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Every month, the basic financial security of millions of people in Germany is ensured through ALLEGRO, a core system at the Federal Employment Agency that is used by more than 300 job centers throughout the country.”

Patrick Brown,
Team Lead ALLEGRO,
Capgemini

STABLE

FURTHER DEVELOPMENT

MULTIDIMENSIONAL PLANNING TOOL

E-GOVERNMENT STRATEGY

INCREASED EFFICIENCY **USER-FRIENDLY**

SOFTWARE

65,000 USERS **TESTING** **FLEXIBLE**

AGILE **DEVELOPMENT**

CONTROL AND COORDINATION

ROLLOUT

SECURE

Federal Employment Agency (BA) develops new software for calculating and paying out the basic social security for millions of people in Germany

Capgemini heads service provider consortium and provides support for project management and implementation

BA successfully implements important social and employment market reform

"The new approach is: everyone is needed, and not simply taken care of. We are moving away from support toward activation," says Heinrich Alt, former chair of the Federal Employment Agency's basic social security department, recalling the year 2005. At the time, a significant social and employment market reform was underway: the consolidation of unemployment benefits and social benefits to provide basic social security for job seekers, colloquially known as "Hartz IV".

Since then, unemployment has dropped significantly. The annual average for 2005 showed a figure of 4.9 million unemployed, while the number ten years on has fallen to 2.9 million. The reform made a significant contribution to this reduction. It is one of many measures that the Federal Employment Agency has since implemented. Its tasks include organizing placements in training and employment positions, offering career and employer consultation services, supporting training and further education and administering and allocating welfare payments such as unemployment benefit and insolvency benefit.

Overview

Customer Name:

Federal Employment Agency

Industry: Public Administration

Country: Germany

Client Challenges/Business Needs:

Control and coordination of a service provider consortium, support in project management, development, testing and rollout

Solution-at-a-glance: Development of a multidimensional planning tool, combination of agile methods.

Results:

- Increased efficiency
- User-friendly, stable solution
- Inexpensive with regard to maintenance and further development
- Ability to respond quickly to changes in legislation

The Collaborative Approach:

The Collaborative Business Experience™ is central to the Capgemini philosophy and a pillar of our service delivery.

The following factors were crucial in the development of ALLEGRO:

- Organization of the core team into four groups responsible for the technical concept, development, testing and rollout. Each team consists of employees from the Federal Employment Agency and from Capgemini.
- Developing and going live with the system in releases right from the start. This enabled operation and development to be managed in parallel over the course of 18 months.
- Smooth cooperation between the experts involved and Java developers. They overcame differences with regard to professional qualifications, experiences and corporate cultures by ensuring a high degree of identification with their tasks and project goals and by making a major personal commitment.

To fulfill these obligations, the Federal Employment Agency maintains three high-availability central computer centers in Nuremberg and a total of 9000 servers. It supervises 160,000 networked computer workplaces, sends around 35 million emails and 11 million letters per month and carries out 16 million bank transfers.

Software for calculating Hartz IV not future-proof

The new form of basic social security back in 2005 got off to a turbulent start. There were many more recipients of Hartz IV benefit than anticipated and initial software problems caused a lot of additional work. In spite of these challenges, all those involved managed to pay out benefits on time.

It soon became clear that the software developed under time pressure within the scope of the Hartz reform was not future-proof. High maintenance costs had to be reduced and the implementation of legislative changes often took too long. This is why the Federal Employment Agency decided in 2007 to develop a new solution called ALLEGRO.

Federal Employment Agency launches major project for a new solution

The Federal Employment Agency was seeking a reliable partner to manage and coordinate a consortium of service providers for the mammoth project, which sometimes involved more than 200 people. The partner's brief was to support the Federal Employment Agency in the fields of project management, development, testing and rollout. The Federal Employment Agency chose Capgemini, in part because of good previous experiences, the company's expertise in large-scale software development projects and its extensive know-how.

Transparency was a decisive factor in ensuring the success of ALLEGRO. For this reason, Capgemini developed a multidimensional planning tool for the project that allowed everyone involved to give realistic estimates of the scope and the delivery deadlines for the software. In addition, the classic Federal Employment Agency procedure model (V-Modell XT) was combined with agile methods. This measure significantly increased efficiency. Many other ideas from the Capgemini team led to development being completed within the specified time period.

Switching to new software with a total of 35,000 users is also a project of enormous dimensions. Capgemini developed a strategy for a multi-phase migration that allowed the solution to be rolled out without any problems.

Results Count – reliable, cost-effective and flexible application for correct and punctual benefit payments

The comprehensive introduction of ALLEGRO by the middle of 2015 made the provision of benefits to more than 4 million recipients future-proof. The solution is very user-friendly, stable, cost-effective with regard to maintenance and development and allows a fast response to changes in legislation.

The Future Ahead - joint development of ALLEGRO

ALLEGRO is under constant development in order to support its users as they cope with continuously growing demands. In 2014, the Federal Employment Agency decided within the context of a call for tender to extend its partnership with Capgemini for another three years.

About Capgemini

With more than 180,000 people in over 40 countries, Capgemini is a global leader in consulting, technology and outsourcing services. The Group reported 2015 global revenues of EUR 11.9 billion. Together with its clients, Capgemini creates and delivers business, technology and digital solutions that fit their needs, enabling them to achieve innovation and competitiveness. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Learn more about us at

www.capgemini.com

About the Federal Employment Agency

The Federal Employment Agency (BA) provides comprehensive employment and training services for citizens and organizations in the labor market. A nationwide network of employment agencies and offices enable the Agency to deliver its services. The BA's main responsibilities are facilitating training and recruitment, providing career advice and guidance to employers, developing vocational training, supporting professional development and integration of people with disabilities, working to preserve and create jobs, and providing social security benefits including unemployment insurance and insolvency funds.

In addition to this the Federal Employment Agency undertakes labor market and employment research, labor market monitoring and reporting, and produces employment statistics. It also pays child benefit to families, and has regulatory powers to combat fraud.

More information is available at

www.arbeitsagentur.de

For more information on this project, please contact:

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