while some jobs may disappear, new roles will emerge. He stressed that soft skills, motivation, and teamwork are becoming more important than technical expertise as industries adapt to automation. Additionally, flexible work arrangements were considered essential, with remote work fully embedded in company culture, boosting productivity and work-life balance.

The third focus group, conducted on February 18, 2025, included 1 **HR management professional from higher education**, who welcomed AI for its efficiency in streamlining repetitive tasks and enhancing remote collaboration. However, the participant emphasized that ongoing employee training and adaptability remain key challenges, identifying communication, resilience, and stress management as essential skills for the future workforce. The discussion also noted that flexible work policies were already established within the organization, supporting a hybrid work model that aligns with modern workforce expectations.

The fourth focus group, held on February 13, 2025, included 1 **high-level stakeholder from an academic institution in Finland**, who was confident that lecturers' roles will remain essential despite the growing use of AI in administrative and communication tasks. However, she acknowledged that no one is fully prepared for AI's rapid evolution, raising concerns about future job displacement and ethical AI use. The participant stressed the need for balancing technological (hard) skills with transformative (soft) skills, particularly in sustainability and interdependency, to ensure a future-ready workforce. Remote work was seen as a positive development, enhancing efficiency and global collaboration, though it also requires careful implementation to maintain engagement and productivity.

The fifth focus group, conducted on February 14, 2025, included **6 secondary school students**. Participants acknowledged that AI will be a crucial part of future jobs and felt schools should do more to prepare them for digitalization. While they were confident in adapting to AI-driven job markets, they were concerned about fake news and ethical risks. They valued soft skills like empathy, problem-solving, and digital literacy as key competencies for the future. In terms of work-life balance, they preferred a hybrid work model, blending remote and in-person work for flexibility while maintaining social interactions.

Germany

No of focus groups: 2

No of participants in total: 16

Gender distribution: approximately 50% female and 50% male.

The first focus group, conducted on February 25, 2025, included 7 participants, comprising **employers, HR professionals, and decision-makers from NGOs and academic institutions**. Discussions focused on demographic shifts, technological advancements, and the green transition. Participants highlighted that Europe's aging population is causing labor shortages, shifting power dynamics toward skilled workers. AI and automation are seen as both enhancing efficiency and reducing creativity, sometimes increasing workloads when AI-generated content requires corrections. The education system was criticized for not adequately preparing workers for digital transformation. Climate change was recognized as a driver of job transitions, migration, and economic challenges, but progress in green job creation is slow. Employers emphasized workplace flexibility as a solution, though concerns were raised about burnout and social disconnection due to remote work.

The second focus group, held on February 26, 2025, involved 9 employees from various sectors, including **culture, service, industry, NGOs, and students**. Participants acknowledged that demographic shifts would increase labor shortages, benefiting highly skilled workers while disadvantaging low-skilled employees. AI and automation were seen as useful but sometimes burdensome, requiring workers to double-check AI-generated content. The digital skills gap remains a challenge, particularly for older employees, despite available training programs. Lifelong learning was emphasized as essential for adapting to labor market demands. Participants viewed the green transition as inevitable but expressed concerns about slow adaptation and lack of preparedness in current educational programs. Employees also noted that new technologies create stress, particularly due to workplace surveillance and pressure to be constantly available. Flexible work was viewed positively, but maintaining work-life balance and social interaction remains a challenge.

Italy

No of focus groups: 2

No of participants in total: 17

Gender distribution: 41% female and 59% male.

The first focus group, held on February 21, 2025 (morning), included 10 participants from **employers, HR professionals, public stakeholders, consultants, and employees across ICT, health, SMEs**. Participants expressed concerns over workforce shortages, particularly due to an aging population and youth emigration. They noted that companies struggle to find skilled workers, particularly in technical and healthcare fields. AI and automation were seen as necessary but also demanding, as they require constant upskilling, which not all workers can afford or access. Many participants believed that soft skills like adaptability and communication are becoming more valuable than technical expertise alone. On the green transition, participants from smaller businesses felt underprepared and unsupported, noting that larger companies benefit from sustainability policies while SMEs face financial and bureaucratic challenges. Workplace flexibility was viewed positively, but many participants felt that the return to pre-pandemic work structures is limiting its widespread adoption.

The second focus group, held on February 21, 2025, (afternoon) included 7 participants from **universities, vocational training institutions, employer associations, large enterprises and technological parks**. Participants agreed that AI and digitalization are reshaping work processes but felt that training opportunities are not evenly distributed, leaving older workers and small businesses at a disadvantage. Many noted that universities and training institutions are not adapting quickly enough to the demands of the labor market, making it difficult for workers to transition into new roles. Some participants argued that AI should be used to support human decision-making rather than replace jobs, while others feared that automation would lead to a loss of professional autonomy. Regarding the green transition, participants expressed concerns that environmental policies are not being implemented equally, leading to economic disparities between companies that can afford sustainability investments and those that cannot. Work-life balance was seen as increasingly important, with younger workers pushing for more flexible schedules, but participants agreed that Italian workplace culture still favors in-person work over remote models.

Malta

No of focus groups: 2

No of participants in total: 10

Gender distribution: approximately 75% female and 25% male.

The first focus group, held on February 27, 2025, included 4 participants from the **shipping, finance, accounting, beauty, and multi-sector industries**. Employers expressed concerns over a declining sense of company loyalty, attributing it to increased job-hopping and foreign workforce integration. AI and automation were seen as tools to improve efficiency, with some companies already reducing staff while maintaining or even increasing output. However, employers highlighted the risks of over-reliance on AI, including job displacement, loss of human interaction in service sectors, and ethical concerns in AI-driven recruitment processes. Resistance to technological change was noted as a major barrier, particularly among older employees, necessitating investment in continuous training and upskilling.

The green transition was recognized as necessary but costly, with some employers concerned about passing costs onto consumers. Work-life balance and flexible work arrangements were seen as crucial, but structural national changes, such as aligning school and work schedules, were needed to support better work-life integration.

The second focus **group, conducted on February 28 included 6 participants, from public service, trade unions, and banking sectors.** Employees emphasized that Malta's aging workforce and increased reliance on foreign labor are changing workplace dynamics, with language barriers emerging as a key concern. AI was seen as both a productivity tool and a potential risk—while it improves efficiency, it can foster complacency and reduce critical thinking. Resistance to AI-driven shifts was noted, with employees fearing job losses and struggling with the fast pace of technological changes. Participants highlighted the importance of continuous upskilling, social skills training, and a fair task distribution model to ensure AI complements rather than replaces workers. The green transition was viewed positively, particularly in how remote work reduces traffic congestion and environmental impact, but employees emphasized that flexibility must come with accountability. Post-pandemic, public sector flexibility has declined, and employees prefer a task-based model over rigid work hours. Training was seen as essential to help both employees and employers manage flexible work arrangements more effectively.

Poland

No of focus groups: 2

No of participants in total: 14

Gender distribution: approximately 55% female and 45% male.

The first focus group, held on February 18, 2025, in Lublin, Poland, included 6 participants from **the public, private, and NGO sectors**. Employees expressed concerns over the impact of an aging population, as it could reduce the active workforce and strain tax-funded social programs. AI and automation were seen as solutions to mitigate labor shortages, but participants feared job displacement and the growing need for continuous reskilling. Digitalization was recognized as beneficial for efficiency, but there was concern about overreliance on AI, leading to decreased creativity and critical thinking. Participants valued flexible working arrangements, but noted that self-discipline is essential for success in remote work. The green transition was met with skepticism, with many believing corporate sustainability efforts are profit-driven rather than genuine. Despite this, participants acknowledged that individual and collective action is necessary for environmental change.

The second focus group, conducted on February 20, involved 8 employers from **public, private, and NGO sectors**. Employers acknowledged demographic shifts as a major labor market challenge, particularly the growing labor shortages and reliance on foreign workers. AI and automation were seen as critical for maintaining productivity, but concerns were raised about job losses, skill gaps, and the lack of regulations surrounding AI. Participants emphasized that current education systems are failing to prepare workers adequately, necessitating more practical, employer-driven training programs. The green transition was seen as necessary but economically challenging, with regulatory barriers slowing sustainable development efforts. Flexible work was appreciated, though employers struggled to balance remote work with team cohesion and productivity. Mental health concerns, social isolation, and burnout from remote work were key issues, and employers stressed the need for clearer hybrid work policies, mental health support, and more structured in-person collaboration.

Portugal

No of focus groups: 3

No of participants in total: 32

Gender distribution: approximately 60% female and 40% male.

The first focus group, held on February 13, 2025, included 10 employees from **education, culture, pharmaceuticals, aviation, transportation, public service, and energy sectors**. Participants raised concerns about the aging workforce, noting that older employees struggle with digital transformation, job mobility, and changing workplace demands. AI and automation were seen as both beneficial and stressful, improving efficiency but increasing mental strain, job insecurity, and work-life imbalance. Remote work was recognized for its sustainability benefits, but participants emphasized that it reduces social interaction and deepens workplace isolation. The green transition was viewed positively, but participants noted slow implementation and a lack of structural support. Future workforce skills emphasized included emotional intelligence, adaptability, critical thinking, and responsible technology use.

The second focus group, conducted on February 14, 2025, gathered 10 employers from **tourism, retail, training, public administration, IT, finance, and industry sectors**. Employers highlighted labor shortages, difficulties in attracting young workers, and a lack of digital and green skills. Older workers were valued for knowledge transfer but struggled with reskilling, and immigration was discussed as a potential solution, though integration challenges remain. Employers recognized AI and automation as critical for efficiency but stressed the need for human oversight and continuous learning. Concerns were raised about mental health, workplace complexity, and balancing hybrid work models. Essential future skills included problem-solving, emotional intelligence, adaptability, cybersecurity awareness, and leadership. Flexible work arrangements were appreciated for attracting young talent but seen as difficult to implement in certain industries.

The third focus group, held on February 20, 2025, featured 12 social partners from **trade unions, employer associations, government institutions, and public organizations**. Participants identified aging populations, digitalization, and the green transition as major labor market challenges. Education reform was deemed necessary, as current programs do not align with labor market needs, requiring investment in vocational training and continuous learning. AI and automation were seen as inevitable but requiring better regulations to prevent workforce displacement. Employment policies need to balance flexibility and security, particularly for younger workers. The green transition was seen as an economic opportunity, but participants warned that current labor laws and lack of investment are slowing its progress. Key solutions included improving workforce retention strategies, enhancing immigration policies, and strengthening digital and green skills training.

Sweden

No of focus groups: 2

No of participants in total: 10

Gender distribution: approximately 80% female and 20% male.

The first focus group, held on February 19, 2025, included 6 participants from **various industries, including technology, healthcare, and finance**. Employers discussed the impact of AI on workflows, job displacement concerns, and the ethical risks associated with automation. While AI was recognized for its ability to enhance efficiency and decision-making, participants warned about over-reliance, loss of creativity, and bias in AI-driven recruitment processes. The discussion emphasized that reskilling and continuous learning are crucial to prevent workforce displacement. Employers also debated the challenges of flexible work arrangements, particularly in maintaining team cohesion, productivity tracking, and employee engagement. Some participants proposed clearer hybrid work policies, structured workplace support, and fostering in-person interactions to balance remote work challenges.

The second focus group, conducted on February 26, 2025, included 4 participants from the **education, public service, and private sectors**. Employees highlighted concerns about AI-driven automation, job security, and ethical considerations. While AI was seen as a useful tool for improving efficiency, participants felt it also reduced opportunities for critical thinking and problem-solving. They emphasized that future skills such as adaptability, emotional intelligence, and ethical decision-making will be crucial in an AI-driven workplace. The discussion also covered remote work and its impact on workplace culture, with employees valuing its flexibility but struggling with engagement, trust, and clear communication. Concerns were raised about AI-driven decision-making processes, particularly in recruitment and performance assessments, due to potential biases and lack of human oversight. Employees called for stronger digital literacy programs, more inclusive upskilling initiatives, and workplace policies that balance automation with human-centered work.

Greece

No of focus groups: 2

No of participants in total: 12

Gender distribution: approximately 41% female and 59% male.

The first focus group, conducted on February 11, 2025, included 6 employees from various sectors, including **healthcare, education, IT, finance, and public administration**. The discussion focused on the impact of AI and digitalization on the workforce, challenges related to aging employees, and the green transition. Participants highlighted the growing digital skills gap, particularly among older employees, who struggle to keep pace with technological changes. While AI was generally seen as beneficial for efficiency, many participants expressed concerns about job insecurity and the need for constant upskilling. Several employees noted mental health pressures caused by automation, where increased productivity demands result in higher stress levels. The green transition was recognized as necessary, but some employees feared job losses in sectors that require major sustainability adaptations. Flexible work arrangements were widely supported, though participants raised concerns about reduced social interaction and difficulties in collaboration within remote work models.

The second focus group, held on **February 13, 2025**, consisted of **employers from sectors including manufacturing, technology, logistics, and professional services**. Employers acknowledged that demographic shifts are creating labor shortages, requiring companies to adapt hiring strategies and invest in workforce training. AI and automation were seen as crucial for maintaining productivity, but participants highlighted challenges in integrating new technologies while ensuring employees remain engaged and adaptable. Many employers noted difficulties in attracting and retaining younger talent, who increasingly prioritize flexibility, career development, and workplace well-being. The green transition was viewed as an economic necessity, but participants raised concerns about costs and regulatory uncertainty slowing progress. While hybrid work models were acknowledged as beneficial, employers discussed the challenge of balancing remote work with maintaining a strong organizational culture and productivity.

Summary of Findings

Across all focus groups, which included a total of 137 participants, discussions centered on the transformative impact of AI, automation, demographic shifts, and the green transition on the workforce. While AI and digitalization were recognized as key drivers of efficiency, participants highlighted job security concerns, digital skill gaps, and the mental strain of constant adaptation. Employers emphasized the need for ongoing reskilling, while employees expressed concerns about lack of structured training and ethical risks in AI-driven decision-making. The green transition was widely accepted as necessary, but financial and regulatory challenges hinder progress, particularly for SMEs. Flexible work arrangements were highly valued, though concerns about social isolation, productivity tracking, and engagement remain. Across all focus groups, participants stressed that a sustainable and inclusive labor market transition requires strong policy support, investment in training and upskilling, ethical AI regulations, and workplace strategies that balance efficiency with employee well-being.