



## A firm grip on planning processes



Nationwide planning with Thinking Networks  
at the Federal Employment Agency



*The Federal Employment Agency in Germany*

*The Federal Employment Agency ("Bundesagentur für Arbeit", BA) is the largest service provider in the German labour market.*

*As an independently administered public-law corporation, the BA fulfills its statutory responsibilities under its own management.*

*The BA is composed of its headquarters in Nürnberg, ten regional offices, 176 employment agencies, 610 branch offices and 370 so-called ARGE / AagAw (Working Groups and Employment Agencies with Special Responsibilities).*

**Large companies are not the only users of complex business intelligence solutions. BI solutions provide reliable services even where they might be least expected. And that is not all. The BI installation at the Federal Employment Agency (BA) requires a level of structural sophistication that is rarely found even at large corporations. The Federal Employment Agency has a firm grip on its planning processes thanks to TN Planning from Thinking Networks.**

A look at the responsibilities of the Federal Employment Agency offers a clearer picture of the dimensions of the business intelligence project at the BA. The Agency's statutory mission is to "administer the German unemployment insurance system." In that capacity the BA provides social services in the labour market, including in particular job placement, labour promotion activities and the provision of benefits such as unemployment compensation. Yet a closer look at the details reveals that this major German authority performs a number of other duties as well: from the administration of short-time working benefits to the payment of subsidies to people starting out in business to the issuance of work permits and notices of approval for rehabilitation measures.

German labour promotion laws are set forth in the Third Code of Social Law (SGB II). SGB III describes all labour promotion services and measures and thus forms the basis for the work of the Federal Employment Agency. The Second Code of Social Law (SGB II) also contains provisions regarding basic social security entitlements for people seeking employ-

*Benefits at a glance*

- *Use of a single planning tool (TN Planning) for a wide range of organizational units and objectives*
- *Consistent and reliable access to planning data for all users*
- *A wide range of scaling options, e.g. for applications with large numbers of users (over 1,500 designated users in some systems)*
- *Systematized workflows for specific applications minimize errors and make planning processes leaner and more effective.*
- *System expansion to accommodate a rolling planning process*
- *Trouble-free integration into a large-scale BA project with Siemens IT Solutions and Services*

ment in Germany. SGB II has been in force since 2005 and is a substantial component of the Fourth Law on Modern Labour Market Services, also known as the “Hartz IV Act”. The crucial issue for IT: numerous individually identifiable data streams which emerge from two basic framework units (SGB II and SGB III) and are thoroughly integrated into TN Planning. The various resulting planning requirements are currently covered in five different TN Planning applications.

The largest planning system in this complex in terms of planning input and data volume is SGB-III Planning, which is divided into two subject areas – budgeting and impact planning – and is set up and maintained on a decentralized basis by all 176 agencies. A team data planning system has been established as a successor to SGB-III Planning. Each employment agency consists of from ten to a maximum of 50 teams. Selected key indicators from SGB-III Planning are planned in greater detail in accordance with agency target lines at the team level. The second component of team data planning is the continuous updating of team histories for the purpose of re-aggregating past actual data in keeping with changing team organizational structures.

The SGB II environment also includes a budget planning system, but one with a very different structure. The planning units in this case are the more than 370 ARGE / AagAw. Monthly actual cost accounting and corresponding target/actual data comparisons for certain parts of the catalogue of services planned for this level are performed in TN Planning.

Another module in the SGB-II environment is target indicator planning for the ARGE / AagAw. Like each of the other systems cited above, this module also has its own defined user group and an individualized planning workflow control logic. Since last year, two full sections of the budget of the Federal Employment Agency are planned with TN Planning.

The TN Planning tools are incorporated into an effective overall data warehouse structure served by Siemens IT Solutions and Services. The Munich IT group realized and implemented a Web-based warehouse solution in cooperation with the BA in 2001. Data from 80 different BA applications and external data sources are assembled in a central database. Over 14,000 users at the BA have access to current statistical information and other data for purposes of evaluation, reporting and analysis. On the basis of pre-defined parameters, the system provides exact figures on employed persons, employment-seekers, benefits awarded and labour promotion measures at the BA-structure, national, state and local community levels. “This project for the BA is one of the largest BI projects supported by Siemens IT Solution und Services anywhere in the world. And the quantity of data is huge ...”, as explains Martin Braun from Siemens IT Solutions and Services.

Processing times and data processing rules required for the analysis of the corresponding unemployment figures and diverse statistics are also “characterized by very high level of complexity”, Brown says. Another challenge is posed by peak loads, which are traditionally highest just prior to the release of unemployment figures to the press.

One aspect of the strong performance capacity of TN Planning is reflected in the fact that the size of the organization alone, with approximately 180 employment agencies (SGB III) and over 370 ARGE / AagAw, poses a major challenge. “Although we have over 1,500 designated users with extremely distinctive user profiles in some of our BA planning systems, this complex structure can be defined easily in TN Planning”, notes Dr. Bernhard Büttgenbach of Thinking Networks. That makes TN Planning one of the largest German planning applications.



Success Story



*Dr. Bernhard Büttgenbach,  
Application Consultant,  
Thinking Networks*

The workflow strengths of TN Planning also play an important role at the BA. "Data ownership" (who is authorized to enter and access data under what circumstances) is also controlled through user actions or automatic time-control features in every application in accordance with a separate set of rules for each application. Every change in workflow status triggers freely programmable actions within the system, including plausibility tests, the archiving of planning data, etc.

The reduction of "manual input" is another significant advantage – in target indicator planning, for example, which the ARGE / AagAw offices are not required to perform due to the nature of their mission. In the past, i.e. the era of Excel-based planning, assessments showing which key indicators had been planned by what percentage of working groups were regularly prepared on the basis of considerable manual input. TN Planning provides this information at the press of a key whenever it is needed.

"Over 95 percent of all working groups participate in the planning process for most indicators", notes Bernhard Büttgenbach with satisfaction in his assessment of the planning system.

"This high rate, which approaches 100 percent, is surely attributable to the simplicity of the system, as we have set up a certain framework that must be filled but cannot be altered, which means that the need for complicated revision is eliminated", says Tim Fischer, head of the IT Service Department Business Intelligence at the BA. And, he adds, "Once you have distributed an Excel sheet as we used to do, it's out of your hands for the time being. The standard central data management system now in place gives us huge advantages. Even if we have to replace certain actual data records after three months or so, earlier entries are preserved intact."

The next major goal for the BA planning systems is the conversion from the present yearly planning window to a rolling planning process. On the basis of regularly updated actual data, the various organizational units will be able to review previous versions of their plans and revise them as needed at pre-defined points during the year. This system will generate management options throughout the year as a means of responding effectively to developments in the highly dynamic labour market.

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