



2020

Annual Report
by the Federal
Employment Agency



Bundesagentur für Arbeit
bringt weiter.

ACHIEVEMENTS OF THE FEDERAL EMPLOYMENT AGENCY IN THE CORONA CRISIS

In 2020, the Federal Employment Agency and its employees made a major contribution to securing people's livelihoods, the stability of society and the transformation of the labour market.



CUSTOMER SERVICE

39.30^m
customer calls

instead of 4,000
up to
18,000
client telephony staff



PAYMENTS

6.00^m
employees receiving short-time
working allowance in April 2020

€ 22.07^{bn}
cyclical short-time working allowance
including social security contribution
refunds

€ 20.59^{bn}
unemployment benefit payments
including social security contributions



SERVICE PROVISION

14.37^m
short-time working allowance
notifications (employees)

3.34^m
short-time working allowance
applications handled in an
average processing period of

6.2 days

2.25^m
approved unemployment
benefit applications



PERSONNEL

out of 95,000
employees nationwide,

up to 11,500
employees processing short-time
working allowance claims,



IT LANDSCAPE

up to 49,000
were temporarily working from home

2,500
of them in „virtual operative service“

MISSION

FEDERAL EMPLOYMENT AGENCY – MOVES FORWARD

The Federal Employment Agency (BA) sees itself as a customer-oriented service provider in the labour market. Its goal is to provide guidance and support for people in their lives and to facilitate their integration into developments in the labour market. In doing so, it places the concerns and expectations of its clients at the centre of its work, within the framework of its legal mandate and the statutory opportunities available to it.



© Federal Employment Agency (BA), Regensburger Strasse 104, 90478 Nuremberg

Mail address: Postfach, 90327 Nuremberg

Telephone 0911 179-0, fax 0911 179-2123

Reprinting permitted with source citation. Specimen copies to the Federal Employment Agency.

Editorial deadline: 16 April 2021

ORGANISATION

EXECUTIVE BOARD

- Chairperson of the Executive Board
- Board Member for Regions
- Board Member for Resources

CENTRAL OFFICE IN NUREMBERG
(Central personnel council)

10 REGIONAL DIRECTORATES
(District personnel council)

156 EMPLOYMENT AGENCIES AND
APPROX. 600 BRANCHES

303 JOBCENTRES RUN IN
COOPERATION WITH COUNTIES
AND INDEPENDENT TOWNS

Benefits aimed at facilitating workplace
integration and safeguarding the
subsistence of employable persons
entitled to benefits.

PERSONNEL REP

OFFICES

FAMILY BENEFITS O

INTERNATIONAL AN
SERVICES (ZAV) IN

INSTITUTE FOR EMP
IN NUREMBERG

LEADERSHIP ACADE

UNIVERSITY OF APP
STATE-APPROVED U
MARKET MANAGEM

IT SYSTEM HOUSE -
INFORMATION TECH

BA SERVICE HOUSE
SERVICE PROVIDER

EMPLOYMENT AGENCY

PRESENTATION

OFFICE
AND SPECIALISED
BONN
EMPLOYMENT RESEARCH
EMY AT THE BA (FBA)
PLIED LABOUR STUDIES (HDBA) –
UNIVERSITY FOR LABOUR
ENT
HNOLOGY OF THE BA
R OF THE BA

each department has 1 personnel council,
which deals with:
ensuring compliance with employee rights
employee complaints and suggestions
the integration of the severely
handicapped and foreign employees, as
well as equal opportunities management

SELF-ADMINISTRATION

2,800 REPRESENTATIVES

EMPLOYEES
EMPLOYERS
PUBLIC BODIES



CONTENT

OUR PROFILE

Executive Board of the BA	08
Letter from the Executive Board	10
Board of Governors of the BA	12
Foreword by the Board of Governors	14

OUR STRATEGY

Our Strategy 2025: Today for Tomorrow	20
We Develop the „BA of the Future“ Together	27

ANNEX

Corporate Governance Report	126
Statistical information	130
Awards and prizes	131

OUR YEAR 2020

Fields of Activity and Tasks of the BA	32
--	----



Labour and Training Market

Labour and training market in the context of the corona pandemic	36
Labour market 2020	40
Training market 2020	42



Cash Benefits

Unemployment benefit, short-time working allowance and insolvency payments	48
Basic income support for jobseekers	54
Family Benefits Office	58



Guidance, Placement and Training

Guidance and placement	64
Vocational training	70
Employers' services	76
Specialist services	78
Equal opportunities of women and men	80
Long-term unemployment and social participation	82
Inclusion	85
Vocational rehabilitation	88
Further training	90
International work	94



Further Tasks

Targets	102
Finances	104
Purchasing	108
Personnel	110
Digitalisation	116
Statistics	120
Labour market research	121

OUR PROFILE

EXECUTIVE BOARD OF THE BA

DETLEF SCHEELE

Chairman of the Executive Board

DANIEL TERZENBACH

Board Member for Regions

CHRISTIANE SCHÖNEFELD

Board Member for Resources



Photo: Daniel Karmann

The executive board manages the Federal Employment Agency and conducts its business. It consists of the Chairman and two further members.

DETLEF SCHEELE

Chairman of the Executive Board of the BA

born on 30 September 1956 in Hamburg, married, three children

since 1 April 2017: Chairman of the BA Executive Board

2015: Member of the BA Executive Board

2011–2015: Senator for Labour, Social Affairs, Family and Integration in the Free and Hanseatic City of Hamburg

2010–2011: Spokesman of the Board of Management, ELBE-Werkstätten GmbH

2008–2009: State Secretary in the Federal Ministry of Labour and Social Affairs

1995–2008: Managing Director of HAB Hamburger Arbeit – Beschäftigungsgesellschaft mbH, from 1997 also
Managing Director of Arbeitsstiftung Hamburg – Gesellschaft für Mobilität im Arbeitsmarkt mbH

DANIEL TERZENBACH

BA Director Regions

born on 7 November 1980 in Freiensteinau, married, two children

since 14 March 2019: BA Director Regions

2017–2019: Quality, Realisation, Consultancy Director at the BA Central Office

2015–2018: Representative of the BA Executive Board for operative refugee management

2012–2017: Management functions in the operative management areas of the BA Central Office

2009–2012: Project leadership in the BA Central Office

2006–2009: Management position in the Märkischer Kreis jobcentre

CHRISTIANE SCHÖNEFELD

BA Director Resources

born on 11 July 1957 in Lüdenscheid, 2 children

since 25 September 2019: BA Director Resources

August 2018 – January 2019: Member of the Federal Government's Commission for "Growth, structural change and employment"

2004–2019: Chairwoman of the BA Regional Directorate Board for North Rhine-Westphalia

1999–2004: Vice President of the North Rhine-Westphalia BA Employment Agency

1995–1999: Director of the Duisburg employment agency

1986–1995: Various positions in the Federal Employment Agency

LETTER FROM THE EXECUTIVE BOARD

Dear Sir or Madam,

The consequences of the corona pandemic had and are having a tangible impact on the German labour market. The effect of the massive slump in the spring of 2020 continued over the summer months – after a brief recovery – and right through to the renewed partial lockdown at the end of 2020. 2.70 million people were unemployed on an annual average, 429,000 more than in 2019. The lowest unemployment figures since reunification that had been announced in 2019 thus found an abrupt end. The steady ten-year employment upswing was cut short.

Unemployment would have been much higher in Germany in 2020 without the stabilising instrument of short-time work, however. More people than ever before were on short-time work in Germany in 2020. The peak so far was reached in April with six million people. All-in-all, the BA spent over 22 billion euros on short-time working allowance by the end of the year.

What does this historic development look like in retrospect now, almost a year later? In the first phase shortly after the pandemic's outbreak in Germany, we dedicated ourselves to the most urgent task: fast and existence-saving payment provision to employees and businesses affected by the crisis. We responded to the volatility of the infection curve with the greatest flexibility in our activities and in the orientation of our business policy priorities.

We managed the implementation of new legislations provided in social protection packages and ensured the provision of services on our own by a massive expansion of the personnel processing claims. While the short-time working allowance had been calculated by approx. 700 employees before the corona period, around 11,500 colleagues were now engaged with the claims processing in Operative Services (OS) at peak times. This way we made a decisive contribution to securing the existence of the employees and businesses concerned right from the start. We designed a new daily work routine for our staff in the agencies, family benefits offices and job centres in coordination

with the municipal partners, including mobile work from home or an intelligent arrangement of working hours. We switched our main communication channels to telephony, mail and online access in the shortest of times. Instead of the previous 4,000, 18,000 employees now staffed the telephones at peak times.

We accompanied the second phase of the pandemic and attendant easing of the social and commercial life in gradual stages towards a new normal. To keep the OS's capacities at an adequate level, we created a "virtual OS", where approx. 1,400 colleagues – and approx. 2,500 in peak times – from the central office, Regional Directorates, special offices and administrative assistants from the Federal Office for Migration and Refugees, German Pension Insurance, Deutsche Post AG and Deutsche Bahn provided support. We converted our offices to meet the applicable hygiene regulations for personal consultations. Step by step, more and more colleagues were able to return to their original task areas again over the summer months. Alternative conference formats such as live sessions on YouTube, and guidance by video from the autumn of 2020, additionally enabled us to stay in touch with young people in the pandemic.

In a third phase, we placed a stronger focus on clearing the labour market again in autumn. The top priority was to prevent a temporary crisis from turning into permanent unemployment. We caught up on informational interviews as quickly as possible, intensified the focus on qualification and further training measures, and started an intensive second placement round in the training market together with all the partners to prevent a "corona cohort".

We pushed the development of our online proposals and establishment of innovative solutions for the online portal and specialist applications. We provided clients with a new online identification option by way of a "Selfie-Ident" process. Almost half the client appointments could thus take place without personal visits to the offices. We introduced

a supplementary interaction format in the shortest time with the video communication available for vocational guidance, occupational rehabilitation and participation services since October 2020.

The prompt processing of applications for unemployment benefit and short-time working allowance also remains one of our service promises in 2021. In parallel, we are successively stepping up the quality of our service provision, and keeping our placement and guidance activities in line with the infection curves. With the Board of Governors' approval provided, we can now temporarily hire up to 5,500 new staff for this.

The great challenges faced by the German labour market in the coming years will remain the same as before the pandemic, alas: Securing skilled workers and workers remains our most pressing task due to demographic change. This task can only succeed if as many people as possible are offered opportunities in the German labour market, and able to gain vocational qualifications. The increasing digitalisation and automation of the work environment will also continue to decisively inform our work in parallel. We will help to shape the digital transformation and provide businesses and employees with the best possible support along the way. The express digitalisation during the pandemic and successful digital transformation in the years before the corona crisis have provided us with the decisive IT foundations.

As a learning organisation, we will also use the gained experience and creative solutions for our workflows and processes after the end of the corona crisis. We will retain the changes necessitated by the crisis that simplify our work. All staff have once again proven with united forces that we are recognised as a flexible, dependable and high-performing organisation. We want to be the institution for individual guidance, placement and qualification for the employed, unemployed and businesses, and thus offer the best labour market service in a European comparison.

What informed our work and tasks in the past year, we present to you in this annual report. We hope you enjoy an interesting and insightful read.

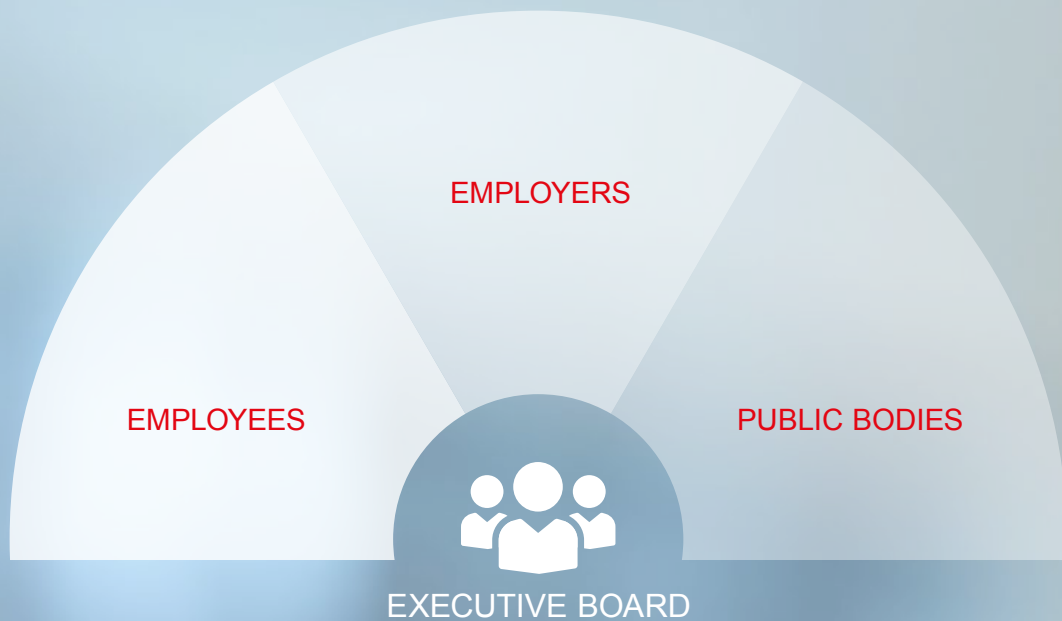
Best regards,

DETLEF SCHEELE
Chairman of the Executive Board

DANIEL TERZENBACH
Director Regions

CHRISTIANE SCHÖNEFELD
Director Resources

BOARD OF GOVERNORS OF THE BA



The central body of self-governance is the Board of Governors. It oversees and advises the Executive Board in the execution of tasks, and provides important stimuli for the further development of the BA.

The Board of Governors proposes the Chairperson and other members of the Executive Board of the BA to the Federal Government for appointment by the Federal President.

In addition to the information requested by the Board of Governors, the Executive Board regularly reports to the Board of Governors on all important topics and developments. Other key tasks of the Board of Governors include:

- Defining the strategic orientation and business policy goals

- Resolution of the statutes of the Federal Employment Agency
- Determination of budgets
- Decreeing of resolutions
- Approval of the Annual Report of the Executive Board
- Approval of the rules of procedure of the Executive Board.

The Board of Governors is composed of representatives of the three groups – employees, employers and public bodies – to one third each. Seven members and five deputy members per group are appointed by the Federal Ministry of Labour and Social Affairs.



GROUP OF EMPLOYEES

CARSTEN BURCKHARDT

Industrial Construction, Agriculture and Environment Union

GABRIELE GRÖSCHL-BAHR

United Services Union ver.di

JOHANNES JAKOB

German Federation of Trade Unions

ANJA PIEL

German Federation of Trade Unions

PETRA REINBOLD-KNAPE

Industrial Mining, Chemical and Energy Union

CLAUDIA TIEDGE

Food and Catering Union

DR. HANS-JÜRGEN URBAN

Metalworkers Union

GROUP OF EMPLOYERS

BERTRAM BROSSARDT

Bavarian Industry Association

NINA GÜNTHER

Siemens AG

INGRID HOFMANN

Federal Employers' Association of Personnel Service Providers

CHRISTINA RAMB

Federal Association of German Employers' Associations

DR. ANNA ROBRA

Federal Association of German Employers' Associations

KARL-SEBASTIAN SCHULTE

Central Association of German Trades, Employer Association of German Trades

OLIVER ZANDER

Employers' Associations of the Metal and Electrical Industry (Gesamtmetall e.V.)

GROUP OF PUBLIC BODIES

VANESSA AHUJA

Federal Ministry of Labour and Social Affairs

KERSTIN EHLERS

Schleswig-Holstein Ministry of Economic Affairs, Transport, Employment, Technology and Tourism

STEFAN HAHN

Deutscher Städtetag (Association of German Cities and Towns)

KORNELIA HAUGG

Federal Ministry of Education and Research

PETRA LOTZKAT

Authority for Labour, Social Affairs, Family and Integration of the Free and Hanseatic City of Hamburg

DR. STEFAN RUDOLPH

Mecklenburg-Western Pomerania Ministry of Economics, Employment and Health

DR. PHILIPP STEINBERG

Federal Ministry for Economic Affairs and Energy

Deputies

DR. STEFANIE JANCZYK

Metalworkers Union

MATTHIAS JENA

German Federation of Trade Unions, Bavaria

DR. ANSGAR KLINGER

Union for Education and Science

UWE POLKAEHN

German Federation of Trade Unions, Northern Region

ANDRE REINHOLZ

United Services Union ver.di

PETER HAAS

Südwesttextil e.V.

GERHARD HANDKE

Federal Association of Wholesale, Foreign Trade, Services

HERBERT HÜSGEN

Federal Association for Garden, Landscape and Sports Field Construction

DR. KLAUS-PETER STILLER

Federal Employers' Association of the Chemical Industry

DR. JUPP ZENZEN

Federal Association of German Employers' Associations

MARTIN KELLENNERS

Federal Ministry of Finance

STEFAN KULOZIK

North Rhine-Westphalia Ministry for Employment, Health and Social Affairs

JEANETTE MISCHNICK

Rhineland-Palatinate Ministry for Social Affairs, Employment, Health and Demography

DR. IRENE VORHOLZ

Deutscher Landkreistag (association of German counties)

CHRISTIANE VOSS-GUNDLACH

Federal Ministry of Labour and Social Affairs

FOREWORD BY THE BOARD OF GOVERNORS



CHRISTINA RAMB

Chairwoman of the Board of Governors



ANJA PIEL

Deputy Chairwoman of the Board of Governors

Behind us is a year that confronted us with great challenges and demanded a lot from every one of us because of the corona pandemic. Especially with the short-time working allowance, the BA has made a decisive contribution to helping businesses and securing the jobs of many employees. The Board of Governors thanks the Executive Board and all the BA's employees for their dependable and responsible work and their decisive contribution to dealing with the consequences of the corona pandemic on the labour market.

DIGITALISATION THRUST AND FLEXIBLE PERSONNEL DEPLOYMENT TO MASTER THE CORONA PANDEMIC

One prerequisite for this was and is the electronic file enabling notifications and claims to be processed from every office and home office. The BA has created new e-services and apps for the short-time working allowance, and

expanded the home office capacities many times over in record time. In doing so, the BA's IT has impressively proven its ability to act quickly.

As personal meetings were impossible or only possible to a very limited extent, the BA moved its access channels to the telephone and internet. Instead of 4,000, up to 18,000 employees now ensured availability on the telephone and conducted consultations this way.

To deal with the higher volume of notifications and claims, short-time working allowance was processed by 11,500 employees at peak times, over 15 times more than is customary. Personnel was rerouted to Operative Services for this from the central office, Regional Directorates, special offices and employment agencies on a large scale. Their number was adjusted over the year in line with the respective developments, so that employees could partly return to their regular business again.

Flexible personnel deployment is an essential requirement for maintaining the BA's agency at all times, depending on the development of the infection curve and contact restrictions. In anticipation of 2021, the Board of Governors approved 1,000 additional job opportunities in October 2020 already to enable an early start for the hiring and qualification of new staff. The new employees were thus able to take up their jobs in the area of short-time working allowance from January 2021 already. All-in-all, the Board of Governors approved the creation of up to 5,500 additional fixed-term job opportunities in the budget discussions for 2021. This enables a flexible return of employees to their core business, the guidance and placement, and continued fast processing of short-time working allowance, for example, at the same time.

RECORD SPENDING BY THE BA

Thanks to the reserves built up over many years, the BA was able to largely cover the higher spending on short-time working allowance from its own funds. 22.07 billion euros were spent on cyclical short-time working allowance, including refunds for social security contributions, in 2020 alone. The BA's budget deficit amounted to 27.34 billion euros at the end of 2020. Besides the BA's reserves, the financing necessitated federal liquidity support to the amount of 6.91 billion euros.

The consequences of the pandemic also have a very strong impact on the BA's budget in 2021. Revenues of 35.97 billion are counterposed by a total expenditure of 45.62 billion euros. The budget deficit is covered by withdrawals from the reserves and a federal subsidy. The Executive Board and Board of Governors share the objective of enabling a balanced budget for the BA again from the year 2022.

MAKING USE OF NEW QUALIFICATION OPTIONS

Irrespective of the pandemic, the digitalisation and structural change into a lower-emission society lead to a transformation of the world of work. This transformation has massive consequences for the employees' qualification

and skill requirements. Digitalisation processes and shifts in the industry structures can be expected to be further accelerated as a consequence of the corona pandemic.

Investments in further training and qualification are therefore also a BA priority in 2021. The Board of Governors has therefore reinforced the decentralised "Eingliederungstitel" funding and expanded the promotion of training and further training. 2.19 billion euros are earmarked altogether for the promotion of further training and catching up on vocational qualifications. In 2021, the Board of Governors will examine what needs to be done for the legally expanded options promoting training and further training to find greater acceptance and show more effect.

STABILISING THE TRAINING MARKET – EXPANDING DIGITAL PROPOSALS

The corona pandemic has hindered the clearing of the training market and slowed down its clearing processes. To cushion negative repercussions for the training market, the Board of Governors has the key objective for the BA to make every effort with its regional partners to render young people's transition from school into jobs as successful as possible. The federal "Securing Training Places" programme launched by the federal government contributes to this. This is designed to maintain the businesses' willingness to train while contributing to as many young people as possible starting and successfully completing a training if they wish to do so.

As personal consultations and pupil internships for careers information were often impossible due to contact restrictions, the BA banks on the development and expansion of digital formats all the more. The Board of Governors thus greenlighted the introduction of video communication in the vocational guidance, vocational rehabilitation and participation services as a supplementary proposal to personal consultation. With the "Check-U" self-exploration tool, young people can explore their strengths and inclinations from home or school, and receive guidance in their decision for training or study. Careers information in virtual form is already being tested. Virtual training fairs will be the next step.



“

Investments in further training and qualification are therefore also a BA priority in 2021.

Making the transition from school into jobs as smooth as possible, especially for adolescents in need of support, has a high priority for the Board of Governors. It will therefore closely follow the implementation of the “Flexible assisted training - AsA flex” tool, newly introduced in this form and further developed with the “Work of Tomorrow Act”, and possibly make recommendations for its future design based on the experiences gained.

The Board of Governors welcomes the BA's innovations in the area of training and for the qualification of the employed. “New Plan” also provides these with a medium that is closely dovetailed with the careers information and lifelong vocational guidance services.

FURTHER DEVELOPMENT OF THE BA'S SERVICES

The “BA of the Future” initiative is aimed at making the BA future-proof and aligning it even more closely with the current needs of its clients. The Board of Governors supports this approach and will evaluate the findings gathered about its practicability and effectiveness in local “concept tests” while closely attending to the further process from theory into practice.

The year 2020 has led to an intensive learning process for all parties involved in the opinion of the Board of Governors. The personal contact is and continues to be important. More digital work and communication ease our clients' access to the BA's services at the same time. More home office for staff promotes more flexible work structures, which will gain in importance within the BA in view of the future and need for skilled workers. The Board of Governors encourages the BA to consistently continue along this route in the external and internal development of its organisation, building on last year's experiences. In doing so, the core business of the BA, i.e. the individual placement and guidance of people seeking advice, training or work, the labour market support for businesses, and fluent provision of benefits, always needs to take centre stage.

CHRISTINA RAMB
Chairwoman of the Board of Governors

ANJA PIEL
Deputy Chairwoman of the Board of Governors

OUR STRATEGY

OUR STRATEGY 2025: TODAY FOR TOMORROW

INITIAL SITUATION

We as the BA have been extensively renewing and restructuring ourselves since the year 2003. This was a unique development for an authority of our size in the public sector. The introduction of a new, impact-oriented management and control model was a milestone for this. A modern controlling system has helped us ensure transparency and make our processes in the operative units more customer-oriented. Together with our municipal partners, we have successfully managed to implement the reform of Social Code (SGB) II. With these measures, we have found good answers to the high unemployment in the early years of the reform.

Ever since then, the employment agencies and jobcentres in joint institutions have been able to register tangible successes: Individual unemployment periods have come down and the satisfaction of our clients on the employer and employee side has gone up. The prerequisite for this is and remains the reliable provision of cash benefits. And we are also successful in economic terms: The unemployment insurance contribution rate could be more than halved in this period.

We do not intend to rest on these laurels, but to continuously develop ourselves further in content and process. Based on long-term social megatrends, we have developed a vision for this that establishes a strategy for the BA, so that concrete initiatives can be planned, implemented and tracked for the coming years across legal purviews.

Starting from the megatrends, we identified four key developments that we expect to have a decisive influence on the labour market and participation opportunities in the coming ten to 20 years.

Demographic change – The demand and supply ratio is shifting while the markets are becoming more international and networked:

According to forecasts by the Institute for Employment Research (IAB), the labour force potential in Germany is set to drop off very strongly in the coming decades, as skilled workers go into retirement and will not be replaced by equally qualified younger employees. This will lead to a shift in the labour demand and supply.

Structural change in the labour market – impulses from climate change, the energy turnaround and digitalisation:

Political decisions on (inter-) national climate protection targets and the strategies and transformation processes derived from them in view of the energy turnaround provide – along with the attendant general sustainability debate – strong stimuli for structural change in the labour market. The (accelerated) phase-out of fossil fuels, development of e-mobility, expansion of CO₂ pricing and many other factors change the supply and demand for jobs, qualification requirements and qualification needs, drastically so in parts. These processes are moreover characterised by high dynamics in content and time.

The everyday world and job descriptions are also drastically changing due to digitalisation. Looking at the years 1995 to 2017, all highly developed nations are registering declining employment in jobs requiring average qualifications. The employment in low- and highly skilled jobs is growing at the same time. Current studies by the Institute for Employment Research surmise that jobs in assistant and skilled professions already exhibit a high change potential today due to digitalisation. Job descriptions will accordingly experience drastic changes in parts over the coming years.



Flexibilisation and individualisation
– Work and workers are becoming more mobile & international, and the competition for qualified skilled workers continues to intensify:

Work is becoming more flexible, and employment histories more individual. Digitalisation and changing values, especially amongst younger employees, have led to a growing flexibilisation of work. The new possibilities as well as changed expectations will cause work to be made more flexible in time and space in the future. Employment histories with an unchanging job at a single employer – from the training through to retirement – are becoming ever rarer at the same time. Consultancy needs are thus not only limited to the event of unemployment, but increasingly also arise alongside the employment histories.

Social inequality – Participation opportunities are unequally distributed in the labour market, and thus in society:

Despite falling unemployment, the social inequality, e.g. as measured by the disposable income of private households, has substantially grown over recent decades. The unequal participation opportunities also depend on people's qualifications. Upwardly mobile options find too little use in parts. Regional disparities additionally amplify the unequal participation opportunities. We need further effective approaches for the longer-term unemployed to reintegrate them in working lives and let them participate in society again.

OUR GUIDING PRINCIPLES



STRATEGIE 2025 TODAY FOR TOMORROW

into an unprecedented exceptional situation since the spring of 2020. But we also see this as an opportunity for our further development as a competent and modern service provider in the labour market. Our long-term strategic orientation is a decisive compass for this.

To make this “Strategy 2025” a reality, the following requirements need to be met and implemented in our day-to-day work. This results in the following five Guiding Principles:

This background of developments and challenges gives rise to our “Strategy 2025 – Today for Tomorrow”.

The corona crisis has naturally also led our organisation



Guiding principle 1:

For their clients, the employment agencies and jobcentres in joint facilities are the institutions to go to for individual guidance, placement, qualification and a reliable maintenance of their livelihoods.

Further training and guidance are essential success factors for the BA in times of rapidly changing job descriptions. The diverse structural transformation of the labour market causes jobs to be lost and creates new ones. We are therefore banking on early as well as lifelong guidance, and individual qualification. Even in times of high dynamics and drastically changing requirements, we are thus ensuring a successful clearing of the labour market between employers, employees and job seekers.





We are pursuing a sustainable and client-centred approach for this. Our staff are aware of the needs of our clients. This means that they know the work environment just as well as the skills and competencies of their employee clients. Both are attuned to each other by good communication and workflows. Based on the situation of the company or personal life situation, we offer individual guidance and qualification proposals. We prepare employee clients for the integration process in companies individually, and provide them with lifelong guidance for a successful employment history and upward mobility. Employer clients are suggested applicants on the basis of their requirements, and provided with consultancy for securing labour and skills as required. We want to activate the domestic labour force to the greatest possible extent. Where skilled workers are in short supply, we will also take international action to meet the demand for them.

Prevention is one of the essential cores of our consultancy. We provide forward-thinking advice. To do this, we need staff who are highly-trained experts. They have good method knowledge, an excellent knowledge of the labour market and its transformation, and know the potentials and strengths of our clients.

We inform and advise our clients in benefit-related legal issues and thus create an essential prerequisite for their integration in the labour market and overcoming of their need for assistance.



Guiding principle 2:
We share in the responsibility for social cohesion, and improve participation opportunities.

The most effective approach to reducing long-term unemployment would be to not let it come about in the first place. Only if we manage to prevent unemployment will we realise the objective of structurally containing long-term joblessness in the medium term, and of interrupting its social heredity. To find the right handle for the complex issues of these clients, we work on integrated solutions with our local authority partners across legal purviews. We also solve the health issues of our clients in cooperation with other institutions. Frequent personal contact with the clients and their coaching and navigation through temporarily difficult life situations

make the individual guidance successful here. Sustainable placement, particularly in good jobs that cover the needs, is in the foreground for us.

We reliably approve benefits and are able to act in crisis situations. We therewith make an important contribution to social cohesion.

As an ultima ratio, we advocate subsidised employment options to also offer perspectives for the long-term unemployed lacking realistic chances in the regular labour market.



Guiding principle 3:
We shape the training and labour market together with our cooperation partners.

Society's ever more complex requirements from state institutions call for more joint approaches. Our partners are invited to fill this vision with life with us.

We cooperate with our network partners in the training and labour market on an equal footing, true to the motto that "greater things are achievable as a team". We actively dedicate our competencies to this, and make a valuable contribution to the teamwork across legal purviews. Exemplary for this is the dedicated cooperation with other actors in the integration of refugees and persons undergoing vocational rehabilitation, in securing the supply of skilled workers, and reducing long-term unemployment. Another good example are the youth employment agencies.



Guiding principle 4:
We use the potentials of digitalisation in the interest of our clients and employees.

Digitalisation is changing the world of work. We aspire to a client- and staff-friendly design of IT developments.

Our range of services is oriented towards the life situations and concerns of our clients. Besides our promise of local personal guidance, suitable services for this are also available to our clients in a portal. We provide our online

services in a user-friendly manner. This helps us solve the requests of our clients quickly, independently and irrespective of their location using digital application, guidance and information tools. It is meanwhile important to us that competent support and guidance be available to all clients at the various stations of our online portal.

The digitalisation and automation of our own work processes have helped us improve the quality of our services. Elaborate work and documentation tasks have been done away with. This creates leeway for the individual employee, time we invest in a higher quality of work with the client. The staff are continuously and intensively stewarded through this transition. They are provided with adequate support by qualified development and training that helps them master the new challenges.



Guiding principle 5: We work on the best service for our clients competently, cooperatively and with passion.

We design and provide our services on the basis of our clients' needs. The personal contact and smooth teamwork with further experts in the guidance process are central requirements for successfully providing our clients with the best possible support.

What this means for the culture of our organisation is that teamwork and the sharing of knowledge and experience are prominent success factors. This applies inside our own organisation – including a trusting cooperation with the staff committees – as well as to the various external actors in the labour market. We communicate respectfully, openly and transparently. Our executives and/or staff cooperate across the departments and functions to keep an eye on the overall picture. We continuously put our concepts to the test by regular dialogues. Involving users in the development of products before they are realised becomes matter of course this way.

Our staff – generalists, specialists and executives – are well-prepared for their respective job. We have a recognised

and applied personnel development system for this, a sound assessment of competencies, and qualification modules to match. Building on this, all the executives assume responsibility for developing their co-workers as an important task.

The principles of guidance and cooperation are firmly anchored in the self-conception of our staff. Permitting local leeway, but also taking advantage of it, are of the essence for this.

The BA is managed by way of targets. Possible departures are thematised and utilised as opportunities for improvement. Quantitative and qualitative objectives are in harmony. This places a stronger focus than heretofore on the need to understand and drive the topics holistically. The impact and cost-effectiveness serve for orientation and support the understanding for the topics and interconnections.

OVERARCHING OBJECTIVES

Over and beyond this, the BA is committed to macrosocial objectives that are consistently pursued as a cross-sectional task. We stand for:

- Gender equality and equal opportunities for men and women, while actively counteracting disadvantages and gender-stereotypical attributions.
- Diversity, by actively promoting it and meeting it with openness and esteem.
- Inclusion, meaning that we decisively contribute to equalisation and accessibility.
- A sustainable and environment-friendly approach to resources.

Equality and equal opportunities

In fulfilling its legal mandate of promoting gender equality in the labour market, the BA's specialists and executives are supported by the Commissioners for Equal Opportunities in the Labour Market (BCAs). Jointly with network partners and actors, they contribute to creating suitable conditions for promoting gender equality in the labour market.



The anchoring of gender aspects in the annual board letters about the planning of business policy priorities integrates the BCAs in the planning process on a local level, and enables them to introduce equality-relevant stimuli in a targeted manner for a corresponding operative prioritisation.

By active education and information services with regard to the occupational fields and careers in the STEM (science, technology, engineering, and math) and so-called SAHGE (social work, household-related services, health, care and education) professions, the BCAs contribute to broadening the career choices available to girls and young women, as well as boys and young men, and the revision of handed-down occupational role models. By promoting them, they further flexible forms of development such as part-time vocational training to counteract family-related “disruptions” in young people’s employment history at the

start of their careers, and enable career prospects. They promote the creation of employment opportunities subject to mandatory social security contributions, but also of opportunities for relieving families in the household.

Diversity

Demographic change is transforming our society – seriously and for the long term. The population in Germany is ageing. This is a consequence of the sustained low birth rates and rising life expectancy. The share of migrants in the population continues to grow at the same time.

The BA actively picks up on these developments to tap the resources and potentials of people with a migration background more strongly and sustainably for the training



and labour market. This on the one hand contributes to their social integration, while counteracting the shortage of skilled and junior workers on the other. The operative planning process in the offices pays attention to the various dimensions of diversity: gender, age, ethnic and cultural diversity, people with disabilities, and sexual identity.

But the BA also wants to fulfil its responsibility and serve as a model in its own role as an employer. In their diversity, the staff are the key resource for the performance and innovativeness of the BA, and thus for its economic success and future.

Support measures for employees with migration backgrounds are hence an integral part of our personnel policy, which takes the demographic development into account. 17 per cent of the staff have a migration background (according to the information provided by them), with colleagues from over 88 nations working for the BA.

Another priority is active involvement in the elaboration and implementation of the Federal Government's "National Action Plan for Integration". We particularly support the objective of increasing the proportion of employees with migration backgrounds in the civil service. In addition to which the BA is also involving itself with central and local campaigns as a signatory of the "Diversity Charter".

Inclusion

The UN Convention on the Rights of Persons with Disabilities and the inclusion concept that is so central to it directly oblige the BA as a federal authority – both as a service provider in the labour market and as an employer.

The BA is a major sponsor of vocational rehabilitation for participation in work in the structured system (besides pension and accident insurance, welfare and pension schemes for war victims, as well as youth welfare and integration benefits).

2018 saw the establishment of the coordination centre for "Inclusion in the BA and labour market". This helps to strengthen the subject of inclusion as a human right, and anchor it in the BA's work as a consistent principle.

The right of persons with disabilities to self-determination and objective of rigorously eliminating barriers guide the activities of the BA as much as the aspiration to purposefully involve people with disabilities in decisions that concern them. The BA's executives and staff are sensitised and qualified accordingly, in order to jointly realise inclusion in the labour market. The new inclusion agreement undersigned by its Executive Board in May 2018 underscores the BA's role model function for the employment of persons with disabilities. Architectural, technical and communicative barriers are to be rigorously eliminated, and a climate of inclusion deliberately promoted. In the agreement, the BA additionally commits itself to the aims that persons with severe disabilities make up at least ten per cent of its future workforce, at least five per cent of its junior employees, and ten per cent of its annual new recruitments overall.

Sustainability

Climate change not only implies structural challenges in the labour market for us, but also a personal commitment to the greatest possible sustainability, e.g. in our carpool, our purchasing processes, travel management or general and IT infrastructure. We as the BA want to serve as role models in the public sector here to contribute to our public responsibility in the design of sustainable environmental, labour and living conditions.

WE DEVELOP THE “BA OF THE FUTURE” TOGETHER

WE TAKE THE INITIATIVE



The “Strategy 2025” sets the course for the coming years: The changes in the labour market present us with more flexible and individual challenges. Individual and competent guidance is becoming ever more important for job- and

training-seekers, employees and employers.

With “BA of the Future”, we take the initiative for the BA’s further development and good positioning for future challenges. We do this jointly with employees from all levels. Our compass in this is the perspective of our clients – their concerns take centre stage:

- We think from the “client perspective”.
- We work more simply. We design instructions as guidelines wherever possible.
- We define the concrete responsibility on all levels.
- What requires regional proximity is designed and decided locally.

“BA of the Future” was conceived at the end of 2019 as a joint initiative of the Executive Board and Regional Directorates. Tasks, structures and processes have been examined ever since then with the involvement of the employees, but also clients. This under the premiss of not having to make “everything new”: what works is kept, and what needs revision is revised. If it needs new ideas, they are developed.

The approach is meanwhile deliberately different from the previous major projects: the work is agile and iterative. The contents of themes are processed by a core team of staff from various units, who involve further colleagues as required. This approach – i.e. the involvement of experts and practitioners from all units and levels – strengthens self-responsibility and the elaboration of solutions that find broad acceptance. The objective does not reside in developing ONE idea that needs to be locally implemented in exactly the same manner everywhere, but in sketching out processes that are elaborated in situ how they work best there.

Meeting our clients’ requirements and expectations

We have talked to 1,250 clients and 1,000 employers to find out about their needs and concerns. They want:

- competent personal advice that addresses their concerns,
- individually tailored services, and
- an intuitively operable online service.

They most of all do not want to be forced into conformity with the BA’s processes and workflows.

Based on these findings, ideas for how we can improve our services are gathered in several workshops and “camps” with employees from the practice. The initial focus here were the unemployed, job-seekers and employers.





The future model shows how we want to be there for clients in the future

The ideas were refined ever further, and a future model developed of what a “BA of the Future” could look like and of how we want to be there for our clients in the future. Its unique feature is that there is to be a nationally consistent range of services on three channels: personal – digital – telephonic. The regional arrangements can meanwhile greatly vary, however, depending on the local givens and needs.

- Clients take centre stage with their individual concerns: every client gets the support he or she requires.
- Matters are dealt with reliably, quickly and simply – without detours within the organisation.
- The online channel is expanded and made more intuitive.
- Workflows and processes are simplified. This helps the clients, but also us in the internal teamwork.

From the theory into the future

The future model and its individual elements are still largely theory. The next step now is to test its practicability and effectiveness. This happens in local “concept tests” at various employment agencies. The aim is to test the elements of the future model in their interplay, specifying and improving them further as needed. The start and duration of these concept tests will also depend on the pandemic-related development in the employment agencies’ client traffic.

OUR
YEAR 2020

FIELDS OF ACTIVITY AND TASKS OF THE BA

To provide the many and varied tasks and activities of the BA with a manageable structure and facilitate thematic assignability, six service icons have been introduced. They quickly indicate the respective, specific service area to the clients, and provide them with orientation in the BA's range of services.

THE SERVICE ICONS



Education and Training

The vocational guidance of the BA supports young people in their search for training market vacancies or a study place by providing individual guidance and placements, as well as offering support with the issues they face during their training or studies, and answering any questions concerning possible support.



Qualification

The BA advises and supports those who want to continue their education. The diverse range of further training and qualification choices opens up opportunities for professional advancement, offers challenges, helps clients return to work, and makes their own job more secure.



Cash Benefits

Besides the payment of unemployment benefit under SGB III and standard and additional needs benefits as per SGB II, the BA offers a variety of financial assistance: It helps in taking up employment, in training and further training, and supports start-ups. It also secures livelihoods by insolvency payments and short-time working allowances.





Work and Placement

Guidance and placement in work is one of the BA's main tasks to support clients promptly in the event of (imminent) unemployment or career changes.



Employers' Service

The Employers' Service of the BA is the competent local contact for employers in search of suitable skilled workers or trainees, financial assistance, or qualification services for their personnel.



Facts and Figures

Facts and figures about its personnel, budget, research and statistics help the BA make its activities transparent. It keeps the official statistics about the labour market and basic income support for job-seekers, and publishes an up-to-date monthly labour market report.



LABOUR AND TRAINING MARKET

5.9%

Unemployment rate

33.32^m

Employment subject to mandatory social security contributions

613,000

Registered labour market vacancies



LABOUR AND TRAINING MARKET IN THE CONTEXT OF THE CORONA PANDEMIC



+429,000

Registered unemployed



6.0^m

People on short-time working allowance in April 2020

UNEMPLOYMENT

Unemployment in Germany has substantially grown as a consequence of the corona pandemic. 2.70 million people were registered unemployed in Germany in 2020 on an annual average, 429,000 or 19 per cent more than a year before.

The increase is most of all attributable to fewer people successfully ending their unemployment or job-seeking by taking up a job. A minor role has also been played by the higher number of job redundancies.

SHORT-TIME WORK

The unemployment increases would possibly have been much higher still without short-time work. In April 2020 – the month with the highest number of claims – businesses received short-time working allowance for 6.00 million people. The loss of working hours meanwhile amounted to 50%. This means in mathematical terms that the jobs of around three million people could be saved in the peak period. The economy picked up speed again in the course of the year, and the short-time work was markedly reduced. The number of short-time workers at the end of 2020 nonetheless still exceeded the peak value during the financial and economic crisis of 2009.





—84,000

Employees subject to mandatory social security contributions

EMPLOYMENT SUBJECT TO MANDATORY SOCIAL SECURITY CONTRIBUTIONS

33.32 million employees were in employment subject to mandatory social security contributions in Germany in June 2020, 84,000 fewer than a year before. The ten-year growth phase has been ended by the weakness of the manufacturing sector resulting from the economic downturn in 2019 and the corona crisis.



—161,000

Registered labour market vacancies

REGISTERED LABOUR MARKET VACANCIES

The registered demand for workers showed an outright collapse at the start of the corona crisis. A slight recovery setting in over the summer flattened out again with the renewed restrictions towards the end of the year. 613,000 labour market vacancies were registered on average in 2020, 161,000 and/or 21 per cent fewer than in the year before.



+267,000

Claimants of unemployment benefit

—7,000

Claimants of unemployment benefit II

CLAIMANTS IN THE LEGAL PURVIEWS OF SGB II AND SGB III

Unemployment or reduced earnings from short-time work and lost income of the self-employed have led to a marked increase in the number of persons entitled to benefits. The number of people entitled to unemployment benefit grew by 267,000 in 2020 to 1.01 million, while the number of employable claimants of basic income support for job-seekers still remained slightly below the previous year's levels on an annual average at 3.89 million. But the monthly figures here even exceeded those of 2019 towards the end of the year.

2020 saw two groups of persons increasingly coming into the focus of jobcentre support: employees and self-employed persons depending on basic income support because their earnings were reduced by short-time work or the loss of orders. In the months April to December 2020 overall, 188,000 more working people briefly claimed basic income support than would have been customary during these months, including 83,000 self-employed and 104,000 employed persons.



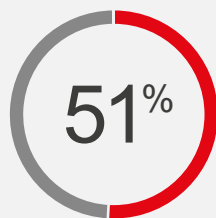
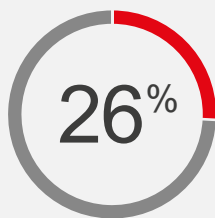
FOCUS ON SHORT-TIME WORK

Short-time work already proved itself as a job-saving tool in the economic and financial market crisis of 2009. Against the background of the experiences from this last great recession, the federal government also banked on this instrument in this crisis, and for example eased the conditions for claimants.

May 2009

April 2020

Average loss of working hours



Share of service industries

15%



66%



Women's share



22%



44%

The resolutions in spring 2020 were aimed at shutting down as much of public life as possible to contain the pandemic. As a result, many businesses put parts of their staff on short-time work. At the peak in April 2020, businesses thus received short-time working allowance for 6.00 million employees – with around 50 % of the working hours lost.

This was therefore also a historic record high never reached in Germany before. For comparison: 1.44 million persons had received short-time working allowance at the peak of the great recession in 2009. With the easing of pandemic measures over the summer, the short-time work also tangibly declined. By autumn, the number of short-time workers fell to around two million, which is still over half a million more than during the peak of the economic and financial market crisis of 2009, however.

The corona crisis differs from other recessions in many aspects. The service industries have been hit particularly hard like never before this time around, for example. As a consequence of the contact restrictions, many businesses in the hospitality industry were forced to close, but also hairdressers, beauty salons and large parts of the retailers. This meant that markedly more women were affected by short-time work during this crisis than customary otherwise.

6.0^m

1.4^m

2008

2010

2012

2014

2016

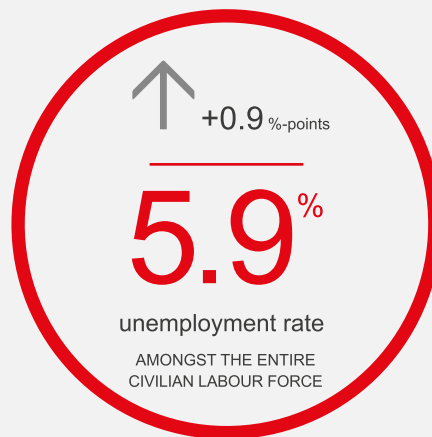
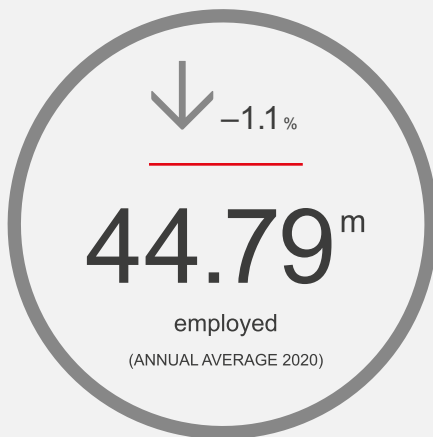
2018

2020

LABOUR MARKET 2020*



Annual averages for 2020 unless stated otherwise, and changes from the previous year.



3.52^m

underemployed without
short-time work



+10.0 %



-8.5 %

799,000

participants in measures of active
labour market policy

2.55^m

entrance into unemployment
from employment on the
primary labour market
(ANNUAL TOTAL 2020)



+4.2 %



-3.4 %

1.88^m

termination of unemployment due
to commencement of employment
on the primary labour market
(ANNUAL TOTAL 2020)



-0.2 %

3.89^m

recipients of unemployment
benefit II
(EMPLOYABLE BENEFICIARIES)



+35.9 %

1.01^m

recipients of unemployment
benefit



-0.2 %

2.90^m

communities of need

TRAINING MARKET 2020

CORONA-RELATED BACKLOG CLEARLY VISIBLE AT REPORTING DATE

473,000

reported applicants for training
market vacancies



-7.6%



-7.5%

515,000

registered company
training places

Added to the regional, occupational or qualification imbalances already known from previous years, the corona pandemic has markedly hindered a **clearing of the training market**. The clearing processes were drastically decelerated.

Applicants had a good chance of finding a training place in the federal states of

Mecklenburg – Western Pomerania,
Bavaria,
Thuringia,
Saarland,
Baden-Württemberg,
Hamburg,
Saxony-Anhalt.

REGIONAL DIFFERENCES

There were fewer opportunities for an apprenticeship position for applicants in

Berlin,
Hesse.

There were 92 registered candidates for every 100 registered in-company training vacancies

100
92

Good chances of finding a training place were enjoyed by applicants in the following sectors:

Food production and sales,
Construction and construction-related industries,
Hotels and restaurants.

VOCATIONAL DIFFERENCES

There were fewer opportunities for an apprenticeship position for applicants in the following sectors:

Carpentry,
Office and administration,
Automobile engineering.

BALANCE SHEET AT THE END OF THE GUIDANCE YEAR (30 SEPTEMBER 2020)



+19.7%

29,000

unsupported applicants



-0.6%

49,000

applicants with an alternative



+12.8%

60,000

vacant training market vacancies

Source: Statistic of the Federal Employment Agency



TRAINING MARKET

The 2019/2020 guidance year showed tangible declines in both the registered training market vacancies and registered candidates, only parts of which were attributable to the corona crisis. All-in-all, 473,000 registered candidates faced 530,000 registered training market vacancies (515,00 of them in-company). The number of registered training market vacancies therewith continued to exceed that of registered candidates. Added to the regional, occupational or qualification-related imbalances already known from previous years, the corona pandemic has markedly hindered a clearing of the training market since April and drastically decelerated clearing processes. Although some catching up was detectable in the last three to four months, a clear deficit still remained in September in comparison to a normal year.

With 29,000, markedly more candidates thus remained unsupplied on 30 September 2020 than in the previous year's September (+5,000). In addition to which 49,000 candidates who had shifted to an alternative were still looking for a training place. This was as many as in the year before. The number of unfilled training market vacancies rose by 7,000 to 60,000. The proportion of registered candidates who had found a vocational training position by September

equalled that during the economic and financial crisis of 2009 with 46 per cent. A particular business policy focus was hence placed on the second placement round for a later training start.



+5,000
unsupplied candidates

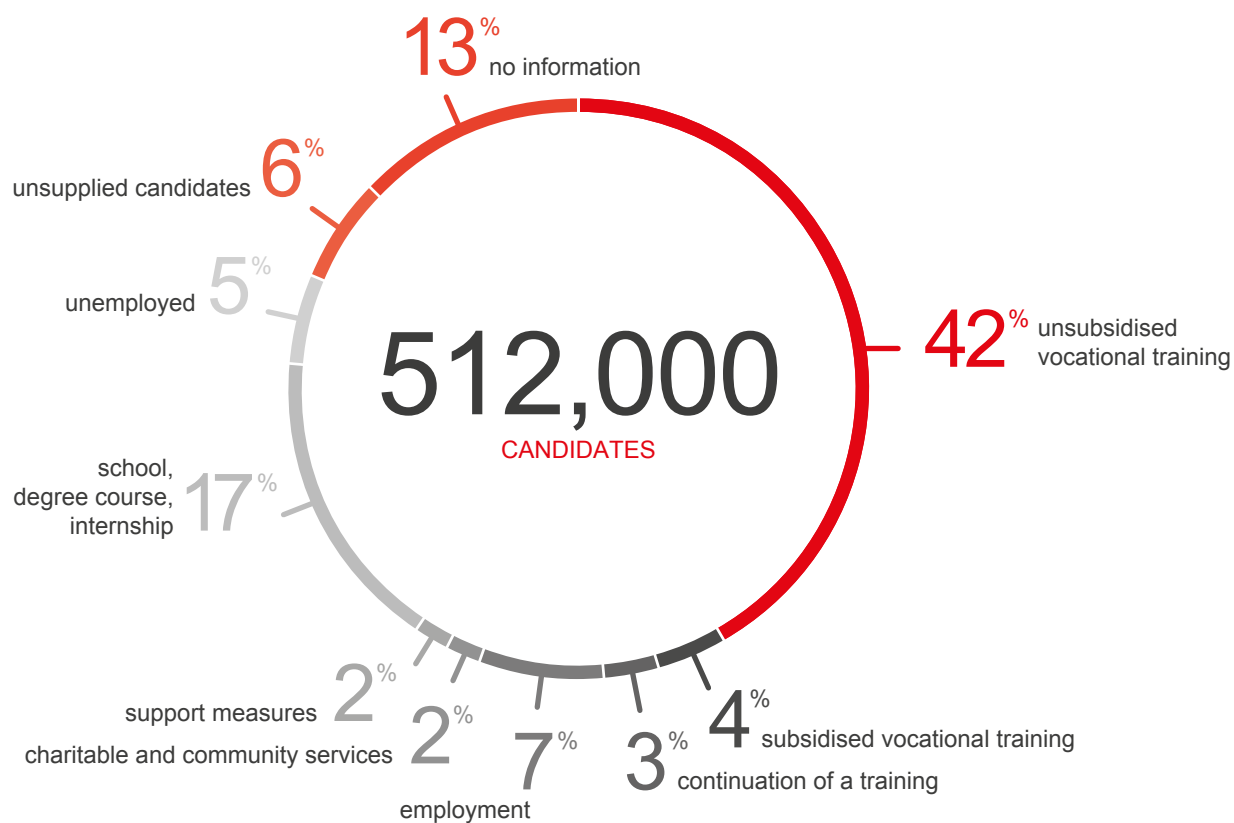
+7,000
unfilled training market
vacancies



WHEREABOUTS OF REGISTERED CANDIDATES FOR VOCATIONAL TRAINING MARKET VACANCIES

30 September 2020, in per cent

The total may not equal 100% for reasons of rounding.



Source: Statistic of the Federal Employment Agency



CASH BENEFITS

6.00^m

Employees received short-time working allowance in April 2020 –
with around 50 per cent of the working hours lost

€ 22.07^{bn}

were spent on cyclical short-time working allowance
including social security contribution refunds

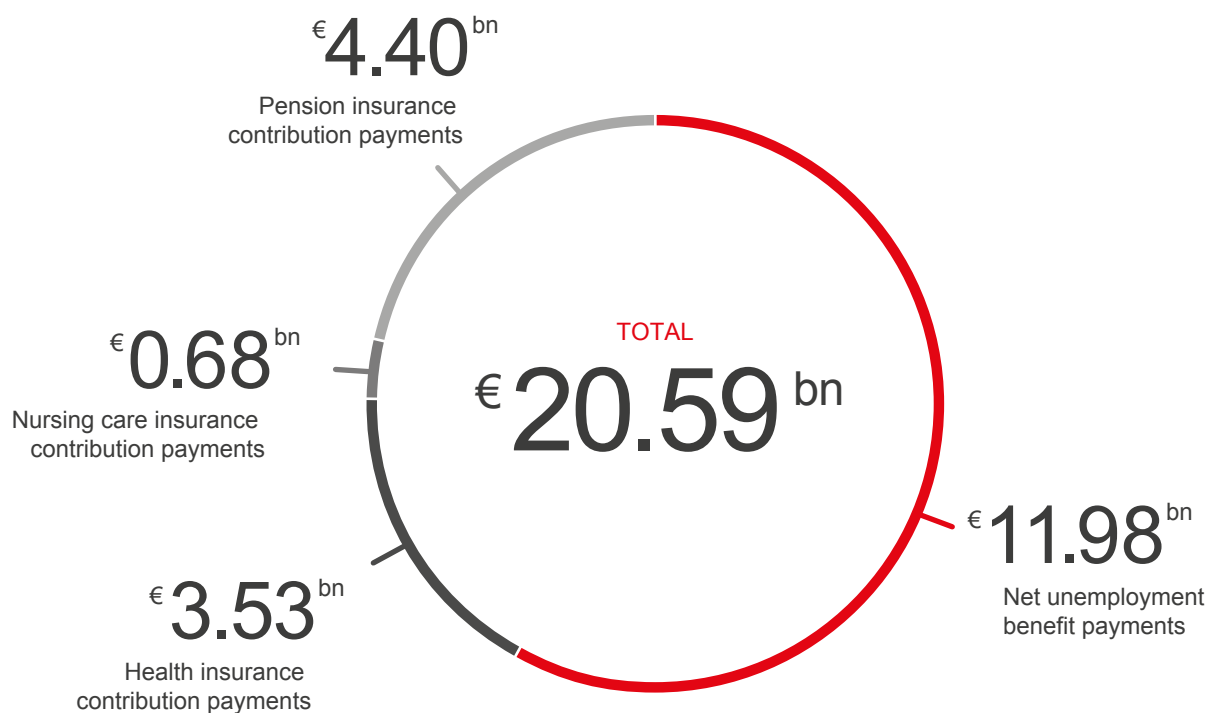
€ 20.59^{bn}

were spent on unemployment benefit payments
including social security contributions



UNEMPLOYMENT BENEFIT, SHORT-TIME WORKING ALLOWANCE AND INSOLVENCY PAYMENTS

UNEMPLOYMENT BENEFIT PAYMENTS



Source: Federal Employment Agency

UNEMPLOYMENT BENEFIT

Unemployed persons may be entitled to the insurance cover of unemployment benefit under specific conditions, e. g. upon the expiry of a qualifying period. Persons undergoing further vocational training may also be able to meet the entitlement requirements for the payment of unemployment benefit.

Employees outside the EU, self-employed persons, parents and persons advancing their education and training can opt for mandatory unemployment insurance by request. Periods of mandatory unemployment insurance by request establish an entitlement for unemployment benefit.

EXCEPTIONAL SITUATION TRIALLED FOR REGISTERING UNEMPLOYED

The BA decided on 16 March 2020 to limit the client traffic in its buildings to the bare essentials for the safety of its clients and staff. This particularly affected the visits paid to register as unemployed in person.

As a consequence, clients were also permitted to register as unemployed – which previously had to be done in person – by telephone or other access channels for the duration of the restrictions.

This helped to maintain the BA's ability to fulfil its legal mandate of making social benefits payable comprehensively and quickly. Registering unemployed in person is one of the essential requirements for claiming unemployment benefit after all.

Given the lacking identity verification, unemployment benefits were thus preliminarily approved upon fulfilment of the other requirements to reliably secure the livelihood of persons entitled to benefits. The identities of the claimants had to be verified post-hoc. The challenge thus mounted increasingly as the pandemic continued. The search was then on for solutions to unburden the employment agencies from appointed identity verification visits and save clients the way to them.

Selfie-ident process enables identity verification from home

It quickly became clear that a temporary solution was required for clients to easily confirm their identity around the clock with high security standards. An automated identity verification process was thus integrated into the BA's IT

for the unique pandemic-related situation in the shortest of times, and the clients were informed of the new service in writing.

The clients' feedback was very positive. Every second identity verification visit could be avoided because the clients had opted for the new online service. A large part of the users lauded the simplicity and speed of the process in doing so.

ENTITLEMENT PERIOD FOR CLAIMING UNEMPLOYMENT BENEFIT EXTENDED

Amongst other aspects, the "Act on social measures for fighting the corona pandemic" (social protection package II, entry into force: 28 May 2020) extended the entitlement period for unemployment benefit by three months for one time for all persons whose entitlement is reduced to one day from 1 May 2020 to 31 December 2020. No application was required for this. The extension had to be provided manually in approx. 100,000 cases for the months May to June 2020 as potential refund claims had to be processed between the jobcentres and employment agencies. For claims reduced to one day from 1 July 2020, an IT solution was quickly realised, and the entitlement period extended automatically for approx. 280,000 claimants (approx. 88 per cent of all claimants). The clients and jobcentres were informed of the extension of the entitlement period early enough in these cases for the jobcentres to take it into account on time for the so-called top-uppers.

PROCESS AUTOMATION FACILITATES THE APPROVAL OF UNEMPLOYMENT BENEFITS

The BA banks on process automation to handle the core business of providing unemployment benefit better and make it more transparent for its clients. Since 15 October 2020, online applications for unemployment benefit are automatically reviewed and prepared for further processing by staff. Clients receive an automated confirmation of receipt and reminder to submit missing documents later. Ever since its introduction, 89,000 applications undergo the automated preparation on average per month. This equals 77 per cent of the online applications for unemployment benefit. Since 16 November 2020, the process information is additionally used to provide clients with current status information on their unemployment benefit application in the BA's online portal.



Advertising digital services – start of the “Kannste klicken!” campaign

The “Kannste klicken!” online campaign (con.arbeitsagentur.de/prod/profil/profil-ui/eservices), which pools the BA's previous e-services on a central landing page, has been up and running since the second half of 2020. This is aimed at also making the BA's range of services available to clients online, especially in times of corona (e. g. job seeking registration, application for unemployment benefit, application for short-time working allowance, etc.), and introduce them to the advantages of using digital services. These benefits for clients meanwhile include:

- Communicating changes quickly and easily
- Time- and location-independent application for and/or communication of changes
- Data input support by help texts
- Simple upload of documents and proofs
- Time- and cost-savings compared to sending by post or handing documents in at the agencies
- SGB II-specific information on work, housing, health, etc.

SHORT-TIME WORKING ALLOWANCE

If out of work temporarily, employees can receive short-time working allowances to partly compensate their loss of earnings. This is aimed at preventing their dismissal and thus avoid job losses. Employers will consequently be able to immediately rely on their ready-trained workers again once the order situation improves.

SPECIAL PANDEMIC-RELATED ARRANGEMENTS REALISED FOR SHORT-TIME WORKING ALLOWANCE

To cushion the economic repercussions of the corona pandemic, the legislator enacted temporary simplifications in the short-time working allowance. The thresholds for access to short-time working allowance have been lowered for this period. No negative work time balances had to be accrued to avoid short-time work. In addition to which only 10 per cent, instead of a third, of the total staff of a company or company department now had to be affected by a minimum loss of earnings of ten per cent. Temporary workers are not normally eligible for short-time working allowance, but the improvements enabled their access to it as well.

The special arrangements introduced in 2020 to cushion the repercussions of the crisis will be continued for businesses that introduced short-time work by 31 March 2021. The increase of the short-time working allowance (to 70/77 per cent from the fourth month and 80/87 per cent from the seventh month) is extended until 31 December 2021 for all employees whose claim to short-time working allowance arose by 31 March 2021. It was furthermore laid down in the Employment Protection Act that the income from marginal employment taken up during the short-time work will continue not to be set off against the short-time working allowance until the end of 2021.

Short-time work was indicated for a sum total of 1.07 million companies and/or divisions and 14.26 million employees. The BA paid out 12.58 million euros of short-time working allowance in 2020.

In addition to the above, the improvements required the social security contributions payable by the employer alone to be 100 per cent refunded from March 2020. This additional benefit led to further expenditures amounting to 9.49 billion euros.

Short-time working allowance
payments for cyclical reasons,
including social security contribu-
tion refunds, amounted to

€ 22.07 bn

BENEFIT PROVISION REMAINS STABLE DESPITE THE CORONA CRISIS – THANKS TO THE DEDICATION AND FLEXIBILITY OF EVERYONE INVOLVED

The corona crisis hit the Operative Services, responsible for providing the BA's benefits, directly and with a force unique in the history of the BA: the number of short-time workers rose to 6.00 million in April 2020, thereby reaching historic levels. For comparison: the highest level in the financial and economic crisis of 2009 had amounted to 1.4 million. The BA responded to this very quickly on all levels and in all offices. In the summer of 2020, 11,500 staff processed applications for short-time working allowance instead of the previous 700. In addition to the many employees of the employment agencies supporting the benefit teams in their office, a new central unit also came into being to process applications for short-time working allowance: the so-called "Virtual Operative Service".

Lived solidarity and support from extraneous BA staff

Many employees from all the BA's departments volunteered for this unit to cope with the volume of applications. Employees of other institutions such as the Federal Office for Migration and Refugees, German Pension Insurance, Deutsche Post AG and Deutsche Bahn could also be

recruited to support the provision of benefits in the course of administrative assistance. At peak times, over 2,500 support staff from the central units of the BA and other authorities were combined into a single virtual support unit.

The dimensions of the application volume meanwhile called for unconventional ways and new structures. The organisational, IT and infrastructural requirements for this new virtual support unit could be successfully met in the shortest of times. The qualification of the mostly extraneous support staff was just as fast thanks to the use of modern methods and media. Existing services in the form of online self-learning modules and online seminars were expanded and made available at short notice. This way the required knowledge could also be transferred quickly in consideration of the required protection measures.

Virtual work successfully introduced

The support was centrally coordinated and organised from Nuremberg to render the interface between the support staff and 40 organisational benefit provision units dotted around the country as effective as possible. The deployment of support staff could thus be flexibly and appropriately organised and quickly show its effects across the nation. Given the many years of nationwide experience with the IT system of the electronic file (E-AKTE), which enables the location-independent, paperless processing of benefit applications, this was quickly and easily realisable without much ado.

Another vital success factor was the readiness and skill with regard to the exclusively virtual teamwork at a geographical distance – both on the part of the supporting and supported staff, but also the employees in the central control unit. In these dimensions, the BA broke new ground here, which required a fast shift to new forms of cooperation from everyone involved.

Thanks to the professional and results-oriented cooperation of all the employees involved, a short processing time could thus still be maintained. Despite the high increase in benefit applications, every benefit recipient quickly and dependably received the payments they were due. In addition to which the liquidity risks of businesses were reduced, securing the livelihoods of many employees in turn.

Since the start of the corona pandemic, the BA has been receiving more and more (anonymous) reports of potential benefit fraud. All reports are thoroughly followed up to see if benefits are indeed fraudulently claimed. It remains important that the BA's benefits are lawfully provided, despite the high workload. The knowledge gathered so far shows that reports and notifications of possible benefit fraud only make up a minimal part. Over and beyond this, the BA uses analysis methods to discover irregularities in benefit payments.

SEASONAL SHORT-TIME WORKING ALLOWANCE

Construction company staff unable to work or otherwise lacking orders in the bad-weather period can be paid seasonal short-time working allowances. For companies in the scaffolding industry, the so-called bad-weather period starts in November. For the construction industry, roofing trades, horticulture and landscaping, it starts in December. It ends in March for all of them. The seasonal short-time working allowance and supplementary services are thus aimed at keeping employees in the construction industry in the company when work is seasonally lacking in the bad-weather period, rather than making them redundant. This stabilises the employment relationships in the construction industry.

TRANSFER SHORT-TIME WORKING ALLOWANCE

In company restructurings attended by job cuts, the transfer short-time working allowance enables the transfer of employees in question from an existing job with their former employer to a new job at another employer to be cushioned without intermittent unemployment.

ALSO MORE SPENDING ON TRANSFER PAYMENTS

In 2020, companies cut more jobs permanently than in the previous year. The spending on transfer payments has grown by 50 per cent to 207.70 million euros for this reason.

INSOLVENCY PAYMENTS

If the requirements are met, completely or partly lost wages will be paid for a period of up to three months by way of insolvency payments. One essential requirement is the substantiation of illiquidity in the form of an insolvency event. Besides unpaid wage claims, the BA will also cover all unpaid social security contributions for up to three months.

Seasonal short-time working allowance payments for construction industry

In the months January to March 2020, seasonal short-time working allowance was paid to 259.800 persons.

€ **255.42^m**

were paid out for this contribution-financed service in 2020 altogether.

The pay-as-you-go payments for winter allowance for additional expenses, winter allowance grants and refunding social security contributions to employers amounted to

€ **356.40^m**

SPENDING LEVEL APPROX. 30% INCREASED FROM 2019

The number of company insolvencies also declined further in 2020 despite the corona pandemic. The trend of previous years is thereby continued. This should primarily be attributable to the effect of further legislative measures (emergency assistance, special programmes, improvements in the short-time working allowance) and suspension of the requirement to file for insolvency by the Covid-19 Insolvency Suspension Act.

With 150,500, the number of applications for insolvency payments was slightly below the level of 2019 (155,700 applications). The expenditures for insolvency payments and the social security contributions have almost reached the same level as in the financial and economic crisis of 2009 with 1.21 billion euros, however.

Insolvency payments

2020 wurden insgesamt

€ **1.21** bn

were paid out as insolvency payments and social security contributions altogether in 2019.

150,500 applications were made, and

123,100

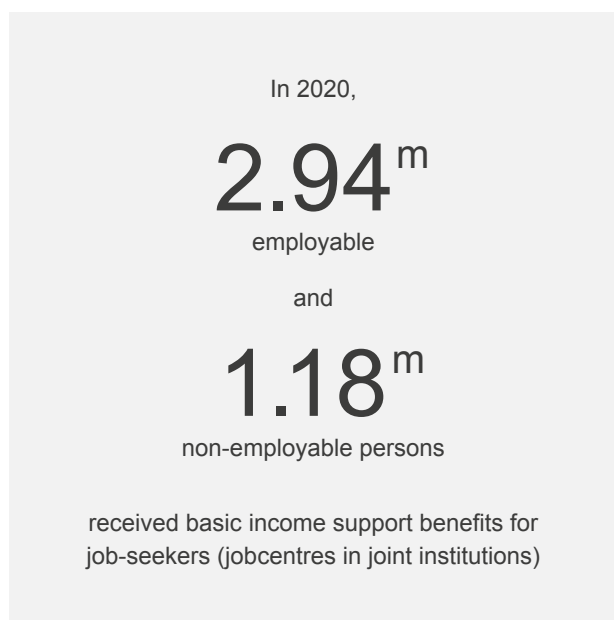
applications approved.



BASIC INCOME SUPPORT FOR JOB-SEEKERS

BASIC INCOME SUPPORT PAYMENTS FOR JOB-SEEKERS

Citizens in need of assistance are supported in sustaining their livelihoods by a broad spectrum of continuous and one-time benefits.



Claimants receive as regular benefits:

- Unemployment benefit II for persons who are fit for work and/or income support for persons who are unfit for work and children in a household (benefits for regular and individual additional requirements, as well as local authority payments for accommodation and heating),
- Contributions and subsidies for health and nursing care insurance,
- Local authority benefits for education and participation.

Possible one-time benefits can include, amongst others:

- Local authority allowances for the initial furnishing of apartments and initial provision of clothing for pregnancy and childbirth,
- Allowances for the purchase and repair of orthopaedic shoes as well as the hire and repair of therapeutic equipment.

LEGISLATOR EASES ACCESS TO LIVELIHOOD MAINTENANCE BENEFITS FOR THE SELF-EMPLOYED

The fast spread of the coronavirus had and continues to have a tangible impact on the economy and employment. In some industries, COVID-19 avoidance measures partly entailed significant to full shutdowns for businesses. This can concern all their employees but is a particularly existential threat for small-scale entrepreneurs and the so-called solo self-employed. The legislator has responded with a series of regulations to ensure that everyone in need of assistance, but especially the self-employed, freelancers and employees, gain fast access to SGB II benefits, insofar as they qualify for them.

The “Act for eased access to social security and for the deployment and protection of social service providers due to coronavirus SARS-CoV-2” (social protection package I) and social protection package II introduce provisions also enabling fast access to existence-saving livelihood maintenance benefits for the self-employed. These regulations include a cap on the assets to be taken into account until 31 December 2020, temporary recognition of actual accommodation and heating costs as commensurate, a fixed six-month period for provisional approvals for short-term income changes, and an extensive waiver of final reviews.

These regulations were extended again (until 31 March 2021) by the “Act for determining standard support needs and amending the twelfth book of the Civil Code” as well

other acts dated 9 December 2020. Social protection package III then served to extend the regulations for easier access to the systems once more, until 31 December 2021.

In addition to this, the federal subsidies (“November help”, “December help” and “Restart help”) were excluded from the assessable income in the basic income support by the Ninth Ordinance Amending the Unemployment Benefit / Income Support Ordinance. The exemption of these bridging allowances contributes to securing the economic survival of enterprises and self-employed persons, and providing them with fast and targeted support.

The procedural simplifications provide good support for the claims processing workflows of the jobcentres in joint institutions. The statutory regulations were accompanied by extensive information available through a short-term expansion of the online services.

SIMPLER RULES IMPLEMENTED FOR RECOGNISING HOLIDAY JOBS AND CORONA BONUSES AS POSSIBLE INCOME

Bonus payments provided by employers for deployments during the corona crisis in the period from 1 March 2020 to 31 December 2020 and not exceeding 1,500 euros will not be considered as income. The same applies to care bonuses and other corresponding benefits from federal or Länder budgets. These regulations will be extended until 30 June 2021.

The recognition of income from holiday jobs has also been simplified. Less of these generated revenues will from now on be regarded as income for calculating SGB II benefits. The maximum amount was doubled to 2,400 euros per calendar year.





REALISATION OF PANDEMIC-RELATED AD-HOC MEASURES: KEEPING JOBCENTRES ACCESSIBLE IN JOINT INSTITUTIONS

Given the corona-related closures, clients had to be provided with alternative access and communication channels at short notice. To do this, the existing “jobcenter.digital” online portal (at www.jobcenter.digital for registered clients) was expanded as quickly as possible in cooperation with the IT department, and a temporary online access provided for a simplified application process in the section not requiring registration.

Easier application realised for first-time unemployment benefit II receipt

The legislator temporarily eased the access to basic unemployment benefits for job-seekers from the end of March 2020 with the social protection packages.

This involved the development of simplified forms for first unemployment benefit II applications. The simplified application is a combination of the main application form and housing situation attachment, and reduces its volume from eight pages to five. The attachment declaring the income of self-employed persons was replaced by a new version cutting it down to two pages.

Citizens can download the simplified application and supplementary documents from www.jobcenter.digital. The ways of submitting the application were expanded at the same time. Besides sending them by post or e-mail, clients were offered a new upload component from 8 May 2020 that requires no registration. This low-threshold proposal enables a guided application and uploading of all application documents (including the subsequent provision of unavailable documents) directly to the e-file of the competent job centre in joint institutions. The new regulations helped to master the higher application volume smoothly without delays or quality losses overall.

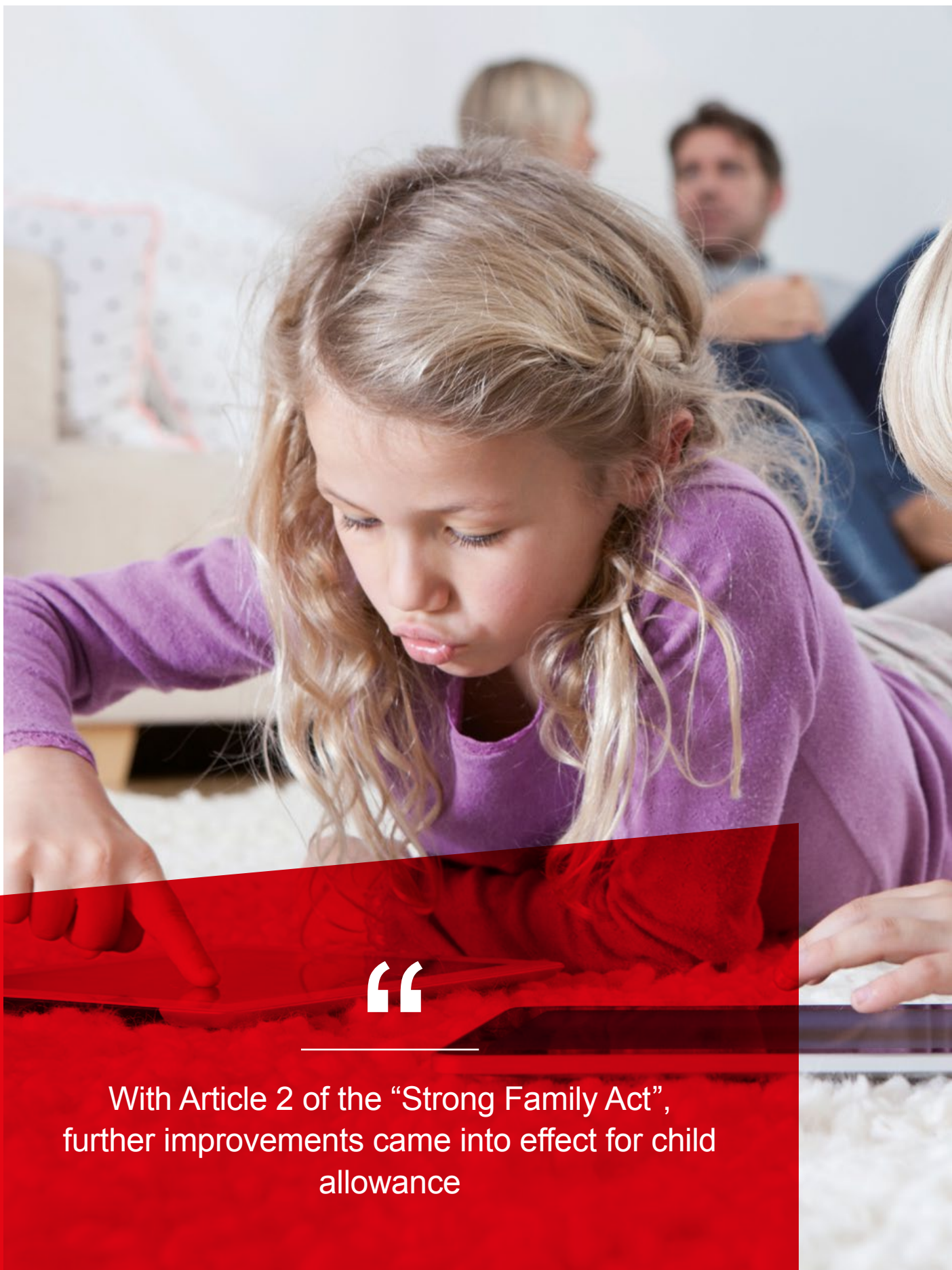
jobcenter.digital online portal is expanded

Besides the existing online channels at www.jobcenter.digital enabling clients in the SGB II legal purview to send applications for continued approval, notifications of changes and documents online in the section requiring registration, a SGB II mailbox service was provided from 31 March 2020 as an additional and secure online communication channel. This service could be relied upon by the jobcentres in joint institutions on a voluntary basis.

The SGB II mailbox service was trialled at ten jobcentres in joint institutions until 15 March 2020 and made available for voluntary use upon successful completion with basic functionalities. 220 of the 302 jobcentres in joint institutions had used this service already by 31 August 2020. The nationwide mandatory roll-out of the expanded functionality in all jobcentres in joint institutions was realised in mid-January 2021.

Realisation of a digital advisor

On the landing page for basic corona income support (www.arbeitsagentur.de/m/corona-grundsicherung), clients can use a “digital assistant” to see if they can claim unemployment benefit II. In addition to which they can ask the digital assistant specific questions on the subject of basic income support.



“

With Article 2 of the “Strong Family Act”,
further improvements came into effect for child
allowance



FAMILY BENEFITS OFFICE

TASKS OF THE FAMILY BENEFITS OFFICE

The BA's Family Benefits Office supports families or children, respectively, across the nation, from all EU partner states, and of German nationality working abroad. With the child benefit, payable upon application for all children up to 18 and also beyond under specific conditions, it helps every family secure the maintenance of their children. The child allowance additionally ensures extra support for low-income families. This also helps to avoid the need for assistance within the meaning of SGB II.

Looking at the annual payout volume for child benefit and child allowance, the Family Benefits Office is Germany's largest family support organisation by far, and it continues to grow. This makes it an essential part of the BA with its approx. 4,000 employees of today.

Effective service provision and a modern, efficient administration – this is what clients want from the BA's Family Benefits Office. With the "FamKa 2020" development programme, it has added these challenges to its agenda. Further progress will thus be made every year where innovation and client satisfaction are concerned.

CHILD ALLOWANCE REFORM PARTICULARLY HELPFUL FOR FAMILIES IN THE CORONA PANDEMIC

With Article 2 of the "Strong Family Act", further improvements came into effect for the child allowance on 1 January 2020. Families are provided with better and stronger support by the revision of the child allowance.

The federal government's social protection package I of 27 March 2020 necessitated by the corona pandemic categorised the child allowance as system-relevant along with other BA benefits, and provided it with easier access requirements for working parents for the period from 1 April to 30 September 2020.

The so-called emergency child allowance was designed to compensate for the income lost by working parents due to short-time work or redundancy caused by the corona crisis. The child allowance reform of the Strong Families Act and the realisation of the emergency child allowance based on the social protection package served to nearly treble the number of benefitting children on the bottom line.

To manage this increase in case numbers and ensure smooth payment of the child allowance and emergency child allowance, the BA Family Benefits Office implemented a central processing unit. Over 200 employees were recruited and qualified in the shortest of times, creating a child allowance centre with branches in six Länder. The employees in this central unit provided the regional Family Benefits Offices with nationwide support in the task area of child allowance and emergency child allowance. The regional Family Benefits Offices were also staffed correspondingly with another 150 positions. For the emergency child allowance, the BA Family Benefits Office also very quickly realised process simplifications in the application procedure, an automated extension of benefits in existing cases, and continued benefits upon abridged application.

The complexity of the child allowance benefit often requires guidance for the clients. Amongst others, this guidance is also realised in the form of video guidance. Clients have the option of attending the video guidance from their home. This expands the guidance options available to working clients, especially, while also easing the access to the service overall.

Child allowance clients have been able to submit online applications, upload their proofs digitally, and report changes online since the beginning of 2020. This option is currently used in half of all cases already.

IMPLEMENTATION OF THE FAMILY BENEFITS OFFICE REFORM (“SINGLE COLUMN MODEL”) MAKES PROGRESS

Before the end of 2016, all public service authorities on a federal, Länder or municipal level and institutions and foundations under public law were responsible for paying their employees' child benefits on their own authority. The “Act ending the special responsibility of the public service's Family Benefits Offices” initiated a structural reform in Germany on 1 January 2017 to reduce the extensive admin-

istrative effort. This act provided the institutions with the option of leaving their child benefit processing to the BA Family Benefits Office free of charge.

After the act's entry into force, the BA Family Benefits Office contacted all the institutions coming into question (18,100 authorities with more than 2.43 million children). Over 16,900 institutions with approx. 1.61 million children have signalled their willingness to hand over the child benefit processing to the BA Family Benefits Office so far. An IT process for transferring the data and a service for communicating with the benefits offices of the institutions concerned were created and accepted very readily. In the first years of the administrative reform, the option of leaving their child allowance processing to the BA Family Benefits Office was mostly used by smaller public service institutions. By now, even major Länder Family Benefits Offices with partly over 200,000 children are transferring their child benefit processing.

More than 15,500 institutions with over a million children have already transferred the processing to the BA's Family Benefits Office. Transfers involving 370,000 children were performed in 2020.

“FAMILY SERVICES FROM A SINGLE SOURCE” LOCAL AND REGIONAL NETWORKS

The subject of networking was also advanced by the regional Family Benefits Offices during the corona pandemic. All of them stayed in touch with their network partners. In addition to which promising strategies and differentiated plans were elaborated for new projects.

One example for the good teamwork between the regional Family Benefits Offices and local network partners is the Frankfurt Family Alliance. This was founded as early as 2005. With the Family Fair held annually since 2006, the Family Congress taking place every two years, the Frankfurt Single Parents' Network and diverse campaigns and activities in close cooperation with the Frankfurt Children's Office, the Frankfurt Family Alliance has become all but indispensable for families. In June, the Frankfurt Family Alliance was honoured as the “Alliance of the Month of June 2020” amongst the local family alliances by the Federal Ministry of Family Affairs, Senior Citizens, Women and Youth.

CHILD BONUS PAID OUT ON TIME

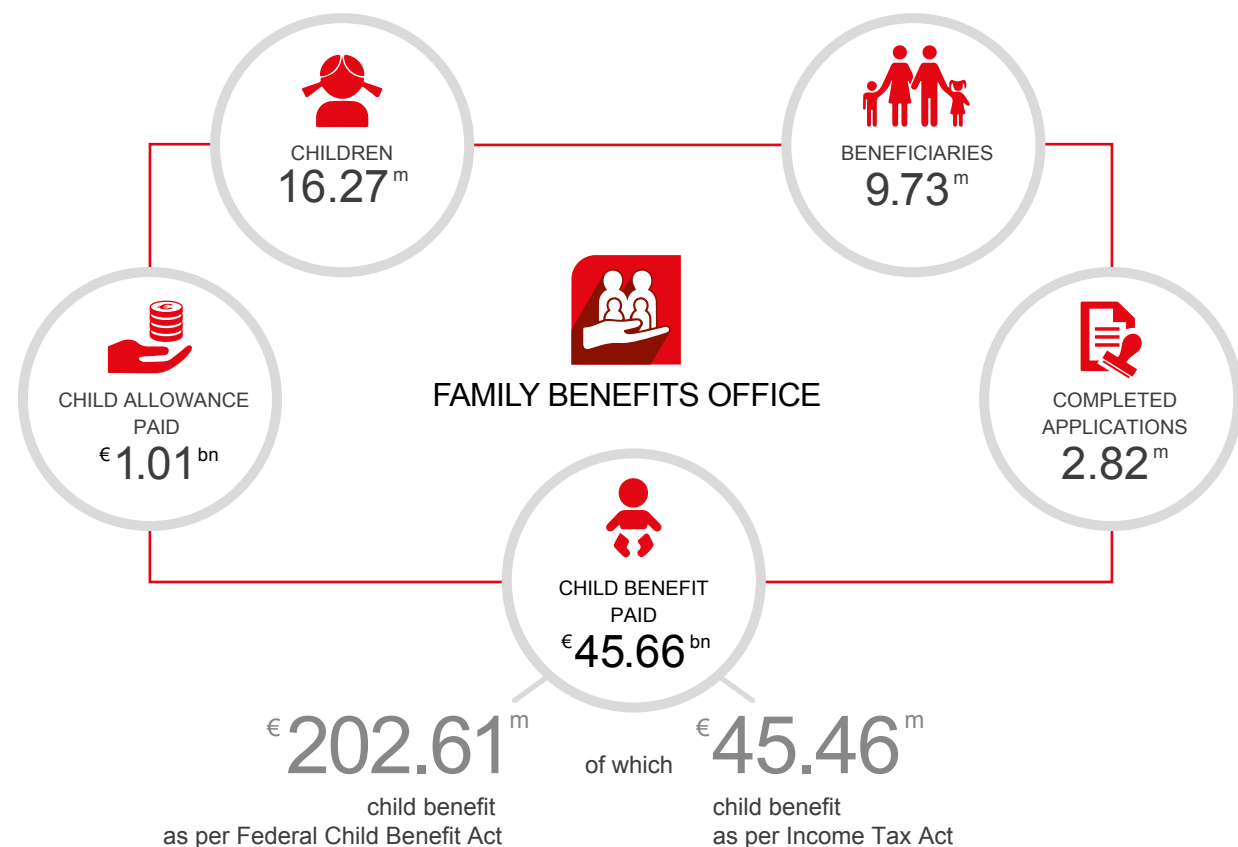
The curfew and contact restrictions were a major exertion for families in Germany as the closed day nurseries and schools necessitated childcare on top of professional commitments. This was often linked with financial sacrifices for the families.

Which is why the payment of a 300-euro child bonus was decided for every child entitled to child benefit as part of the corona stimulus package. This was aimed at financially supporting families particularly affected by the corona crisis and providing a targeted, short-term economic stimulus by boosting their purchasing power. This made the child bonus a system-relevant payment in Germany.

The child bonus was paid out to child benefit claimants for every child entitled to child benefit for a minimum of one calendar month in the calendar year 2020. The child bonus for families on basic income support was not set off against their monthly claim. The child bonus was paid in two instalments of 200 and 100 euros in September and October, respectively. The child bonus for children born in November and December was paid out with the child benefit upon application.

The BA Family Benefits Office handled the payment of the child bonus for 10.23 million claimants with 17.12 million children in parallel to the child benefit in time. The amount disbursed embraced a volume of 5.16 billion euros.

FAMILY BENEFITS OFFICE IN FIGURES 2020



GUIDANCE, PLACEMENT AND TRAINING

39.30^m

telephone calls with clients

267,000

persons taking up further vocational training subsidised by employment agencies or jobcentres in joint institutions

120,000

young adults receiving further qualification-oriented training in the "Future Starters" initiative between August 2016 and December 2020



GUIDANCE AND PLACEMENT

GUIDANCE AND PLACEMENT IN THE LABOUR MARKET

On the labour market, demand meets supply in the form of people looking for a (new) job and of employers' job offers. The guidance and placement are aimed at a better matching of both sides. Unemployment confronts those affected by it with a difficult situation that is apt to impact every area of their life and should be kept as short as possible. Guidance, placement and labour market policy instruments such as wage subsidies support the clearing of the labour market or prepare clients for integration into it, e.g. by qualification or a reduction of placement obstacles.

According to the defined standards for the uniform provision of guidance and placement services to clients across the nation in the employment agencies and jobcentres in joint institutions, all placement and guidance work is based on the client's individual needs. They are the starting point for elaborating strategies for integration in the labour market, e.g. also by way of qualification.

Immediate placement experts in the employment agencies provide clients with fast and needs-oriented placement and guidance services. The employment outlook is already assessed at the first visit of the employment agency, with matching job offers suggested, and possible support needs identified and followed up. Where support needs are complex, specialised guidance and placement experts are promptly called in, e.g. from the "Internal Holistic Integration Consultancy SGB III" (Inga), or case managers in the jobcentres in joint institutions, to provide particularly intensive support and guidance.

Employers are catered to by the Employers' Service with special proposals revolving around the filling of reported vacancies or recruitment strategies, but also for individual advice, e.g. concerning the qualification of employees.

ENSURING AVAILABILITY IN TIMES OF CRISIS

Importance of the client portal underscored

Rarely in the BA's history has the important role of the client portal staff ensuring this personal and telephone access channel become as evident as in 2020. The lockdown in spring led to a temporary closure of the employment agencies and jobcentres, putting a sudden end to personal client contacts in the guidance. The telephone became the most important channel for guidance matters and also remained the paramount medium for staying in touch with clients.

To ensure availability on the telephone, additional hunt groups, the so-called corona hotlines, were installed in all employment agencies and jobcentres in joint institutions. These were staffed by all suitable employees available locally, under local management.

The easier access to social security in the SGB II legal purview led to another marked increase in the number of clients and therefore calls. A further hotline was established for new clients using Skype for Business. To guarantee availability, over 2,000 employees were qualified for fielding the incoming calls in the space of just one or two weeks with the help of online seminars.

The repercussions on the labour market also shifted unemployment and jobseeker registrations to the online and/or telephone channel. With the help of shared work equipment, expansions of the online portal, and the establishment of a virtual identity verification, the client portal staff were also able to respond promptly here.

Video communication provides new client guidance channel

Where the guidance is concerned, the advantages of video communication already known from trials could be picked up on in the pandemic, and this service expanded. Compared to the telephone, the guidance meeting is augment-

ed by visual impressions and also rendered more interactive by functions such as screen mirroring. The video communication service is to be further expanded, also after the pandemic, as a supplement to personal meetings.

Personal guidance remains assured

The BA knows from surveys that clients and staff have both responded positively to the switch of contact channels in the situation. It nonetheless emerges that the telephone cannot replace personal meetings in the long run. Neary half the cli-

ents would also prefer personal guidance in the future. The latter's necessity also applied during the pademic, especially with complex requests. More and more guidance rooms meeting the health protection requirements were established as a consequence.

65%

more telephone calls with clients than in 2019



Client portal – data, facts, figures

With its approx. 10,000 employees in total, the client portal comprising the access zones of the employment agencies and 46 service centres forms the entry portal of the BA and the initial port of call for most employees, along with the online channel, for a preliminary clarification of their issues. This is where the course is set for all later processes.

High availability for the clients and dealing with their requests as easily and promptly as possible take centre stage in the day-to-day work. The organisation is continuously progressing in this regard in organisational and technical terms. This currently includes trials aimed at 2nd-level solutions for service requests as well as online scheduling and guidance options at various properties. To ensure availability on the telephone for our clients, over 5,000 staff are deployed here from 8 a.m. to 6 p.m., Monday to Friday.

- Providing the BA's guidance and integration experts with an updated and sound orientation framework and easily accessible inventory of methods for their guidance services.
- Further development of the success criteria and quality standards for guidance.
- Providing an up-to-date professional basis for the BA's internal advancement of the guidance and for the qualification of staff.

To this end, a cross-legal purview framework paper was drawn up in close coordination with the University of the BA (UALS) to stake out the joint framework of the guidance concept, explain the basic understanding of guidance, and define central concept elements. New in comparison to the previous framework paper, amongst other aspects, are the cross-legal purview approach, consistent integration of the topics of "rehabilitation and participation", and a stronger emphasis on an integrated, opportunity-promoting, inclusive, diversity- and gender-sensitive perspective.

Upon publication of the framework paper, the detailed concepts of selected thematic areas will be elaborated, and the already existing pool of methods updated, from the year 2021.

ADVANCEMENT OF THE BA GUIDANCE CONCEPT CONTINUED

The BA guidance concept was initially introduced over several years in the employment agencies from 2010 and then in the jobcentres in joint institutions from 2013. Ever since then, the employees have witnessed accelerated changes in society, and especially also in the world of work. In this context, the guidance gains in importance in the areas of training, vocation and employment. The BA's advanced guidance concept will pick up on and integrate these developments and findings.

The advancement of the guidance concept is linked with five aims:

- Defining employee-oriented guidance as a central service of the BA in dynamic work environments.
- Making the BA's essential cross-remit understanding of guidance transparent to internal and external actors (a joint framework paper).

VOCATIONAL GUIDANCE

The vocational guidance of the BA supports young people who are taking the step from school into a professional career in various ways. The end of the career choice process should be marked by a sound, autonomous decision that is based on a clarification of personal preferences and skills, as well as a broad procurement and processing of information. All the vocational guidance services are meanwhile without bias and free of charge.

The careers information starts with the vocational guidance experts contacting school classes of general education schools, usually two to three years before their finals. In coordination with the teaching staff, the vocational guidance experts introduce the pupils to the subject of career choice in an age-appropriate manner and provide them with a first overview of vocational options in training and study.

Individual career choice guidance

The professional and individual guidance provided by the vocational guidance experts is an important basis for young people's successful career choice. Based on the life situation young people find themselves in, the guidance session offers opportunities to discuss career goals and aspirations, expand the range of career choices and develop targeted solution strategies with them, all while catering to their aptitudes and preferences. If necessary, the BA's Specialist Services (Occupational Psychological Service, Medical Service, Technical Advisory Service) can be brought into play, e.g. to explore the personal requirements for certain occupations

Besides the developments and perspectives in the labour market, the competencies of young people seeking advice and cliché-free guidance also have a large role to play in the careers information. The BA is often only contacted in their career choice process after young people have already developed very gender-stereotypical ideas of the professions, however. Which is why the BA considers it one of its most urgent business policy tasks to nurture the individual talents and interests of adolescents in a gender-sensitive manner and free from clichés, and expand their range of career choices to include "gender-atypical professions". This, for example, includes raising young girls' awareness of STEM occupations (science, technology, engineering, and math) and young boys' awareness of caring and social professions.

The vocational guidance experts also help in the realisation of an internship, apprenticeship or study place. In the area of dual training, the BA provides regional and nationwide placements in suitable training market vacancies, also by way of the JOBBÖRSE (job exchange) online portal. School-based apprenticeships and study programmes are published in corresponding online channels.

Career information centres and target group-oriented media proposals

The BA's vocational guidance and career choice experts provide information on training, study and work along with the specific training and study options in the region, but also on a national level. They bank on the BA's varied media range in doing so.

The career information centre of the local employment agency is the central contact point for questions all around the subjects of training, education, study, careers and the labour market. Many terminals offer opportunities for researching relevant information for own career choices, looking for training market or job vacancies, and creating professional application documents, online and free of charge. Young people – and increasingly also adults – use the career information centres of the employment agencies to search for individual information. School classes regularly visit them for careers information.

In schools experiencing difficulties reaching a career information centre due to infrastructural conditions, tablets are also used for online research. Young people show a great interest in this proposal, and it encourages them to continue informing themselves on their own smartphones.

The online portals www.planet-beruf.de and www.abi.de, attendant print media and the self-exploration tool Check-U (www.arbeitsagentur.de/bildung/welche-ausbildung-welches-studium-passt) offer a wide range of information for young people looking for careers information in their transition from school to vocational training or study. Besides the pupil portals, there are also sub-portals with information for teaching staff, parents and careers information coaches.

LIFELONG VOCATIONAL GUIDANCE FURTHER EXPANDED

Working and living environments are changing. Structural change, digitalisation and changing employment histories – these are the keywords for the current and future challenges on the labour and training market. The need for vocational adjustments and further training is growing. The impact of the corona pandemic (“digitalisation thrust”) has only served to strengthen this development.

This is where lifelong vocational guidance comes in. It supports young people and adults holistically and preventively throughout their entire training and employment history. The pre-employment vocational guidance continuously accompanies young people in the career and study choice from early on.

The vocational guidance during the career caters to adults and places a focus on supporting working people before their vocational reorientation, especially the lower-skilled. Other target groups include the unemployed with a greater need for vocational orientation and guidance and people re-entering their jobs, as well as training and study graduates.

The lifelong vocational guidance cooperates closely with its local network partners.

2020 saw the implementation continued at general education schools (1st tranche of the pre-employment vocational guidance). The introduction at secondary vocational schools and vocational colleges (2nd tranche) was started, but had to be suspended for six months because of the pandemic. The roll-out of the vocational guidance during the career – organised as a colligated solution – was also suspended for six months due to the corona crisis. The starting date now was 1 January 2021.

The introduction is accompanied by the online tools “Check-U” and “New Plan”: Check-U as an entry into careers information for young people and New Plan (since December 2020) for working people are closely dovetailed with the entire careers information and guidance process and service provided by the lifelong vocational guidance teams.

NEW PLAN – NEW ONLINE CAREERS INFORMATION TOOL INTRODUCED



NEW PLAN
THE EXPLORATION TOOL OF THE
FEDERAL EMPLOYMENT AGENCY

Since November 2019, the “self-exploration tool for working people”

project has involved the development of a new online service: New Plan. One important step forward succeeded in December 2020 – New Plan is now available to clients online in a first version. The BA is therewith completing the lifelong vocational guidance with its personal and online services that can be used independently from one another, but also advisably dovetailed.

New Plan (www.arbeitsagentur.de/newplan) is an online tool and supports working people in their vocational (re-) orientation and further training. Against a background of fundamental changes on the labour market, employees are faced with new challenges:

- They need clarity about their strengths and vocational development potentials,
- are forced to think about their future career path, and
- may need some food for thought in this respect.

This is where New Plan comes in:

- It is a psychologically and career study-based online tool.
- It can be used around the clock and is easily accessible.
- It includes tests relating to social skills, motives and working morales.
- It offers ideas and inspiration also over and beyond one's own profession.
- It supports the concrete search for a desired route (further training, workplace, self-employment).

Clients can rely on New Plan to attend personal meetings well-prepared, or use it independently of any guidance.

New Plan meanwhile consists of the three columns of “Testing”, “Inspiring” and “Searching”.

Following the go-live in December 2020, further skills-related components such as a test for further training and a strengths & weaknesses test will be made available as an expansion of the test procedures, along with an expansion of the search functionalities.



Testing

Users are assisted in their vocational orientation on the basis of **psychological tests, self-assessment processes** and **information offers**, as well as **statements about the suitability** of concrete career plans.



Inspiring

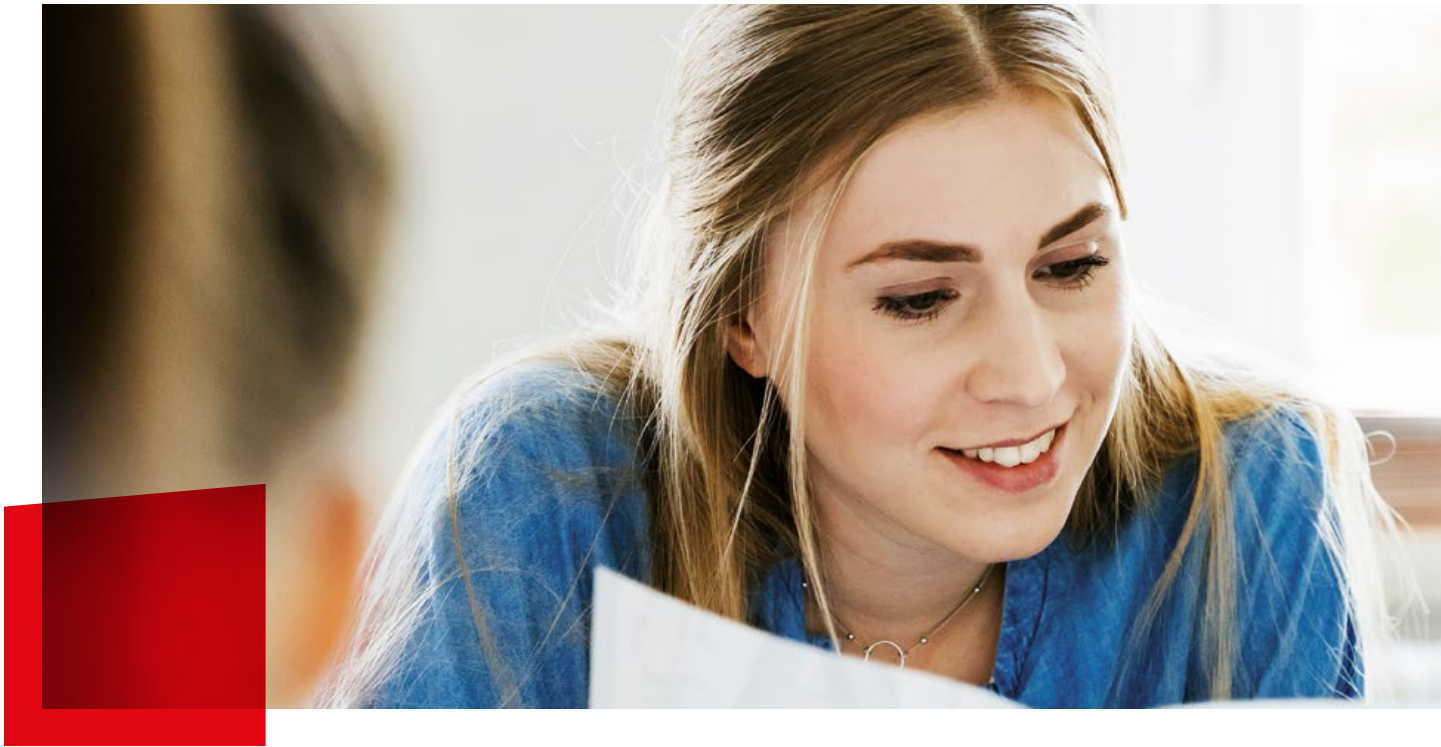
New Plan offers users an opportunity to **let themselves be inspired**, amongst others **answering** the question: “What have others in my profession done?”



Searching

New Plan helps to render the **personal search scope** for career development options **more manageable** and **narrow it down** in consideration of relevant **life circumstances**.

Source: Federal Employment Agency



VOCATIONAL TRAINING

TRAINING PLACEMENT SERVICE

The BA is where young people and employers go for being placed in and filling training market vacancies. In the course of a guidance year starting on October 1, young people turn to the vocational guidance for support in their search for vocational training. Apprenticing companies simultaneously report their unfilled training market vacancies. The BA aims to achieve the conclusion of a training contract for all applicants by the end of the guidance year on September 30 at the latest or, failing that, to find a meaningful alternative. Even after this date, its placement efforts will continue for those applicants who have still been left unsupplied. The BA regularly reports on the developments in the guidance year and takes stock at the end of the reporting year.

In sheer numbers, the supply and demand on the training market have remained relatively balanced for a number of years. But regional, vocational and qualification-related imbalances complicate an actual clearing of the training market. The work of local vocational guidance experts decisively

contributes here to showing young people alternatives to their desired profession, fostering their possibly required readiness to move, and convincing employers of the potentials of previously unsuccessful applicants.

SUPPORT SERVICES FOR YOUNG PEOPLE

If the transition from school to work does not immediately succeed or the continuation of the training is at risk, the BA can rely on a range of specific support measures to help candidates reach a level where they are ready for training, stabilise apprenticeships or open up new perspectives. New routes into sustainable employment can also be highlighted and taken where young people have dropped out of college

The early systematic support for careers information and career choice by way of promotional instruments starts as early as during the school years. The mentoring system for transition to the labour market, for example, can support



young people requiring assistance at general, special and secondary schools by helping them graduate or transition to vocational training. With the expiry of the co-financing by the European Social Fund (ESF), the mentoring can only be provided if the Länder or local authorities agree to co-finance it. Since the 2019/20 school year, it is no longer provided in all the Länder.

To provide young people with an idea of their career opportunities and the diversity of skilled occupations at an early stage, the BA uses the instrument of “careers information measures”. These supplement the careers information services provided by vocational guidance experts in schools and at the career information centres, and can, for example, include comprehensive information on occupational fields, the exploration of interests, or an in-depth aptitude assessment.

The systematic support is also continued upon completion of the general school. For young people not yet able to take up vocational training, there are pre-vocational training measures in place to prepare them for starting an

apprenticeship, and to integrate them into the training market as sustainably as possible. These measures also offer an opportunity to re-sit the exams for the German school leavers’ certificate (Hauptschulabschluss).

Entry-level training in companies (EQ) is a service designed to pave the way into in-company vocational training for adolescents with placement complications and no training place. Employers hiring young people under this scheme receive subsidies for the internship pay plus a flat-rate share of the total social security contributions for the young person undergoing qualification. Since August 2020, young people taking part in the EQ scheme can have their travel costs refunded. As the claimants of basic income support for job-seekers can already deduct travel costs in the calculation of their income, this arrangement was only introduced for participants from the SGB III legal purview.

Apprenticeship supervisors (abH) assist young people in their in-company training and EQ with remedial education services, and help with everyday problems by way of the social education specialists at the educational institution.

The supervisors aim to ensure a successful start, continuation or completion of the training or EQ.

The assisted learning programme (AsA) is a support instrument designed to assist disadvantaged young people requiring support and their apprenticing companies in an in-company vocational training setup. It is aimed at ensuring a successful completion of the vocational training. If desired, AsA can already commence before the start of the vocational training in the so-called training preparation or preliminary stages, and help in the search for a suitable training market vacancy, for example.

The abH and AsA services have been streamlined into a single instrument offering all their proposals combined by the “Act for promoting further vocational training in structural change and advancing the promotion of training”. The newly advanced AsA will become available to young people and (their) training organisations from spring 2021 with the preliminary phase and autumn 2021 with the accompanying phase.

Eligible, disadvantaged young people who could not even be placed in in-company training with educational support services can still undergo vocational training at an educational institution in the “Vocational Training in External Facilities” programme. The practical component takes place in the workshops of the educational institution or an apprenticing company. Besides vocational schooling, the educational institution also provides additional support and remedial education, as well as socio-educational support for everyday problems. This is aimed at a permanent transition to an in-company training programme, or a successful vocational qualification.

Trainees receive a vocational training allowance for in-company or external vocational training in a recognised skilled occupation, or for in-company vocational training under the “Care for the Elderly Act”, as well as the “Caring Professions Act” from January 2020. One of the requirements for this is that trainees are not living in the household of their parent or parents because the training centre cannot be reached from there within a reasonable time frame. If trainees are over 18, married or in a civil partnership (or have been), or have at least one child, they can also receive the allowance if they live within reach of their parents’ home. The allowance is also available for pre-vocational training, and the training preparation and/or preliminary phase of an AsA. The allowance is paid as a grant.

CHECK-U – SELF-EXPLORATION TOOL FOR YOUNG PEOPLE HAS BEEN EXPANDED



CHECK-U
THE EXPLORATION TOOL OF THE
FEDERAL EMPLOYMENT AGENCY

The “Training/ Study Self-Exploration Tool” has been operating

under a new name since 2020: “Check-U – the BA’s Exploration Tool” (www.arbeitsagentur.de/bildung/welche-ausbildung-welches-studium-passt). Check-U is the perfect entry into careers information. The Check-U online test helps pupils find out which training and/or fields of study suit them best.

Check-U is an integral part of the overall careers information and guidance process and closely dovetailed with the BA’s vocational guidance. Greater reflection upon own interests and preferences, skills and competencies is intended to reduce the risk of dropping out of training or studies.

The online test provides a neutral and objective reflection on which training and field of study suit one’s own strengths and preferences. This gives Check-U an edge over most self-tests on the market as it not only works with self-assessments, but with psychologically based, objective test processes. Check-U is free of charge and always available online.

Adolescents with a general education school-leaving certificate up to and including the German GCSE-equivalent Mittlere Reife could heretofore rely on the BERUFE-Universum (PROFESSIONS-Universe). A revised, modernised test method for this target group has now been integrated in Check-U. The BERUFE-Universe was hence closed down in the summer of 2020.

ONLINE PORTAL ABI>> GIVEN AN UPDATED, MORE MOBILE AND DIGITAL DESIGN

Check-U is closely networked with www.abi.de – the BA’s target group portal for the careers orientation of young people heading for a school-leaving certificate that qualifies them for university. This has been presenting itself in a new, up-to-date look and attractive design since May 2020. All true to the motto “mobile first”, to cater to the target

group's user expectations with a perfect optimisation for smartphones or tablets. "abi>>" stands for:

- a broad range of topics,
- daily updates, and
- a smart look.



In September 2020, "abi>> Your path to success in your studies and career" was awarded the coveted Comenius EduMedia Medal for this. abi>> offers information all around orientation, studies, training, professions and careers that is updated daily. Young people report first-hand from their studies, training or profession, describing their experiences

in blogs. Experts give helpful tips on career choices, applications and careers. abi>> additionally also offers new entries for multipliers from various target groups. Extensive materials and ideas for lessons are for example available to teachers free of charge.

BERUFE.TV – FILM PORTAL ALL AROUND CAREERS NEWLY REVISED

BERUFE.TV (con.arbeitsagentur.de/prod/berufetv/start) has been appearing in a new design since July 2020. The film portal informs about the world of careers with videos about professions and related themes – also for mobile viewing with the smartphone or tablet. The BERUFE.TV app was discontinued from the summer of 2020 for this reason.

Anyone wishing to find out about various professions and gain an overview of the diverse industries is afforded concrete insights into the day-to-day work of their desired profession by videos. This makes BERUFE.TV a great help for everyone wishing to take a closer look at the profession before starting a training or degree course.

EFFECTIVE SUPPORT FOR CAREERS INFORMATION – TEACHING UNITS FOR GYMNASIAL SENIOR GRADES

Providing pupils in the gymnasial senior grades with intensive support in the question how to continue after their Abitur school-leaving certificate was the starting point for a three-year project of the BA realised in cooperation with the German Economy Foundation.

The BA's reasons for placing a stronger focus on careers information in the gymnasial senior grades also included the high dropout rates in degree courses and training, and strengthening the teamwork between teachers and the BA's vocational guidance experts.

Länder-specific teaching materials based on a study and careers information concept originally developed in Bavaria now support young people's career choice process in 14 further Länder in a printed, but also digital form. These were implemented in joint events at the teachers' and in the vocational guidance. Selected teaching units were

additionally didactically prepared to render them suitable for digital learning and teaching as well. At the end of the project, a digital final event took place on 2 November 2020 with over 100 persons involved in the scheme. The final brochure with a variety of practical examples is available for download (www.arbeitsagentur.de/datei/abschlussbroschuere_ba146731.pdf).

With this project, the BA has contributed to anchoring the subject of career and study choice in the gymnasial senior grades even more strongly and sustainably from early on.

SPECIFIC WAYS OF ADDRESS DEVELOPED FOR CAREER CHOICE IN THE CORONA CRISIS

The availability of young people in the schools was limited from spring because of the pandemic – and the attendant school closures. The access to the vocational guidance experts in the employment agencies for personal meetings was partly restricted, too. The BA therefore increasingly banked on alternative ways of addressing them. Under “#ZukunftKlarmachen“, young people were addressed with career choice topics in a manner suitable for the target group, with several live streams from the vocational guidance departments sent on YouTube.

ADVANCEMENT OF FUNDING INSTRUMENTS CONTINUED

The “Act for promoting further vocational training in structural change and advancing the promotion of training” also provided new legal bases amongst the instruments for young people.

This included the permanent anchoring of the originally temporary assisted training (AsA) in SGB III by §§ 74–75a of the social security code (SGB) III. To reduce the complexity of the instruments for young people and avoid redundant structures, the apprenticeship supervisors (abH) as per SGB III § 76 (old version) and AsA as per SGB III § 130 (old version) were streamlined into a single instrument that continues to offer all the abH and AsA proposals. The AsA as per SGB III §§ 74–75a (AsA flex) will become available as a support service to young people and (their) training organisations from spring 2021 with the preliminary phase and autumn 2021 with the accompanying phase. A transitional arrangement meanwhile permits the abH and AsA instruments to be continued until the start of the new

measures. The AsA target group was expanded, with the previous restriction to young people with learning impairments and socially disadvantaged young people lifted. In addition to which the possibility of supporting cross-border commuters during vocational training in Germany was opened up for the abH and AsA instruments from 29 May 2020.



The travel costs of young people taking part in entry qualifications from 1 August 2020 can be refunded. This refund is limited to the SGB III legal purview. The travel costs of attendees from the SGB II legal purview are already accounted for in the blanket basic deduction amount (100 euros). Possibly higher travel costs exceeding the basic deduction amount can also be refunded.

Federal “Securing Training Places” program realised

To cushion negative repercussions of the corona pandemic for the training market, the federal government has resolved on an aid programme for small and medium-sized enterprises (SMEs) with the federal programme “Securing Training Places”. This programme is designed to prevent the corona pandemic from turning into a crisis for the professional future of young people and the securing of skilled workers. The BA is responsible for implementing four of the federal programme’s five support services, for which an administrative agreement was concluded between the federal government and the BA.

The programme’s first funding guideline came into effect on 1 August 2020. It is addressed at SMEs particularly affected by the corona crisis. The objectives include maintaining the current level of training (training grant), creating additional training places (training grant plus), avoiding short-time work for trainees (training grant subsidy) and taking over trainees in the event of insolvency (takeover grant). Amongst others, the amendment of the first funding guideline on 11 December 2020 brought changes relating to the period, loss of revenue and company size.

The implementation is ensured locally at the offices of the local employment agencies – by the Employers’ Service (information and advice for employers, decision on payments) and Operative Services (assessment and payment).

In 2020, the BA processed just short of 40,000 grant applications and around 7,000 applications for subsidies, as well as paying out 21.56 m euros in grants.

YOUTH EMPLOYMENT AGENCIES AND YOUCONNECT SUPPORT YOUNG PEOPLE IN THE TRANSITION FROM SCHOOL TO CAREER

To avoid losing young people in their transition from school to career, the employment agencies, jobcentres, bodies responsible for youth welfare and further partners closely cooperate in the cross-sponsor support. Their joint action is designed to provide young people with holistic support to help them successfully master their vocational life journey. Thanks to the closely coordinated teamwork of the social service providers and intensive cooperation with the schools, young people can be reached early on, and

those lacking subsequent perspectives, in particular, can be offered support options.

The employment agencies, jobcentres in joint institutions and youth welfare offices are jointly looking after adolescents with integration obstacles. The institutions are being provided with technical support for their coordinated integration work and joint guidance process. With the IT system YouConnect, the digital cooperation between the actors at the transition from school to career is further professionalised. True to the motto “Networked well. Advised better”, the social service providers of the SGB II, III and VIII legal purviews can coordinate their support for adolescents and thus make it more targeted. The system was successfully piloted at 16 locations throughout Germany. YouConnect has been available for nationwide implementation since January 2021 and can be used in youth employment agencies and/or cooperations.

PUPIL DATA STANDARD REALISED

To inform pupils lacking concrete subsequent vocational perspectives about vocational guidance and careers information services, and provide them with further support options as required, the revision of SGB III § 31a has provided a first legal basis for exchanging pupil data between schools and the BA.

To implement SGB III § 31a, the BA is developing a technical interface for transferring pupil data. A fast and economic data exchange is meant to support young people in the transition from school to career in the sense of a preventive approach.

EMPLOYERS' SERVICE

NEEDS-ORIENTED SERVICES FOR EMPLOYERS

Far more than two million labour and training market vacancies are reported to the Employers' Service every year. The Employers' Service supports companies with vacancy-oriented placements and labour market consultancy. The type and scope of the service range are individually tailored to the employer's concrete needs. Personal services are complemented by modern e-services. Especially larger companies take advantage of the option to send placement orders online and cooperate with the Employers' Service in a joint account.

The Employers' Service is a service provider for all companies wishing to be supported by it. But declining candidate potentials make the successful filling of vacancies by the placement of precisely matching applicants ever rarer. Various solutions for covering personnel requirements are therefore being identified as part of the labour market and qualification consultancy. Besides the consultancy concerning alternative recruitment approaches, the qualification of employees, or options for sustainable staff retention, the main emphasis is on rendering the applicant market transparent.



One important focus area of the consultancy is making employers aware of all the available applicant potentials, including candidates whose profiles may not completely meet the requirements at first glance, but who still appear suitable for hiring because of their special skills or development potentials. Matching support instruments are also offered in the process, e.g. in the area of qualification.

The Employers' Service is an important partner for employer-oriented placement. Employment opportunities for candidate groups facing greater difficulties in the labour market, e.g. severely disabled, long-term unemployed or low-skilled persons, are systematically explored in the course of sustained client relations with employers.

CORONA PANDEMIC CHANGED THE EMPLOYERS' CONCERNS AND NEEDS

The year 2020 confronted companies with entirely new challenges. While personnel recruitment, personnel development and personnel retention used to be important areas of activity for enterprises in recent years, many companies' focus was now on ensuring the continued existence of their businesses and staff from mid-March 2020 because of the corona pandemic. Topics such as hygiene concepts and digitalisation gained relevance in parallel to remain capable of dealing with clients, business partners and employees, or simply offer new products. On the other side, companies in system-relevant sectors were desperately looking for personnel. This development had a decisive impact on the task performance in the BA's Employers' Service, which had to be adapted to the changed conditions and support needs in the shortest of times.

The repercussions of the corona pandemic for the labour market and companies faced the BA with great challenges too. While the work of the Employers' Service used to be mostly dedicated to supporting employers in their search for staff, and advising them on qualification options for their employees, the organisation of working hours, alternative recruitment strategies, etc., before the corona pandemic, these topics had to take a back seat at first after the corona outbreak. Instead, the day-to-day work of the Employers' Service was informed by employers' questions revolving around the provision of short-time working allowance in the spring.

The focus areas of the Employers' Service's tasks included advising businesses and supporting them in the approval of short-time working allowance to ensure speedy benefit payment, supporting companies in system-relevant segments in their search for personnel, and filling their training market vacancies. The unforeseeable developments of the corona pandemic required flexible action on the part of the Employers' Service to provide companies with needs-oriented support, from the summer increasingly in their staff recruitment again, at long last.

EMPLOYER WORK EXPANDED

The labour market is changing, and the employers' requirements from the BA along with it. Consultancy revolving around the topics of personnel recruitment and retention is increasingly gaining in importance. The objective resides in providing every employer with professional and competent individual services and solutions – based on their specific concerns.

The new model for realising professional labour market consultancy for complex consultancy needs in SMEs that is being trialled since July 2019 is met with a positive response from the employers. The supplementary service proposal is gladly accepted and the employers are happy to invest time in it. Based on the results of the internal analysis and external evaluation, the consultancy processes are being further optimised with regard to the employers' requests and support needs.

In addition, the BA is also trialling options for advising employers by way of video communication.

SPECIALIST SERVICES

The BA's placement and integration process is consistently supported by the provision of the three specialist services below:

THE OCCUPATIONAL PSYCHOLOGICAL SERVICE (OPS) SUPPORTS INTEGRATION IN TRAINING AND WORK

The OPS supports the BA's clients and guidance, placement and integration experts from both legal purviews, including interested, approved municipal providers, in vocational issues and the integration in training or work, with its differentiated range of services.

The corona pandemic was and is a great challenge for the BA's clients and staff. With the "Psychological counselling for employees", the OPS has created a service able to support staff in this exceptional situation in occupational and personal terms. Thanks to regional service numbers, the psychologists could provide unbureaucratic, fast and confidential assistance for mastering the current situation, and maintain the capacity to act.

123,000

clients from both legal purviews could be psychologically assessed or counselled even under corona-related restrictions

service provision to the new situation and developed data protection-conformant concepts for providing "Psychological Counselling" and "Psychological Assessment" services on the telephone. This way, clients can now also join in the services' sessions from their own homes. If local contact becomes necessary in the further course of the services, e.g. for tests, the applied hygiene and protection concepts currently also permit personal contacts with the OPS under specific conditions.

To also help clients in concert with the guidance, placement and integration experts under the pandemic's conditions, the OPS adapted the

THE MEDICAL SERVICE (MS) PERFORMS MEDICAL EXAMINATIONS ON THE TELEPHONE

The varied tasks of the MS are focussed on medical appraisals to optimally support clients and experts from the guidance, placement, rehabilitation and benefits departments of the employment agencies and jobcentres in joint institutions on the way to integration in work.

The corona pandemic also required a fast and efficient rearrangement in the task performance of the MS. The benefits and guidance experts in the employment agencies and jobcentres in joint institutions ask the MS various questions relating to the health status of their clients and resulting consequences in the labour market. If the records available from the treating doctors and clinics etc. will then not suffice as a basis for the MS's qualified assessment, direct personal contact is required with the clients.

Which is why the MS searched for new ways of establishing personal contact in keeping with the premiss of "health protection for all persons involved in the assessment process". Some of the problems presented can already be cleared up in a telephone call. The concept of relying on personal contact with the medical consultant on the telephone could be realised as early as June 2020 with the approval of the data protection department. The positive experiences with this instrument so far show that this is a successful strategy that could also be continued after the pandemic.

498,000

medical assessments and consultations of clients from both legal purviews

The MS takes the worries and fears of the BA's employees in view of the corona pandemic seriously. It has, therefore, installed consultation hotlines enabling employees to reliably inform themselves locally on the subject of health protection in personal client contacts.

THE TECHNICAL ADVISORY SERVICE (TAS) ADVISES ON OCCUPATIONAL HEALTH AND SAFETY (OHAS)

In inclusion terms, the work of the TAS is focussed on the creation and maintenance of workplaces and training places for people with disabilities. But its tasks also include occupational safety, accident prevention and health protection in the offices of the BA and the job centres in joint institutions. The TAS furthermore inspects the architectural and technical equipment of education providers, youth residences or workshops for persons with disabilities.

The engineers of the TAS also provided employers and employees with professional and competent advice on technical work aids, vehicle aids and structural measures under pandemic conditions. In doing so, they decisively contrib-

uted to the prevention of problems and to the integration of persons with disabilities in the labour and training market. The focus of their task performance was shifted in the course of the year due to corona. In their role as OHAS ex-

35,000

hours worked for occupational health and safety

perts, the technical advisors increasingly supported the employment agencies and job centres in joint institutions in all

questions relating to the health protection and occupational safety of clients as well as staff.

The TAS was repeatedly recertified under DIN EN ISO 9001:2015 in 2020.



EQUAL OPPORTUNITIES FOR WOMEN AND MEN

“Back to work perspective” advisory portal

The advisory portal www.perspektive-wiedereinstieg.de, which is jointly operated by the BA and the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, offers general information on getting back to work and an overview of the various guidance and support services provided by federal, Länder and local authorities.

Women’s participation in the labour market has been steadily growing for years. Their taking up of employment and its expansion are nonetheless often complicated by structural problems (lack of nursery places and insufficient offers with flexitime).

The legal mandate to promote gender equality in the labour market is anchored in the BA as a cross-sectional objective. The Commissioners for Equal Opportunities in the Labour Market (CEOLM) provide support in the implementation of the legal mandate and in the operative focus areas.

To secure and boost the supply of skilled labour, the CEOLM staff has identified action priorities and developed and initiated numerous services. The prevention and/or reduction of long-term unemployment amongst women, especially in households with children, has a high priority.

The return of female skilled workers to the labour market after a family-related career break, or extension of their working hours, often falters due to lacking or inadequate support in the re-entry phase. The BA, therefore, accompanies women getting back to work with a great number of

guidance and support services that cater to the needs of the regional labour market.

With varied guidance services and high-profile campaigns such as “Typically me!”, the BA is already campaigning for career and study choices today that are exclusively based on young people’s talents and interests, irrespective of their gender. To further establish this objective with our partners on a local, regional and federal level, the BA involves itself in the initiative “National cooperations for gender-equal career and study choices”.

ENTHUSING WOMEN FOR DUAL-TRAINING STEM OCCUPATIONS

To expand the range of career choices available to women in a gender-sensitive manner, a long-term focus was placed on markedly raising the proportion of women in newly concluded training contracts for dual-training STEM occupations. STEM stands for job descriptions from the areas of science, technology, engineering and mathematics.

Working within federal and Länder networks

Based on recommendations given by the administrative board in June 2017, the BA’s STEM activities are being continuously expanded on a federal, Länder and municipal level. The March 2018 coalition agreement of the German Bundestag’s 19th legislative term and February 2019 STEM Action Plan of the Federal Ministry of Education and Research reinforce the BA’s projects.

Together with its partners, the BA is working towards a social change to render career choices gender-sensitive and expand the range of vocational options. The activities are

aligned along the entire education chain. Those seeking advice receive individual stimuli in the respective stage of life. Local activities such as the trainee mentor project, STEM qualification service for teachers, and involvement of parents in Girls' Day academies afford an insight into the bandwidth of the proposals.

Vocational guidance experts and Commissioners for Equal Opportunities in the Labour Market design activities in the districts of the employment agencies and in the jobcentres in joint institutions. STEM ambassadors have proven themselves as dependable contact persons within and outside the BA for promoting the networking and regional initiatives in the STEM area on a Länder level. The departments and Equal Opportunities in the Labour Market Competence Centre are working on strategic overall conceptions with partners on a federal level. The BA is strategically organised on all levels and a reliable partner for promoting the female share in STEM.

Before the corona pandemic, a slowly rising number of women could be registered in skilled STEM occupations. Around 20,600 women started a dual STEM training in 2019, 6 per cent more than in 2017 (last available data inventory). As more men simultaneously opted for dual STEM training too, the women's share has only marginally increased to 11 % (+ 0.1 per cent). The representation of women in the skilled occupations varies. Amongst the ten most frequently chosen dual STEM occupations, the female share is the highest in joinery with 14 per cent. On the other end, it is lowest in installation mechanics in sanitary, heating and air conditioning technologies with two per cent. Dual-training STEM occupations outside the top 10 where women are in the majority, for example, include biology lab assistant (68 per cent women), optician (66 per cent women), or digital media designer (60 per cent women).

The corona pandemic poses great challenges for the recruitment of women in STEM occupations. Targeted activities, networking and guidance at places of learning outside school are hardly possible at the moment. Creative, digital and pragmatic ideas for not letting the contact with women break off are being worked on. The STEM spring report for 2020 shows that the economic downturn caused by the corona pandemic and attendant decline in job vacancies affect the STEM segment in equal measure. The demand for skilled workers also continues to decline. In April 2020, the figures fell by 51 per cent in comparison with the pre-



vious year, to 152,600 vacancies for skilled workers. But the shortage of skilled IT workers remains as high as ever.

In view of the negative effects of the corona pandemic to be expected, further great efforts will be required from the BA and many actors to advance the range of career choices available to women in a gender-sensitive manner and free from gender clichés by information and educational work.



LONG-TERM UNEMPLOYMENT AND SOCIAL PARTICIPATION

REDUCING LONG-TERM UNEMPLOYMENT AND DEPENDENCY ON BENEFITS

The reduction of long-term unemployment remains one of the paramount socio-political challenges. A particular challenge for the BA is presented by groups of persons who have been on basic security benefits for long periods of time and by the development of a multi-generational cementation of the dependency on benefits.

The BA and its partners need to cater to the heterogeneous needs of this group along with the various accommodation

capacities of local labour markets. To this end, the BA is implementing a holistic concept in its “Strategy 2025”, which embraces approaches in the areas of prevention, integration and social participation.

Strategies for reducing long-term unemployment (LTU) need to be of a holistic and long-term design to achieve an effect in the consolidated population. The know-how available within the BA organisation is meanwhile to be fully tapped by strengthening, rather than limiting, local decision-making scopes. All the employment agencies and jobcentres in joint institutions are required to subject their local “LTU strategy” to a systematic review aimed at a more

holistic orientation in the pillars of prevention, integration and participation in the labour market. A learning and dialogue process that is aimed at the active participation of the actors on a federal, Länder and municipal level is being established in addition to this.

To also counter long-term unemployment effectively in the future, the BA has identified five development themes that are by now being developed and trialled in cooperation with 49 focus regions:

- Integration work with households requiring assistance
- Alternative forms of guidance including video communication
- Applicant-oriented employer address
- Promotion of employment subject to mandatory social security contributions in the general and social labour market
- Life situation-oriented integration strategies in the municipal sphere

STRATEGY FOR REDUCING LONG-TERM UNEMPLOYMENT ESTABLISHED AS A LEARNING SYSTEM

The BA launched its “Guiding principles for reducing long-term unemployment and need for assistance” in 2018. This is aimed at fighting the causes giving rise to long-term unemployment, integrating the long-term unemployed in the labour market as quickly as possible, and creating social participation options for narrowly defined target groups. The BA strategy is part of the overall “MitArbeit” concept of the Federal Ministry of Labour and Social Affairs for reducing long-term unemployment, and subsidised by federal funds.

In the context of this strategy for reducing long-term unemployment and dependency on benefits, several development themes that exert an influence on the obstacles and/or problem situations faced by the long-term unemployed and/or persons threatened by long-term unemployment, and are able to counteract them, were identified in a dialogue with representatives from jobcentres in joint institutions, employment agencies, Regional Directorates and scientists.

BOOSTING INNOVATION – “LTU FOCUS REGIONS” AS LABORATORIES AND CATALYSTS

The aforementioned development themes are currently being developed and trialled in 49 so-called “LTU focus regions”.

Interim assessment of the LTU focus regions

A first stocktake took place in March 2020 as part of the symposium “Preventing, Opening Perspectives, Ensuring Participation”. Representatives from the focus regions, Regional Directorates, the federal, Länder and local governments, and scientists met to engage in an exchange about

- which conclusions can be drawn from the work of the focus regions,
- how clients can be reached even better, and
- which themes should be invested in in the future.

An insight in this respect could be gained into the local (cooperation) projects of the LTU focus regions on the marketplace of possibilities. Expert forums served to provide stimuli for the further development of local, regional and nationwide initiatives for reducing long-term unemployment.

PROVIDING THE LONG-TERM UNEMPLOYED WITH PARTICIPATION AND EMPLOYMENT OPPORTUNITIES

Since 1 January 2019, with the instruments of the Participation Opportunity Act (SGB II §§ 16 e and 16i), employment subject to mandatory insurance contributions in the general and social labour market can be funded with wage subsidies for the long-term unemployed who find themselves in a state of (significant) removal from participation in the employment market.

Subsidies as per SGB II § 16i can enable the social participation of persons lacking any real opportunity of unsubsidised employment while improving their employability. In the medium to long term, transitions into sustainable, unsubsidised employment in the general labour market are to be created in both these instruments. The subsidised employees are additionally provided with individual, holistic support in parallel with the employment.

The subsidised jobs have mostly also proven to be stable in the corona pandemic. The number of new entrants as per SGB II § 16i has been declining since the beginning of 2020, however.

In 2020, the jobcentres in joint institutions registered 7,900 persons being subsidised as per SGB II § 16e and 29,400 persons as per SGB II § 16i. Since the introduction of the instruments, just under 12,000 employees have taken up subsidised employment as per SGB II § 16e, and 39,400 as per SGB II § 16i, funded by jobcentres in joint institutions.

In the current legal situation, the funding under SGB II § 16i will end on 31 December 2024. The Institute for Employment Research (IAB) is evaluating the subsidies under SGB II §§ 16e and 16i as part of the effectiveness research as per SGB II § 55.1.

The drastic restriction of personal contact options as a consequence of the pandemic and special life circumstances of SGB II clients heightened the risk of significant setbacks in the integration process. While an even stronger withdrawal from social spaces was frequently observable on the one hand, the clients particularly expected short-term, flexible and digital solutions for the proposed services now on the other.

Which is why video communication is being trialled since November 2020 as an additional communication channel for voluntary use by both staff and clients besides the personal and telephone guidance in an initial 16 jobcentres in joint institutions, and up to 46 in the further course.

LONG-TERM UNEMPLOYMENT – THE CHALLENGES REMAIN

The sustainable reduction of long-term unemployment will also continue to be a focus area for the BA and its partners in the coming years. Besides the cementation of integration obstacles for the long-term unemployed, a major challenge is also provided by the regionally highly varied accommodation capacities of the labour market. As a consequence of the corona crisis, long-term unemployment has grown again. The causes for this include the subdued absorption capacity of the labour market and a lessened relief effect of labour market subsidies.

HEALTH PROTECTION CALLS FOR DIGITAL SOLUTIONS AT SHORT NOTICE

The corona pandemic has confirmed the action field of the “Strategy 2025” of providing attractive digital proposals. Especially in view of the contact restrictions resulting from the corona pandemic, personal meetings for designing integration processes were only possible to a very limited extent in 2020. In addition to which the guidance resources in the market and integration departments were reduced in many places.

INCLUSION

SKILLED WORKERS WITH DISABILITIES

Unemployed people with disabilities are often highly qualified. This potential is to be made better use of for the labour market. But improved chances for a job do not come about by themselves. Decisive is the professional support provided to employers and employees by the employment agencies, and also by the rehabilitation providers and Equal Employment Opportunity Commissions.

What is needed first of all are even more employers willing to hire persons with disabilities. The diverse funding instruments and support services are often too little known. The BA therefore banks on the ways of education and information.

BA INCLUSION ACTION PLAN PUBLISHED



INCLUSION

under special circumstances.

With the publication of its action plan for inclusion, the BA has demonstrated that inclusion also holds true as a socio-political objective in crisis times: Inclusion is timeless as a human right and applies to every situation, also

The Inclusion Action Plan and attendant catalogue of measures detailing responsibilities and timelines were discussed and approved in the BA's administrative board on 27 April 2020.

The coordination unit "Inclusion in the BA and the labour market" had started to develop an overall strategy for the BA with this action plan in 2019 with the involvement of internal and external persons with disabilities. The consistent dual perspective as an employer and service provider in the labour market makes for a unique feature amongst the action plans of public institutions.

The action plan with the four fields of action "Awareness-raising and qualification", "Accessibility", "Participation and consultation" and "Inclusive participation in work" was finally made available to all citizens in June 2020. It makes the BA's objectives and measures visible and reinforces the topic to the inside and out. The Inclusion Action Plan is available from the BA website. There is also a barrier-free version for visually impaired persons in the form of a PDF file. In addition to which the basic features of the action plan are also explained in a sign language video. Since the end of 2020, the BA's Inclusion Action Plan has additionally been available in a plain language version.

PERPETUATING INCLUSION IN TIMES OF CORONA

During the corona pandemic, the BA implemented the government's immediate socio-political measures in the shortest of times. The fast information of clients about important benefits securing their livelihood was an important requirement for this. In the process, the BA demonstrated that inclusion with a focus on people with disabilities is part of its self-understanding: Online information, e.g. on the availability of agencies, short-time working allowance, insolvency payments, easier access to basic income support or the emergency child allowance was also promptly provided in the form of sign language videos and plain language texts. This accessible communication helped to ensure equal participation in the information flow. Self-representation organisations were involved in the creation of these services in the sense of participation.

This process is exemplary for how the Inclusion Action Plan's overarching fields of action continued to lead the way in 2020 in the sense of "disability mainstreaming", even if many of its individual measures had to be postponed as they often required personal meetings – be it for raising employees' awareness of the UN Disability Rights Convention, holding of participation workshops with clients, or meetings between employers and job-seekers with disabilities.

BEING A ROLE MODEL AS AN EMPLOYER: PARTICIPATION IN THE FEDERAL PROJECT FOR “PLAIN LANGUAGE SPECIALISTS”

The BA took part in the federal “Plain Language Specialists” project, funded by the Federal Ministry of Labour and Social Affairs, as an employer. In a sum total of seven offices, the BA thus gave eight persons currently employed in workshops for people with disabilities an opportunity to qualify themselves as office practitioners for plain language. The project is aimed at ensuring the subsequent ability of those taking part to check translations into plain language and gain new knowledge relating to office workflows. Besides the qualification phases for learning plain language, the twelve-month project also includes intensive practical phases at employers in the general labour market, which also include the BA. The BA is therewith supporting a project designed to further the transition from workshops for people with disabilities to the general labour market while realising a measure of the Inclusion Action Plan.

NEW EDITION OF THE TOOLBOX IMPLEMENTING THE INCLUSION AGREEMENT

After its first publication in February 2019, a new edition of the toolbox for implementing the ambitious targets of the BA’s inclusion agreement appeared at the end of 2020. In this brochure, the coordination unit for inclusion compiled practically oriented examples for realising the equal participation of people with disabilities within the BA. The contributors included employees from various departments of the BA, from Regional Directorates, employment agencies, jobcentres in joint institutions, special agencies, and their representative bodies for the severely disabled. With its diverse inspirations, this collection of ideas also offers exemplary stimuli for employer clients as examples of lived inclusion.

INCLUSION PRIZE HONOURS EXEMPLARY PRACTICAL EXAMPLES



The Inclusion Prize for Businesses was awarded for the eighth time in 2020 already under the aegis of the Federal Ministry of Labour and Social Affairs – and for the first time as a successful digital event given the special challenges posed by the pandemic.

Diversity is a decisive success factor for businesses. More and more businesses are realising that the employment of people with disabilities opens up new potentials. The Inclusion Prize for Businesses wants to lend these good experiences visibility and is awarded to companies where inclusion is exemplarily realised.



Four companies were awarded the Inclusion Prize for Businesses in 2020:

- **Porzellanfabrik Hermsdorf GmbH from Hermsdorf** – The company develops and manufactures technical ceramics for a broad range of applications such as mechanical engineering, electrical insulation, metallurgy, wear resistance, the chemical industry, dental technologies, home and building ventilation, as well as exhaust and cleaning systems. “Inclusion is a matter of fact for us that we simply live.”
- **Shuyao GmbH from Düsseldorf** – True to its motto, “tradition meets tea to go”, this company has tasked itself with transferring the 5,000 year-old tea culture of the Far East to modern day-to-day life. It attaches particular

value to using unadulterated ingredients and the manual processing of its more than 150 tea compositions. “Inclusion means living and appreciating diversity.”

- **Matthias Hartmann Orthopädie + Sport GmbH from Dillenburg** – This company specialises in the trade of making orthopaedic shoes and supplies people with disabilities or suffering from misalignments with tailor-made orthopaedic footwear, insoles, as well as bandages and orthoses. “Inclusion means giving everybody a chance - without preconceptions.”
- **Zahntechnik Leipzig – propr. Henry Goepel e.K. from Leipzig** – The core business of this family-run company is the production of dentures for dental surgeries and patients throughout Germany and abroad. “The invested time and patience is rewarded many times over – a win for all!”

VOCATIONAL REHABILITATION

VOCATIONAL REHABILITATION TASKS

The main focus of the BA's tasks as a provider of vocational rehabilitation and participation in work is on the initial occupational integration of school leavers with disabilities. Two-thirds of the approx. 66,000 rehabilitants supported every year are attributable to this initial integration.

The provision of funding services follows the motto "As general as possible and as specific as necessary". The objective resides in achieving integration in work or training with the general funding services wherever possible. Only where these proposals are insufficient because of the type or severity of the disability will special funding services be required that take the specific individual needs into account. Training and further training programmes are to be provided within or in close association with companies. Study findings show that this tangibly increases the chances of subsequent and sustainable employment.

The BA's financial commitments for services ensuring participation in the world of work have been on a high level for several years.

THE BA SUPPORTS VOCATIONAL REHABILITATION AND THE PARTICIPATION OF PERSONS WITH DISABILITIES

Transitions from school into training or studies, from training or studies into gainful employment, the increasing number of transitions in the career, horizontal and vertical career developments in the company, career re-entry or re-orientation are all even more important stations in life for people with disabilities. The BA also supports them in these in times of corona vocational guidance, careers information, funding and placement services that are tailored to their needs.

GUIDANCE BY VIDEO COMMUNICATION STARTED

The corona pandemic, attendant push for digitalisation and protection of the health of clients and staff called for a fast adjustment of the regular business and expansion of the support and guidance services – especially also for the particularly vulnerable persons with disabilities.

One of the measures is the introduction of video guidance for vocational rehabilitation and participation in work. Although personal meetings continue to be in the foreground of the guidance services, video consultancy can still be additionally provided as a modern and user-friendly medium. This makes it an alternative, low-threshold communication format with personal interaction for initial interviews and later conversations. The tried and tested guidance quality standards are also applied in the video communication.

ALTERNATIVE FORMS OF PROVIDING REHABILITATION-SPECIFIC MEASURES ENABLED

After the corona-related closure of private educational institutions from 16 March 2020, the BA enabled them to provide labour market policy measures in alternative forms under set framework conditions (e.g. compliance with data protection, suitability for the target group). This also concerned providers of rehabilitation-specific services and vocational rehabilitation institutions.

The educational institutions responded to the new situation very quickly by partly transferring their services to digital formats at short notice, or also by using other options (e.g. telephone contacts or sending of work orders by post) to stay in touch with participants.

Once the Länder had ordered successive easings of the contact restrictions, attendance-based measures could be returned to incrementally. This process is still ongoing, especially as the infection rates mounted again towards the end of 2020. The measures are hence still being provided in a

“hybrid form”. This means, for example, that the participants are split into groups which are alternately taught in attendance-based lessons and alternative forms of provision (e.g. online training, homework).

Cooperation with other rehabilitation providers intensified

Persons with disabilities have a particular interest in consistent and coordinated service provision. This calls for an intensified cooperation of all the actors in Germany's structured social security system. Which is why the BA is engaged in the Federal Working Group for Rehabilitation and intensively involved in the elaboration of bindingly agreed Joint Recommendations, amongst other aspects.

In 2020, this for example included the updating and publication of the Joint Recommendation “Participation of the BA as per SGB IX § 54”. If the provision of services for participation in work raises questions concerning which labour market comes into question for the person concerned, and which employment opportunities are to be expected there, other rehabilitation providers can tap the expertise of the BA.

FEDERAL “REHAPRO” PROGRAMME CONTINUED



The federal “Innovative routes to participation in work – rehapro” programme serves the Federal Ministry of Labour and Social Affairs to fund pilot schemes for

strengthening rehabilitation with the aim of providing better support for persons with complex health-related and psychological impairments. In the course of a first call for applications, 55 pilot schemes are being funded since 2019, 30 of them in the remit of the jobcentres (SGB II) and 25 in that of the pension insurance (SGB VI). 68 joint institutions, 20 approved municipal providers and 16 pension insurance providers are involved in all the projects as co-operation partners or grantees altogether. The focus areas are prevention, specific service structures and cooperation across providers. The exchange between the parties involved is supported by symposiums and a scientific accompaniment.

The second rehapro call for applications attracted further jobcentres in joint institutions despite or especially because of the corona crisis. These projects will start in November 2021 once the funding is approved.

Amongst other aspects, the BA supports this federal programme with a contact point on a central level and contact persons in the Regional Directorates.



FURTHER TRAINING

PROMOTION OF FURTHER TRAINING

Growing qualification requirements, increasing skills shortages and progressive digitalisation pose extensive challenges for the labour market. Promoting further training is meanwhile an important labour market policy instrument for effectively supporting the clearing processes. This particularly also applies under the aspect of acquiring vocational qualifications.

The initiative “Initial training for young adults” (“Future Starters”) addresses young people between 25 and 35 who are to be recruited for initial and/or further training. In doing so, part-time further training programmes a better work-life balance, and also offer career perspectives for young adults with family commitments.

The Qualification Opportunities Act has focussed the BA’s guidance mandate and enabled the further training of employed persons to be supported irrespective of their qualifications, ages and company sizes, thus expanding it. The type and scope of the assistance are decisively based on the company size.

The funding provided for the further training of employed persons has been further improved by the “Act for promoting further vocational training in structural change and for the further development of educational support” (“Work of Tomorrow Act”).





FURTHER VOCATIONAL TRAINING IMPROVES THE OPPORTUNITIES IN THE LABOUR MARKET

186,800 unemployment insurance clients (female share: 44 per cent) took up further vocational training in 2020, 30,000 of them with the objective of gaining vocational qualifications (female share: 50 per cent). 105,600 persons (female share: 52 per cent) were assisted on average over the course of the year.

In the remit of the jobcentres in joint institutions, 79,700 persons (female share: 39 per cent) took up further vocational training measures. This equals 43,300 participants on an annual average (female share: 45 per cent). For 10,500 persons (female share: 42 per cent), the further training was aimed at a vocational qualification, including the obtainment of vocational qualifications in part-time, especially amongst those returning to their careers.

Legislator expanded the funding options available for the further training of the employed

The “Act for promoting further vocational training in structural change and for the further development of educational support” (“Work of Tomorrow Act”) expanded the options for funding the further training of employed persons once more from 1 October 2020 by enabling higher grants where a company agreement or collective labour agreement is provided for the further vocational training, or employed persons require qualification adjustment.

In the funding of further training for the employed, 29,400 entered further vocational training measures (female share: 47 per cent) in 2020 across legal purviews (employment agencies and jobcentres in joint institutions). In the same period, companies received labour cost subsidies in the form of a wage payment grant for 25,500 employees (female share: 51 per cent).

New arrangements were provided for further training in short-time work. Since the end of May 2020 – and until 31 July 2023 – businesses are refunded 50 per cent of the social security contributions for employees gaining vocational qualifications in short-time work. This further training needs

to meet specific requirements. These arrangements were changed once again by the Employment Protection Act.

“FUTURE STARTERS” – YOUNG ADULTS PROVIDED WITH QUALIFICATION-ORIENTED FURTHER TRAINING

The “Future Starters” initiative was designed to recruit 120,000 young adults aged between 25 and under 35 from both legal purviews (employment agencies and jobcentres in joint institutions) for qualification-oriented further training in the period from August 2016 to December 2020. This target was reached.

26,400 young adults aged between 25 and under 35 (female share: 36 per cent) took up qualification-oriented further training across legal purviews (employment agencies and jobcentres in joint institutions) in 2020 (SGB III: 18,000 [female share: 37 per cent]; SGB II [jobcentres in joint institutions]: 8,400 [female share: 34 per cent]). In addition to which 5,800 young adults (female share: 34 per cent) took up unsubsidised vocational training. Deficits in basic skills preventing successful attendance of further training are to be reduced by corresponding measures. 2,600 young adults (SGB III: 1,200; SGB II: [jobcentres in joint institutions]: 1,400) were able to take advantage of corresponding proposals in 2020.

INCLUSION OF DIGITAL SKILLS IN LABOUR MARKET POLICY INSTRUMENTS GAINS IN IMPORTANCE

The prohibition of attendance-based measures due to the corona pandemic necessitated an abrupt switch of labour market policy instruments to alternative forms of provision for their continuation under changed framework conditions. The measure providers responded quickly and switched to alternative forms of provision where possible. This way, a large share of the ongoing voucher and contract awarding measures could be continued, along with the price-negotiated measures, and incrementally returned to being attendance-based after the easings.

Social Service Provider Deployment Act (SSPDA) helps to cope with the crisis

Based on the provisions of infection protection law, training providers can be subject to prohibitions of attendance-based measures, amongst other aspects. This can potentially jeopardise the continued existence of the network of social service providers (incl. training and measure providers, vocational rehabilitation institutions). Which is why the SSPDA regulates the deployment of social service providers to master the crisis. Social service providers are intended to support the overcoming of the crisis with the capacities available to them (e.g. premises, personnel, equipment). They are obliged to actively offer their services to the local authorities and/or local coordination units and/or crisis teams of the districts and independent towns where they are based. In return, service providers such as the BA are enabled, if the conditions are met, to continue making their payments to the social service providers and institutions in order to secure their continued existence (service guarantee).

The Act has been in force since 28 March 2020 for an initial fixed term until 31 December 2020. In the framework provided by the Act for Determining Standard Needs and Amending Social Code Book XII and the Asylum Seekers Benefits Act, the SSPDA was extended until 31 March 2021 with concretised claim conditions. A new subsidy period starts with the newly amended law. Another extension until the end of 2021 is planned.

The BA paid out 135.23 million euros to 2,600 applicants across legal purviews in 2020 as part of the service guarantee.

The BA addresses the growing importance of (basic) digital skills and use of digital media and forms of learning by implementing corresponding contents and methods in its labour market policy instruments. Conclusions are drawn from alternatively provided measures as to which methods appear suitable for which learning contents and target groups.

Individual standard measures have already been developed further accordingly and are available to the offices, for example, including the "Digital Application" measure. Given that the digital transformation has long since arrived in the application process, and that companies are using more and more digital media in their staffing processes (e.g. online in portals, platforms or social media), the new service enables and motivates those taking part to use digital media in application procedures. In addition to which they also gain an overview of the labour market and the changes attending the transformation of work (labour market 4.0), while also being provided with basic digital skills.

Further findings for the advancement of labour market policy instruments are to be obtained from innovation partnerships, especially also concerning the changed requirements for methods and didactics, the technical equipment, and also the teaching staff. This is a unique contract awarding procedure aimed at the development and acquisition of an innovative measure extending beyond what is already available in the market.

INTERNATIONAL WORK

The internationalisation of the working world is growing, and faced with demographic change, the acquisition of skilled workers from other countries is also increasingly gaining in importance besides a better utilisation of domestic potentials.

RECRUITMENT OF SKILLED WORKERS IN THIRD COUNTRIES

Germany needs more targeted immigration that caters to the requirements of the labour market in the medium to long term, especially also by skilled workers from third countries. The Skilled Labour Immigration Act has been providing a new legal basis for this since March 2020.

HIGH DEMAND FOR SKILLED LABOUR DESPITE CORONA PANDEMIC

It is emerging despite the corona crisis that the demand for skilled labour remains high in a variety of industries and cannot be covered by domestic skilled workers. The BA has therefore – besides the cooperation in higher-level international fields of work – also pursued activities for the targeted recruitment of skilled workers in the European Union (EU) and so-called third countries in 2020.

The international work of the BA was particularly seriously hampered by the travel restrictions and still unclear repercussions for the partner administrations and labour markets in third countries.

It is currently foreseeable that the demand for skilled workers will remain high in Germany despite the effects of the crisis and attendant structural changes in some particularly affected industries, at least in the health/care segment, in the trades and parts of industry and agriculture, as well as transport and logistics. An active strategy for the international recruitment of skilled workers – and also workers in some industries – is therefore still required.

In a European context, the focus was on intensifying the cooperation between the European labour administrations in overcoming the consequences of the crisis, on the implementation of the European Youth Guarantee, and on

ensuring fair migration, also for seasonal workers and employees on work contracts.

SUPPORT FOR PERSONS INTERESTED IN IMMIGRATION EXPANDED

The targeted recruitment of skilled workers and training and qualification projects were important building blocks in the BA's international task portfolio.

In the process, the BA's International and Specialised Services pursued an approach that was both applicant- and vacancy-oriented. They operate a Virtual Welcome Centre (VWC), which is the first port of call for persons interested in immigrating and for all questions about living and working in Germany, offering information on current employment opportunities in the occupations enquired about.

The Central Service Centre for Professional Recognition (ZSBA) has been attached to the VWC since February 2020. Skilled workers living abroad are provided with individual guidance and support in the recognition procedures in English, French, Spanish, Polish, Russian, Italian, Portuguese, Arabic, Turkish, Bosnian, Serbian, Macedonian, Albanian and German. Besides the guidance in the run-up to the application, the ZSBA also contributes to relieving the competent recognition bodies. The service centre is funded on a trial basis by the Federal Ministry for Education and Research and operated in cooperation with the Federal Ministry of Labour and Social Affairs.

In cooperation with the Federal Office for Migration and Refugees, the VWC operates the hotline "Living and working in Germany", which is anchored in the online portal **www.make-it-in-germany.com**, amongst other places. In the course of implementing the EU requirements for consistent access to authority information (single digital gateway), this platform has also turned into a contact point for EU workers interested in Germany.

In its regional cooperations with the "Integration through Qualification" network, the BA most of all supports employers and authorities in the recruitment, integration and retention of foreign workers and skilled workers, in concert with other labour market actors.

Interest in the German labour market also remained high in 2020 despite the corona pandemic.

approx.

127,000

contact requests reached the VWC in 2020 altogether.

They were made up as follows



54,000

on the telephone



62,000

by e-mail



1,000

by personal contact



10,000

by text or video chat

32

online workshops
were held.

IMPROVING THE BASIS FOR TARGETED RECRUITMENT OF SKILLED WORKERS FROM THIRD COUNTRIES

The coming into force of the Skilled Labour Immigration Act on 1 March 2020 changed both the strategic and operative work of the BA in informing, guiding and placing foreign skilled workers and serving domestic employers. It is the central basis for a targeted expansion of the recruitment of skilled workers in third countries, and of the networks and structures required for this.

For internal information and the nationwide implementation of the Act, an introduction concept was drawn up for all the BA's business units concerned. The early and comprehen-

sive communication led to a higher transparency of the Act's impact even before it came into force, and to consistent quality standards. The respective offices positioned themselves accordingly in organisational terms, developing and expanding the required regional networks with partners (employers, Länder governments, recognition organisations, immigration authorities, etc.) in situ.

Based on the new

- BA requirements analysis for recruitment abroad published for the first time in the summer of 2019, and the
- potentials analysis for identifying suitable partner countries started the same year.



new projects and the conclusion of placement agreements for the targeted recruitment of skilled workers were determined with interested third countries. The requirements analysis for target professions of the recruitment abroad for the German labour market will be updated as soon as the end of the crisis is in sight. The BA's four-stage potentials analysis serves to identify the approx. 10–15 partner countries with particularly high potentials for its active recruitment of skilled workers. The results of the potentials analysis became available in October 2020 for an initial six countries: Brazil, India, Indonesia, Jordan, Mexico and Vietnam. Further countries will follow shortly.

The corona pandemic set the speed and nature of the further approach. There was a stronger emphasis on a virtual addressing of and coordination with partners and multipliers in the country of origin, for example. The further development of the online marketing and changeover to online recruitment in ongoing projects ensured that target groups could still be reached. The VWC's online workshops, which had already found great acceptance in the past, were expanded thematically (e.g. for returnees) and provided at a greater frequency. In addition, new recruitment projects for skilled workers in third countries were developed with central partners in Germany, for example with the Association of German Chambers of Industry and Commerce (DIHK) and the German Confederation of Skilled Crafts (ZDH).

Concrete recruitment projects in third countries enabled the heretofore theoretical findings from the potentials analysis concerning the recognisability of professional qualifications to be augmented by practical experience. Especially these findings form a central basis for entering into placement agreements.

A new framework agreement for cooperating in joint projects relating to labour migration, amongst other topics, was concluded with the German Society for International Cooperation (GIZ), which the BA has already joined forces with in various subject areas. The BA can thus perspectively make a major contribution to the recruitment of skilled labour for Germany in cooperation with its partners.

To address the demand for seasonal workers in agriculture, the BA established contacts with partner administrations in the Western Balkans, Ukraine and Georgia at the behest of the Federal Ministry of Labour and Social Affairs. A first agreement for the placement of harvest workers was concluded with Georgia at the beginning of 2020. The piloting had to be postponed to the 2021 harvesting season due to corona, however.

EUROPEAN COOPERATION REMAINS A FOCUS AREA

To do justice to the growing intertwining of labour markets in Europe, an even stronger cooperation between Europe's public labour market services is also beneficial.

Despite the far-reaching effects of the corona pandemic and the measures initiated in its respect, inner-European mobility and the labour migration from third countries remain key topics on the policy agenda for Europe.

European Representation under the German Council Presidency

The corona crisis has tangibly shown how close the partnership has grown by now in a European context. Since the start of the pandemic, this found expression in a regular, intensive and very fruitful exchange between the partners in the network of European Public Employment Services (PES network), in the course of which the BA was able to contribute its own experiences, also acquiring interesting stimuli in return. It is gratifying in this context that the European legislators decided at the end of 2020 to extend the PES network until 2027 – also upon the request and engagement of the BA.

The German Council Presidency took centre stage this year for European Representation, despite the corona pandemic. This included its preparation and holding of three international events under this roof, for example. Two of them were virtual symposiums on the subjects of securing skilled workers/demographic change and the future of work, and the other the semi-annual meeting of the directors of all European labour market services, which was also held virtually. The themes of inner-European mobility and migration from third countries were placed in the first symposium on securing skilled workers/demographic change, enabling a number of important findings to be collected.

In view of the expiry of the transition phase for Brexit at the end of 2020, the European Representation has taken on the coordination of a BA-internal, cross-departmental working group in coordination with the competent ministries. This was aimed at making the required preparations for a timely implementation of the withdrawal agreement which, amongst other aspects, included the provision of an adequate information service, along with online FAQs and a hotline.

EURES (European Employment Services) NCO (National Coordination Office) drives EU-wide acquisition of workers



EURES is the European network of all labour market actors in the 27 member states as well as Iceland, Norway,

Liechtenstein and Switzerland. Besides access to information, guidance and placement, EURES also enables a high transparency of the European job and applicant market for companies, employees and trainees.

The EURES Regulation 2016/589 defines the structure and cooperation between the EURES networks of the member states. The national EURES network in Germany currently includes twelve labour market institutions (social institutions, private placement service providers and education providers) as well as the BA.

The EURES NCO Germany works on increasing the acquisition of employees from the EU by way of the EURES channels in the sense of a fair mobility. The focus here is on good advance information (e.g. on employee rights in Germany) provided to possible employees in their countries of origin already, as well as their placement in sustainable employment. The EURES-NCO supports the implementation of regional or nationwide recruitment projects in various industries by analysing applicant potentials and acting as a gateway to the European partner administrations. Successful projects could be completed in Spain, Italy, Slovakia and Greece, particularly in the construction, horticulture, education and logistics segments. The NCO ensures that the BA can also draw on EU subsidies ("Targeted Mobility Scheme" – TMS) to support migration to Germany.

- Around 88,000 employees and approx. 17,000 employers were advised by approx. 200 EURES staff in 2019. The consultancy contents were and are issues to do with mobility in Europe, working conditions and professional recognition.
- Roughly 6,700 integrations could be achieved in 2019 altogether, including approx. 5,400 skilled workers for Germany. (The EURES results for 2020 were not yet available by the editorial deadline of the annual report.)

- In three successfully applied-for TMS projects (2020/21 budget: 5.26 million euros), 1,184 persons were assisted in 2020 altogether, with 576 already integrated in work. The expenditure for this amounted to ca 2.38 million euros.
- The automated exchange of candidate applications and job vacancies between VerBIS (the BA's placement, guidance and information system), JOBBÖRSE (job exchange) and the EURES portal was realised. The German job market is transparent and accessible throughout Europe.
- The matching of national classifications within the BA with European Skills, Competencies, Qualifications and Occupations (ESCO) will be realised in April 2021. This supports the placement process and improves the comparability and accessibility of available vacancies and applicants in an EU context.

The European vocational and training guidance network intensifies its cooperation



The BA is a national Euroguidance Centre and member of the Euroguidance network for vocational guidance experts. Euroguidance supports cross-border guidance cooperation and educational mobility in Europe.

In October 2020, the BA organised the first virtual Euroguidance network meeting as part of the German EU Council Presidency. The event was attended by 60 members from the national Euroguidance Centres as well as representatives of the EU Commission, Federal Ministry for Education and Research, and the BA. Key topics of the event were the lifelong vocational guidance strategy of the BA and the new Erasmus programme with the future priorities for the Euroguidance network from 2021.



FURTHER TASKS

1,300

new junior employees

52%

female share in executive positions

€ 61,01^{bn}

total expenditure



TARGETS

TARGETS – CORONA PANDEMIC HAS TANGIBLE EFFECT ON THE RESULTS

The development of the labour market was influenced by the outbreak of the worldwide corona pandemic in 2020. The negative effects of the corona crisis already clearly made themselves clearly felt in the KPIs for both the unemployment insurance (SGB III legal purview) and the basic income support for job-seekers (SGB II legal purview) at the start of the second quarter.

The results for the business policy targets reflect this development – the employment agencies and jobcentres in joint institutions were unable to achieve what they had set out to do in 2020.

In the area of unemployment insurance, neither the integration-oriented nor the training market targets were reached in 2020. After a marked decline of the reviewed performance indicators in April and May, the previous year's results could increasingly be caught up on by December, only missing them by 10 per cent in the end. It was only possible to avoid pending unemployment for a quarter of the clients whose employment came to an end. In around 40 per cent of the cases, occurred unemployment could be ended by taking up a job. Seven out of ten clients integrated in work were also still in employment subject to mandatory social security contributions six months later. Just under half the rehabilitants who had completed a main measure found a job within six months. The taking up of training was 12 per cent down from the previous year on 30/09. After a marked decline in the number of persons entering measures in the second quarter, this figure inched towards the previous year's levels again, especially in the area of qualification, but remained a fifth below 2019 all-in-all.

The satisfaction of the BA's clients is determined by standardised interviews as part of the performance measurement. Despite the pandemic-related restriction of their contact options, the clients were satisfied with the support and guidance provided by the BA. The results amongst inter-

viewed adolescents and employers were even improved from the previous year.

The central aims of the basic income support for job-seekers include a reduction of the dependency on benefits, an independent maintaining of livelihoods by taking up or continuing gainful employment, the avoidance of long-term benefit receipt, and the maintenance, improvement or restoration of the earning capacity and/or employability. The previous years' favourable development amongst eligible employable claimants was stopped by the outbreak of the pandemic. An average of 2.94 million claimants received benefits to cover subsistence costs from jobcentres in joint institutions in 2020. The number of employable persons entitled to benefits has thus slightly increased by approx. 7,000 from the previous year. The spending on benefits covering subsistence costs exceeded the previous year's by 257 million euros.

The pandemic had a particularly serious effect on integration opportunities, which considerably worsened in comparison with 2019. Only around one in five claimants entitled to benefits took up employment subject to mandatory social security contributions, vocational training or self-employment. The integration target could thus not be reached. The integration in the labour market of refugees to Germany from the eight countries most asylum-seekers come from (Afghanistan, Eritrea, Iraq, Iran, Nigeria, Pakistan, Somalia and Syria) was curbed by the outbreak of the corona pandemic and also fell markedly below last year's. The impact of the crisis on these persons rather tended to be below average, however, and this year's integration ratio amongst male refugees is markedly higher than that for all employable male claimants with 37 %. Whereas the integration ratio amongst female refugees continues to remain on a very low level (6.7 per cent).

The effects of the crisis on long-term benefit receipt were moderate. The number of long-term benefit claimants fell by 79,000 in 2020 from the previous year. Although the agreed target was thus missed, the reduction could still be continued – even if less strongly and with regional differences.

In the income support for job-seekers, many claimants' opportunities for sustainably overcoming their dependency on assistance are limited by a lack of qualifications, health

impairments, age, and most of all the long-term receipt of benefits. Less than half are able to earn an independent living again by taking up new employment.



FINANCES

BA BUDGET CLOSES WITH RECORD DEFICIT AS A CONSEQUENCE OF THE CORONA CRISIS

The economic repercussions of the corona crisis could be substantially cushioned in Germany by a massive expansion of short-time work, amongst other aspects. The approval of short-time working allowance was facilitated by an easing of access requirements, and the duration of claiming short-time working allowance was also significantly expanded, along with its amount. This helped to markedly reduce a large-scale increase in unemploy-

ment figures. The nonetheless higher unemployment level caused the expenditure for passive benefits to rise higher than expected. The expenses for insolvency payments also exceeded the plans by far.

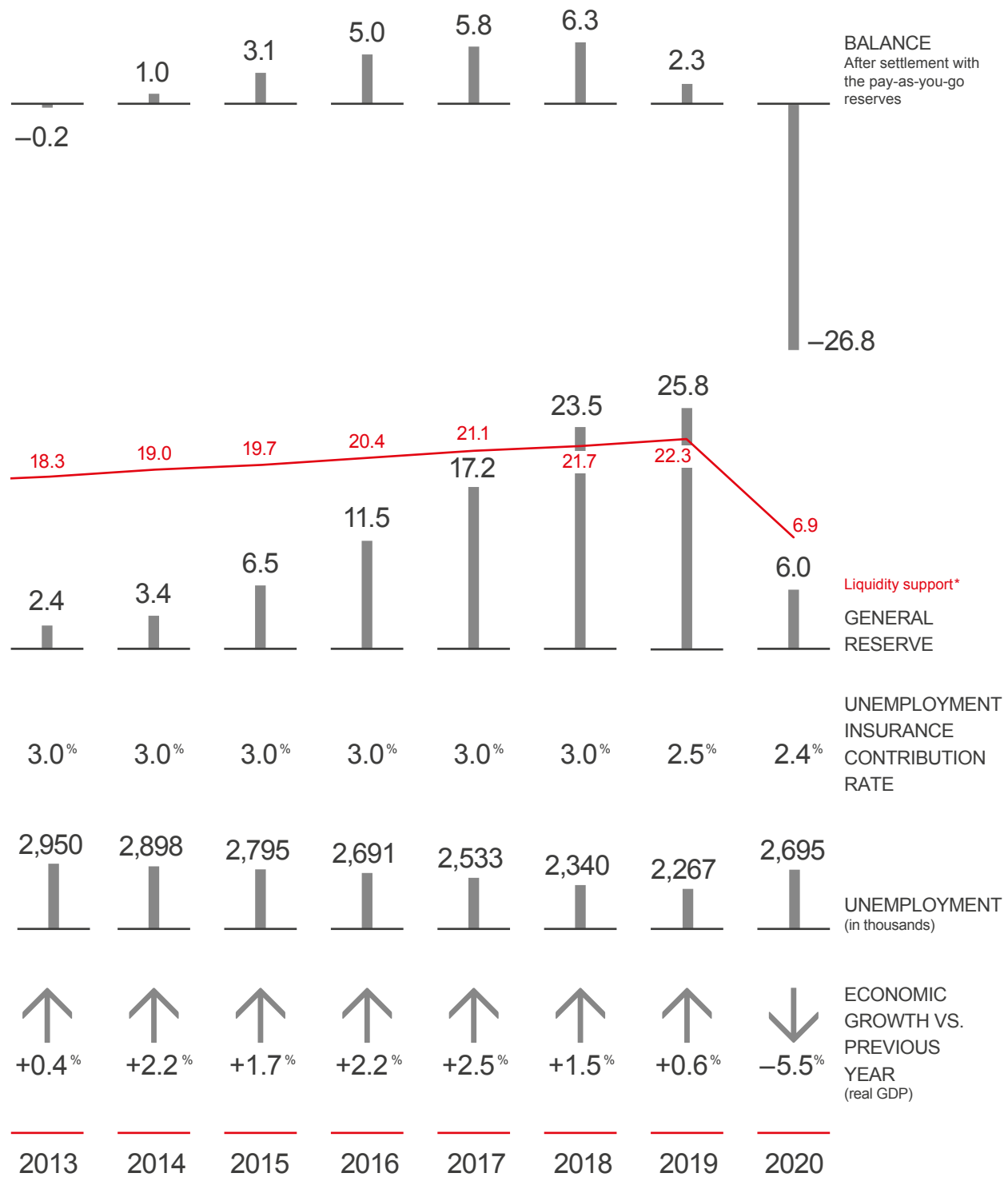
This left a tangible mark on the BA's budget. The 2020 financial year closed with a deficit of approx. 27.34 billion euros – higher than ever before. The revenues in the past financial year amounted to 33.68 billion euros (previous year: € 35.28 bn) against drastically higher expenses of 61.01 billion euros (previous year: € 33.15 bn).



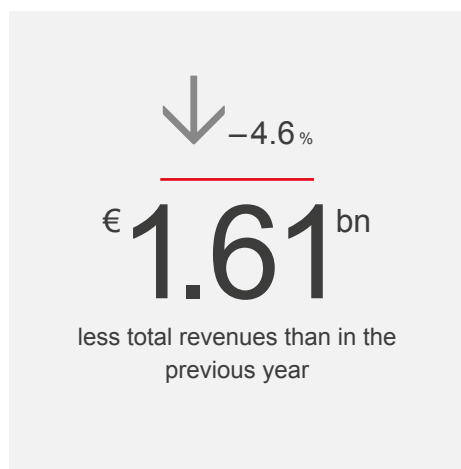


FINANCIAL DEVELOPMENT OF THE UNEMPLOYMENT INSURANCE SCHEME

Amounts in EUR billions



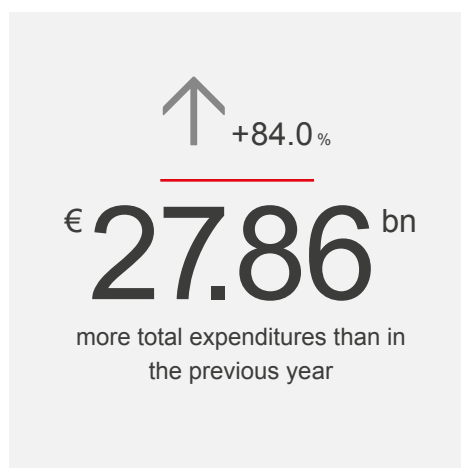
Source: Federal Employment Agency * To maintain its solvency, the BA had to take in federal liquidity support in 2020. The liquidity support of 6.9 billion euros at the end of the year is deferred by the federal government until the end of 2021.



REVENUES

Unemployment insurance contributions were lowered from 3.0 to 2.5 per cent on 1 January 2019, and – temporarily until 31 December 2022 – to 2.4 per cent from 1 January 2020. The contribution takings of € 28.24 billion in the 2020 financial year were € 1.61 billion below the previous year's figure.

The BA's total revenues of € 33.68 billion in 2020 remained € 1.55 billion below expectations.



EXPENDITURES

Of the total expenditure of € 61.01 billion, € 22.07 billion were spent on short-time working allowance alone, including social security contribution refunds for employers. In the past financial year, the BA invested a sum total of € 30.27 billion in active employment promotion. The expenditure for passive benefits amounted to € 21.96 billion (previous year: € 15.98 bn), including € 20.59 billion for unemployment benefit and € 1.21 billion for insolvency payments. The budgeted funds had to be topped up several times over with unscheduled expenses to cover the spending. In detail, the top-ups amounted to € 23.23 billion for short-time working allowance including social security contribution refunds, € 7.06 billion for unemployment benefit, and € 650 million for insolvency payments.

€ 9.47 billion had been budgeted for personnel, administration and encashment charge compensation. The expenditure amounted to € 8.78 billion at the end of the year, undercutting expectations by € 688 million. One reason for this great target-actual difference is the discontinuation of regular additions to the pension fund from the second quarter due to the strained budgetary situation. This saved the BA's budget approx. € 503 million.

DEFICIT FINANCING AND HELD RESERVES

At the end of 2020, the BA's expenditures exceeded its revenues by € 27.34 billion. This deficit was reduced by € 638 million by a withdrawal from the insolvency payments reserve, and increased by € 72 million by an allocation

to the winter employment reserve. The remaining deficit was made up for by available reserve funds and federal liquidity support.

The pay-as-you-go reserves for the insolvency payments and promotion of winter employment had a volume of € 1.37 billion upon clearing at the end of the year.



PURCHASING

NUMBER OF CONTRACT AWARDS IN PURCHASING ON A HIGH LEVEL

The BA's purchasing department also succeeded in awarding its contracts in a timely and legally watertight manner during the corona pandemic.

Labour market services

The five regional purchasing centres provided labour market services with a 2020 measure start to an order volume of € 1.91 billion. This includes 494,200 participants and/or participant places. 42 per cent of them were (new) awards and 58 per cent contractual options and/or flexible setups.

91 per cent of the (new) awards were made in a competitive procedure.

Three procedures were audited by market participants using the review procedure – two of them successfully.

The order situation is stable despite the corona pandemic. The reduction in new orders was compensated by an increased exercising of options.

IT and infrastructure

Central Purchasing in Nuremberg ordered € 540 million gross worth of goods and services in the IT and infrastructure product categories in 2020. Compared to 2019, the number of procurements rose by 18 per cent to 1,350.

89 per cent of the total order volume were allocated in awarding procedures, of which 79 per cent were competitive. Eleven per cent were realised by way of order changes.

Three procedures were audited by market participants using the review procedure – with a violation of public procurement law confirmed in no case.

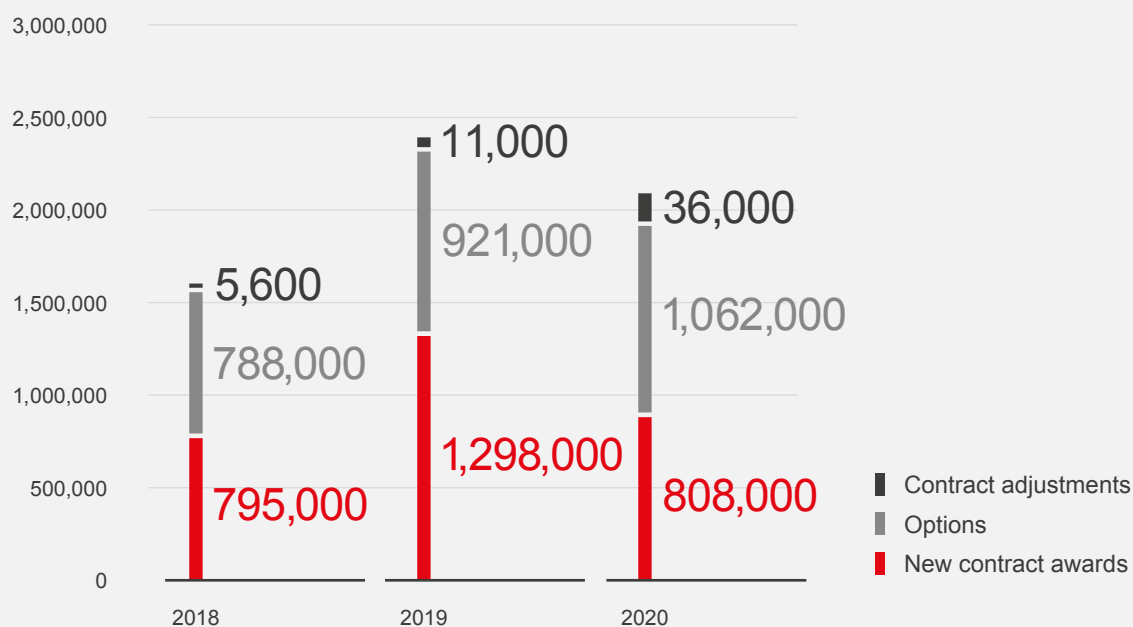
Additional needs caused by the corona pandemic were met with priority in the short term. This especially concerned procurements relating to health protection, the ability to work from home, and digital communications.

In addition to this, the action framework for local procurements was temporarily expanded. This helped to efficiently satisfy urgent, regionally specific demands, i.e. for disinfectants and spit screens.

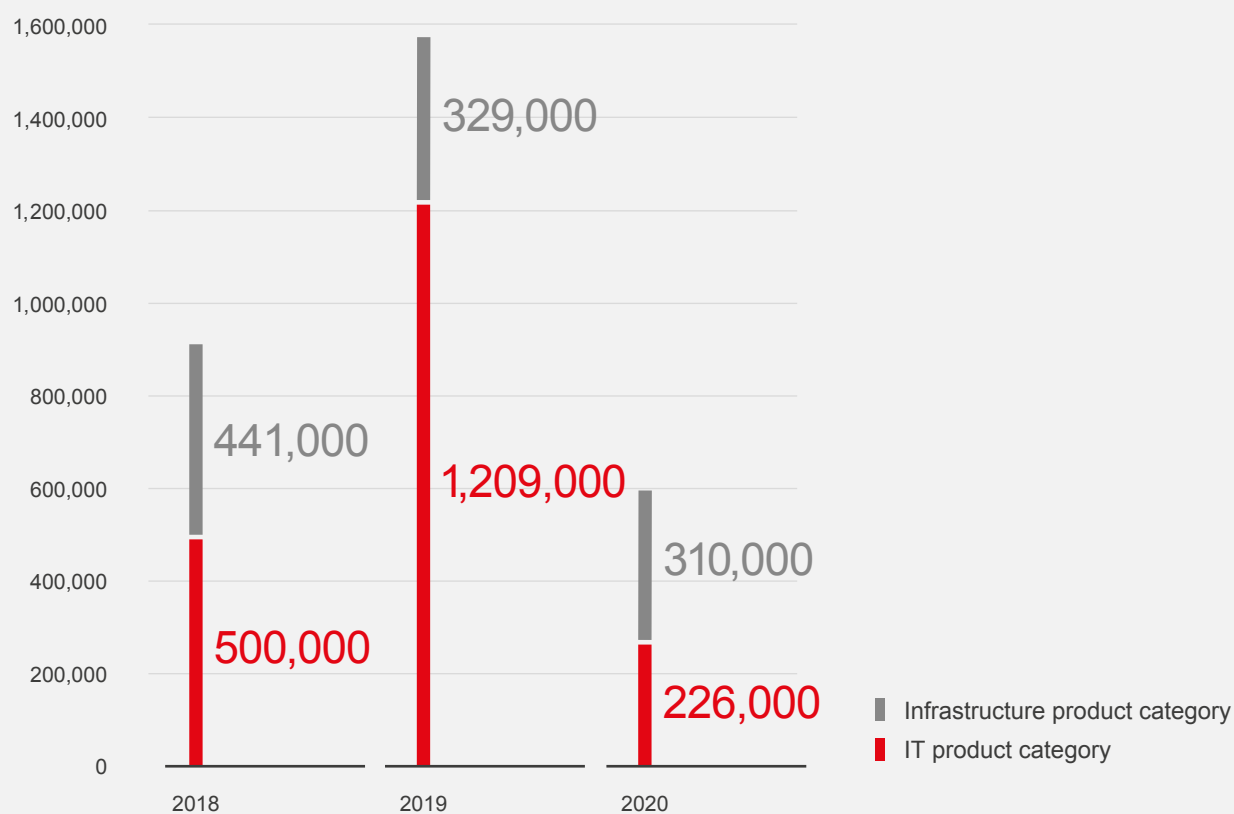


DEVELOPMENT OF THE ORDER VOLUME IN PURCHASING

Labour market service purchasing: order volume in thousands of euros



Central Purchasing: order volumes in thousands of euros



PERSONNEL

SECURING EMPLOYABILITY – PROMOTING SKILLS, HEALTH, AND THE WORK-LIFE BALANCE

Making the personnel development fit for the future

The general appraisal interviews introduced in 2019 – a strengths-oriented and appreciative dialogue without formal assessment – were continued in 2020 given the positive experiences.

In a research cooperation with the UALS, relevant “e-skills” were identified for an increasingly digitalised BA. These are to be perspectively integrated in the BA’s competency model. In addition to which the advancement of acquiring and developing executives was started as part of the “Personnel work of the future” initiative.

Continual further development of corporate health management (CHM)

Given the corona pandemic and increased use of home offices, the fast development and implementation of digital CHM proposals were prioritised. Besides which a “CHM planner” was introduced to support the offices in the planning and realisation of CHM measures. A new IT tool that optimises the corporate integration management of employees suffering long-term illnesses was made available over and beyond this.

Promoting the work-life balance, equality, and equal opportunities

The implementation of the objectives of the current, fifth Equality Plan (term until the end of 2021) was pushed further. Amongst other aspects, the female share in all the BA’s executive positions could be raised to just over 50 per cent. As an employer, the BA was additionally awarded the TOTAL E-QUALITY predicate again, including the “Diversity Extra Predicate”, for its diversity management activities.

To support the work-life balance in a context of childcare facilities being closed due to the corona pandemic, the BA’s

range of family services was expanded at short notice to secure the capability for service. To further develop mobile forms of work at the BA, the existing experimental space for mobile work was evaluated with a final survey by the St. Gallen University, and an interdisciplinary working group established for designing the future framework for mobile work.

PERSONNEL MANAGEMENT SUSTAINABLY ADVANCED

The most important success factor for the BA are dedicated, competent and healthy employees. Their employability needs to be assured and fostered by the design of good working conditions and labour relations. To adjust itself to the requirements of the world of work 4.0, the BA is for example enhancing its personnel development system. The objective resides in enabling employees to handle the changed requirements, and helping them advance their individual career development. Inter alia, the focus here is on an appreciative dialogue and feedback on the team-work, on individual professional development, and the corresponding learning and support options.

Creating long-term perspectives and improving quality

The strategy of recruiting staff in open-ended employment wherever possible is designed to stabilise the BA’s workforce for the long term, while reducing the induction and qualification efforts.

The BA’s employees are distinguished by a high subject-related qualification level. This contributes to the flexibility of their task fulfilment, which is essential in a volatile environment. In addition, it also ensures that the services provided to the BA’s clients are of a high quality.

With its greater professionalisation of the guidance as a vital core business, the BA is responding to a changing world of work as well as its statutory missions, e.g. under the Qualification Opportunity Act. Amongst other aspects, the BA’s guidance experts take part in a “Professional Guidance” certificate programme, enabling their consultancy

skills to be further developed on a high level with modern forms of learning, while acquiring ECTS points in parallel. The BA is therewith following new and innovative ways – also in comparison with other institutions and employers.

Prize-winning personnel marketing

The BA was honoured with several awards for its recruiting and personnel marketing in 2020. This for example included the BA taking 1st place amongst the public service employers in “Best Recruiters”, the largest recruiting study in the German-speaking region. Having already been able to convince as Newcomer of the Year in the renowned Trendence pupil barometer the year before, the BA could once again improve its results in 2020. The top4women signet was awarded to the BA for the eighth time already.

The BA succeeded in raising its renown as an employer overall, and especially in presenting itself attractively in the online media. With its “System Heroes/Heroines” campaign, the BA was, amongst other things, able to draw attention to its system-relevant employment options. The media reach could be expanded, as is demonstrated by growing numbers of follower, amongst other aspects.

The activities had to be focussed on a small number of themes due to the corona pandemic. The strategic orientation of the campaigns most of all catered to the increasing importance of digital fairs.





Leadership Academy (FBA)

As a training service provider for internal qualification, the FBA performs its duties across legal purviews and with the involvement of local authority experts and executives. The employment agencies and jobcentres in joint institutions are thus supported by practice-oriented and high-quality training concepts. At the same time, the FBA is also the primary port of call for the qualification of executives within the BA. In 2020, the seminars provided by the Leadership Academy were attended by around 4,000 trainees.

University of Applied Labour Studies (UALS)

The UALS is a state-approved university of applied sciences and accredited by the Science Council, with two campuses, one in Mannheim and one in Schwerin. It offers two dual bachelor's degree courses, "Labour market management" and "Guidance for education, jobs and employment". The study programmes are interdisciplinary, application- and practice-oriented. Amongst other aspects, they also include four internship phases in the BA's various task areas, ending after three years with the internationally recognised academic degree of "Bachelor of Arts" (BA).

The students are already employed by a local employment agency during their degree course. Successful graduation is followed by a permanent employment contract. Graduates can either work in various fields of activity in the employment agencies or jobcentres in joint institutions, e.g. as placement experts, or take on other duties in various advisory and back-office task areas.

In addition, the UALS also offers a part-time MA course in "Labour market-oriented consultancy", as well as various certificate programmes.

In 2020, the students had to master unique challenges as they provided support in dealing with the consequences of the corona pandemic while simultaneously needing to continue their studies in a different form. The attendance-based activities at the UALS had to be put on hold because of the pandemic-related restrictions. The teaching events were therefore converted at short notice, and the study courses continued with the help of online formats. Thanks to flexible solutions and the great commitment of everyone involved, all students were able to continue their studies.



The BA continues to bank on junior employees

The BA has also maintained its training capacities on a high level in the corona pandemic. This enabled many young people to start their career at the BA with a training or degree course. Around 1,300 junior employees could be recruited for the BA altogether throughout Germany in 2020 despite the restrictions. Where the IT is concerned, the training capacities for IT specialists could even be expanded by 50 per cent.

Successful re-accreditation of the UALS MA course

The part-time MA course in “Labour-market-oriented consultancy” has been available since October 2015 with an annual capacity of 30 study places. The Accreditation Council has now re-accredited the UALS MA course until 30 September 2028.

DEALING WITH THE CORONA PANDEMIC

The corona virus confronted the BA with previously unheard of challenges that could be mastered well so far as a team.

Ensuring the safety of clients and staff

In dealing with the corona crisis, the BA adhered to the specifications of the Robert Koch Institute and Federal Ministry of Labour and Social Affairs. All the available information was evaluated on a topical daily basis to be able to ensure health protection at all times with fast and custom-fit decisions. The BA implemented the relevant OHAS requirements at short notice, with central and local OHAS measures summarised in a pandemic plan.

To avoid the staff being unsettled in connection with the corona pandemic, the greatest possible transparency was ensured by multiplexed and fast communication, including an FAQ list. Legal and practical questions around the corona virus could thus be promptly answered.

Once the offices opened again, marked routes and distances, a suitable equipment of consultation spaces for infection protection, safety placards and personal protective equipment helped to protect the health of clients, but also employees, in the best possible manner.

Family service: work-life balance in the pandemic

The closure of childcare facilities and schools in tandem with high workloads faced many employees with great challenges. To support the employees in question in this exceptional situation, and be able to maintain the provision of services, the already existing range of family services was quickly and unbureaucratically expanded. This enabled employees in the SGB III and SGB II departments with family commitments to rely on consultancy and concrete support on a major scale. Especially the proposal of individual childcare at home by an external service provider greatly contributed to securing their ability to provide services.

Using new forms of work for new challenges

To protect the health of employees, the technical facilities for mobile work (home office) were significantly expanded: From the end of May, approx. 47,000 of them could be provided with remote access simultaneously, over four times as many as in the beginning of the year. Supported by the capabilities of the E-FILE, working from home became possible on a large scale throughout the nation.

To also safeguard the BA's ability to provide its services in the future, permanent home office options will be maintained to a greater extent. BA staff surveys show that the expanded options available for mobile work should also be retained in their opinion.

Deploying staff where they are needed

To be able to ensure the timely and reliable provision of financial support for employees and businesses, the BA deployed its personnel where they were most urgently required. A tool specifically developed for this purpose provided valuable support, enabling personnel requirements to be identified, and measures to be applied to cover them, quickly and dependably.

Employees from all departments performed duties in service teams – here especially in the area of short-time working allowance – and in the telephone guidance. At times, over 10,000 staff supported the claims processing, including just under 2,000 junior employees. The BA was nonetheless unable to manage the dramatic increase in notifications and applications for short-time working

allowance on its own, and therefore depended on further support. The Federal Office for Migration and Research, German Pension Insurance, Deutsche Post and Deutsche Bahn thus unbureaucratically and flexibly helped the BA in the course of administrative assistance. The first of at times over 500 administrative assistants took up their support work in April 2020 already.

The qualification for inducting the internal supporters and administrative assistants was adjusted to the changed framework conditions. A digital training portfolio developed in the shortest of times successfully ensured their fast onboarding with alternative forms of learning such as online training courses and self-learning media.

REDESIGN OF THE PERSONNEL WORK



The Executive Board resolved in its work programme to redesign the personnel work. The BA is a continuously self-renewing organisation, and will in future increasingly bank on a personnel work that is not only aligned with processes, but places a

focus on the employees' needs in their further development.

In doing so, the "personnel work of the future" pursues various strategic goals:

- An even stronger focus on the employees will enhance the employer's attractiveness, in order to recruit People with a passion for the BA's tasks, and thus promote good client experiences.
- The personnel work will enhance the company culture with transparent communication even more intensively in the future.
- The personnel work dovetails the corporate and personnel strategy even closer.
- The personnel work will be more competency-based and hierarchy-free, and therewith encourage innovation to a much greater extent.
- The core processes of the personnel work support a flexible work organisation.
- The administrative effort in the personnel department will be markedly reduced.

The room for manoeuvre created in the personnel work by the automation and digitalisation of processes with streamlined methods and workflows will be used for strategic, enterprise-promoting and qualitative consultancy.

The focus on an employee-oriented personnel work is demonstrated in the promotion of self-responsible development paths, and a strengthening of employability. With the reorientation of the personnel work, the BA places the benefit for all employees and the client experience at the centre of its further development.

INVOLVING ALL EMPLOYEES IN THE PERSONNEL WORK

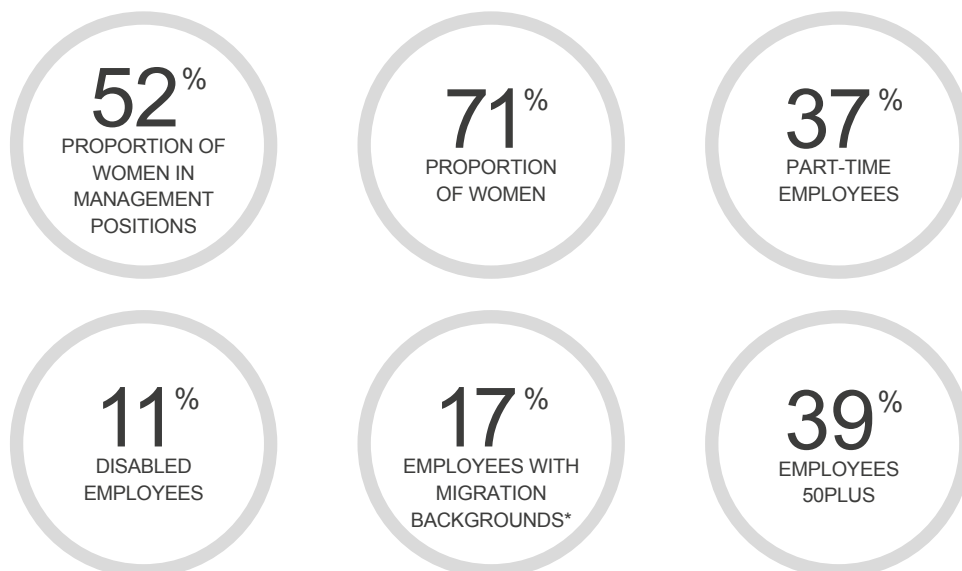
All employees can contribute changes required in the personnel work in the newly created hands-on online portal "Change it!". "Change it!" has been advertised in the BA nationwide since July 2020. In "Change it!", all employees can play an active part in shaping the personnel work in the employment agencies, jobcentres in joint institutions and special offices. In doing so, they can name the changes needed in the personnel work, develop ideas, and lend personnel topics greater relevance with "likes".

The online platform "Change it!" makes new possibilities of networking and sharing ideas and knowledge experienceable for all employees. Every idea is seen and reviewed. Information on the processing of personnel topics, the decisions made, and concrete results is transparently available in the intranet.



IMPORTANT PERSONNEL FIGURES

(rounded figures)



Source: Federal Employment Agency

* Data are based on information voluntarily provided in an internal employee survey in 2017.

BA EMPLOYEE CAPACITY IN FULL-TIME EQUIVALENTS

	TOTAL		UNEMPLOYMENT INSURANCE AND BASIC INCOME SUPPORT SERVICE ¹		BASIC INCOME SUPPORT ²		FAMILY BENEFITS OFFICE	
	Actual prev. year	Actual	Actual prev. year	Actual	Actual prev. year	Actual	Actual prev. year	Actual
TOTAL	95,100	98,700	51,300	54,400	39,300	39,300	4,500	5,000
of which perman- ently employed	91,500	92,500	48,900	49,500	38,300	38,400	4,300	4,600
of which tempo- rarily employed	3,600	6,200	2,400	4,900	1,000	900	200	400
Permanently employed share	93.7 %							
FOR INFORMATION ONLY ³								
Students	1,500	1,500						
Trainees	2,300	2,200						

¹ Employment agencies, Regional Directorates, special offices and central office (incl. internal service and basic income support services for job seekers).

² Jobcentres in joint institutions and overarching task performance for the basic income support for job seekers.

³ Junior employees are only shown for information at the total figure.

¹ Employment agencies, Regional Directorates, special offices and central office (incl. internal service and basic income support services for job seekers).

² Jobcentres in joint institutions and overarching task performance for the basic income support for job seekers.

³ Junior employees are only shown for information at the total figure.

Status: December 2020; Source: Federal Employment Agency

DIGITALISATION

INFORMATION TECHNOLOGY (IT) AS PART OF THE CORE BUSINESS

The IT department is an important success factor for implementing the BA's "Strategy 2025". It is digitalising an ever larger part of the business and thus tangibly contributing to the business success of the BA, based on its technological and functional expertise. Stable and performant IT is an essential requirement for the operative efficiency of the BA.

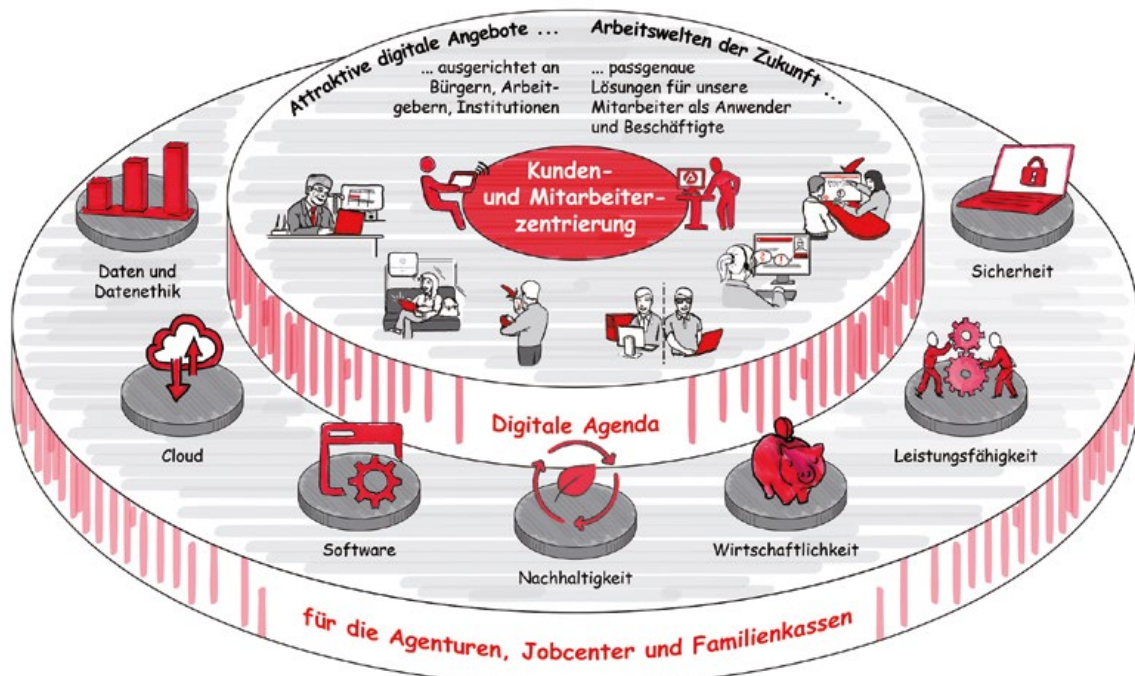
The IT orientation for the "Strategy 2025" is aimed at tapping the potentials of digitalisation in the interest of clients and staff. The IT department implements this with clear performance promises to both. The IT Strategy 2025 has further developed and newly focussed stimuli arising from

the "Strategy 2025". Experiences within the BA, internal and external expertise, as well as important trending topics such as sustainability, the future of work, digitalisation and data ethics have occasioned the IT department's advancement of the IT Strategy 2025.

Performance promise

The IT implements the structure of the IT Strategy 2025 with nine focus areas. In doing so, two performance promises frame the IT department's projects for the coming years, which it intends to achieve by means of services provided under the specifications of its principles.

ADVANCED IT STRATEGY



Agile IT als Teil des Kerngeschäfts: sicher, leistungsfähig, effizient und nachhaltig

Source: Federal Employment Agency



The first performance promise is addressed at external clients of the BA and/or citizens, companies and other institutions. “We offer our clients attractive online proposals for optimal support of their concerns.” The BA’s IT department develops digital services from the clients’ perspective. The crux of the service provision is the immediately tangible benefit for the client.

A second performance promise goes to the BA staff as internal clients: “We offer our staff a modern work environment with custom-fit IT solutions for the best possible support of their tasks”. The BA’s IT supports them in their operative activities and role as employees of the BA.

The IT department implements these performance promises safely, agilely and cost-effectively. The IT strategy is subjected to an annual review and continually developed further. It therewith follows the changing business policy framework conditions, utilising technical innovation with the help of an established innovation management.

Agile transition

To be able to fulfil the performance promises, a comprehensive cultural change is to be brought about by a process of agile transition. This is a key strategic objective for the IT in the coming years. The agile transition guarantees an efficient provision of client-friendly proposals by motivated employees. This will help the clients make headway.

The IT realises these aims by

- early and sustainable involvement of users,
- faster responses to changing client requirements through shorter lifecycles,
- working in interdisciplinary teams with slim rule books and a supportive infrastructure, and
- minimising implementation risks by an iterative approach and early trials.

The agile approach improves the quality of IT services while boosting their efficiency at the same time.

THE BA IN TIMES OF CORONA: BETWEEN CRISIS INTERVENTION AND INNOVATION

The BA already became aware at the beginning of March that the advancing pandemic was highly likely to turn into an unequalled internal and external challenge for it and its circa 100,000 employees. In the face of contact restrictions and prohibitions, a marked growth in the platform use of online and telephony channels and unheard-of demands on the home office infrastructure were to be expected. On March 2, the BA’s IT organisation switched to a task force mode that was aimed at making fast decisions and at stabilising and upgrading the existing IT platforms for the benefit of the many affected clients and employers, but also the own staff.

Home office use grows by a factor of 10

From an average of 2,500 regular simultaneous users before the crisis, the BA’s home office platform was successively expanded from the beginning of March to permit 47,500 users to work from home simultaneously from the end of May, and 54,000 from the end of October. In the peak periods, 25,000 BA employees worked in their home offices every day in mid-May (1st wave), and just under 49,000, i.e. half the personnel, during the second lockdown in mid-December.

In parallel, the IT platforms for processing short-time working allowance were promptly scaled up to allow more than 13,000 employees to work in the systems simultaneously, instead of the approx. 700 heretofore. The dialogue service was expanded to 6 a.m. to 10 p.m. as well as weekends and public holidays. To not put the important operative work of the BA staff at risk, software deliveries and hotfixes were provided by the IT teams at night. Short-time work notifications and approvals could thus be processed and brought to payment in the space of a few days.

The importance of the telephony platform grew step by step with the controlled cutback of operative client traffic. It was upgraded to enable the direct client contact to be replaced. Instead of 4,000, 18,000 employees now staffed the phones at peak times.

Service Centre (SC) work also possible from the home office

The nationwide telephony conversion in the SCs of the legal purviews of SGB II & SGB III, and of the Family Benefits Office to Skype for Business, could be completed in 2019. Just in time, as the SC organisation's employees would not have been able to work from their homes without this technical transition. Mobile work thus had to be enabled in record time, not only to be able to protect the staff, many of whom work in open-plan offices or belong to high-risk groups, but also to accommodate employees with care responsibilities.

After initial technical hurdles to do with the equipment and performance, the SC staff's work from home is now going smooth and in keeping with data protection requirements. This progress enhances the attractiveness of the job, and offers new work-life balance options, especially for part-timers. The option of also making the existing work-time models even more flexible by mobile work after overcoming the crisis is already being coordinated with the corresponding panels.

Express digitalisation driven by many minor IT products

Just as important as the ability to intervene in the crisis was the start of an agile, express digitalisation process based on the client expectations as these were changed by the corona crisis: In specifically set up virtual BarCamps, engineers, experts and practitioners jointly surveyed the most urgent client requirements in these extraordinary pandemic times, developing innovative solutions for the online portal and specialised applications, and ensuring their go-live within a few weeks. Especially in times of crisis management, the BarCamps helped to open up thinking spaces, while the recent years' investment in agile work methods was able to bear fruit:

- Total reorientation of the BA's life situation-oriented portal around the subject of corona with daily updates and new landing pages.

- Digital guides and chatbots around the notification and application for short-time working allowance and basic income support, including the implementation of one of the top 20 results of the #WirVsVirus hackathon. The first questions asked by citizens and employers were thus already answered automatically, relieving the telephone hotline and BA employees from standard requests.
- Implementation of a "short-time work document sending" app for clients to upload and send documents all around the short-time working allowance. The uploaded documents can thus be processed within the BA at greater speed and without media breaks.
- Implementation of new e-services such as a new application for easier receipt of basic income support and emergency child allowance including upload function.
- A short-time working allowance calculator enabling those concerned to easily calculate their individual claim.
- Fixed-term introduction of a selfie-ident process for the identification required to register as unemployed by smartphone or tablet. The advantages of this are time and cost savings for clients, and health protection for clients as well as BA employees.

Maintaining the ability to intervene in the crisis and using innovations

The ability to intervene in the crisis and innovation are the two key contributions made by the BA's digitalisation and IT departments in those past corona months to promptly provide millions of companies and citizens with the services and benefits that are so essential, especially in these times, and enable the BA's employees to continue working despite the contact restrictions and restrictions in their private and working environments. In this respect, the BA benefited from having laid important IT architecture foundations with its digital transformation in recent years, which now enabled it to scale up and flexibilise its IT capacities since the start of the corona crisis, so that its employees were able to promptly process applications and client requests in changing task areas.

The BA's digital transformation enjoyed important tailwind, enabling a kind of express digitalisation that would not have been possible in this form and temporal density under normal circumstances – and these digital achievements will

also assert themselves. This because many employees have learnt to appreciate the advantages of a fast Skype meeting over a time-consuming business trip as much as the flexibility enabled by working in their home office.



STATISTICS

MISSION OF THE OFFICIAL LABOUR MARKET STATISTICS

As part of the official statistics in Germany, the BA prepares and publishes statistics of the labour market and basic income support for job-seekers with in-depth regional and vocational breakdowns that are structured by the Social Code and maintained as department statistics under the subject-specific supervision of the Federal Ministry of Labour and Social Affairs.

These statistics are created with great topicality to provide the institutions acting directly in the labour market and politicians a safe basis for assessing the overall situation and regional developments, so that any need for action can be identified, and measures planned, in time.

The labour market statistics serve the employees' and employers' orientation in occupational and economic decisions. The statistics deliver the base data for the labour market research and augment the statistics of the Federal Statistical Office and statistical offices of the Länder, making them an important source for the work of the municipal statistical bodies.

STATISTICAL REPORTING PROGRAMME RESPONDS FLEXIBLY TO THE CORONA CRISIS

The clients' information needs were drastically changed in the corona crisis within a matter of days. The BA's statistics department responded to this in multiple ways and expanded its reporting programme. This in particular included a monthly special report about the effects of the corona pandemic on the labour and training market.

To ensure faster and better transparency for the notification of cyclical short-time work, the BA's statistical department brought the reporting period forward, and included additional information about economic departments and the Länder in its reporting.

The short-time worker ratio also introduced in 2020 enables meaningful temporal, regional or sectoral comparisons.

NEW PROPOSALS IMPROVE THE USER-FRIENDLINESS

The newly designed website of the BA's statistics department facilitates an intuitive navigation and includes an improved search function for statistical tables, reports or visualisations. The interactive "Labour Market Benchmarks" visualisation enables users to create their own tables and graphics independently for the very first time. This service will be incrementally expanded over the coming months with further topic-oriented visualisations and table generators.



LABOUR MARKET RESEARCH

INSTITUTE FOR EMPLOYMENT RESEARCH (IAB)

The IAB researches the labour market to provide political actors on all levels with competent advice. Scientists from various disciplines create the basis for this political consultancy by sound, internationally networked research. The IAB therewith contributes to a better understanding of the labour market's operating principles, of employment opportunities and living conditions in a dynamically changing world, in keeping with its statutory mandate.

Integral parts of the IAB's research agenda include the evaluation of labour market policy measures and studies looking at education and professional development, operational and regional aspects of the labour market, and the changing forms of employment, as well as short- and long-term labour market forecasts. Particular attention is furthermore paid to selected focus themes.

The IAB is one of the largest producers of socio-scientific research data. The quality of these data is meanwhile of vital importance. Many findings of the IAB are based on the extensive own surveys and statistical data of the BA. These data are prepared for the research purposes of the IAB, but can also be used by external scientists.

FOCUS AREAS OF THE IAB IN 2020

Given the corona pandemic, the IAB immediately adjusted its research and work programme in the spring of 2020. This included the establishment of a task force, and the start of research into the pandemic's economic and social effects. A large part of the IAB's research projects have been looking into the far-reaching repercussions of the corona crisis for the labour market ever since. The projects rely on research data records that are based on administrative processes of the BA ("administrative data"), survey data, and also statistical data of the BA at the current edge. The questions asked in existing surveys were expanded in a corona pandemic context, and additional personal and company surveys brought underway. This is aimed at making research data and scientific findings available quickly to gain a better understanding of the pandemic's repercussions and the effects of government measures. This will drive the research forward and make an important contribution to the political consultancy.

Amongst other aspects, the IAB analyses the pandemic's consequences for the work volume, job search and filling of vacancies, but also for the basic income support or claiming of short-time working allowance in regions and industries. All ongoing repeated surveys have been expanded



by additional contents relating to the consequences of the corona pandemic since the spring of 2020. This includes company surveys such as the IAB company panel and IAB vacancy survey as well as surveys of various groups such as employees, trainees, job-seekers, claimants or refugees. In addition to this, new repeated surveys have been set up with high survey frequencies, e.g. for companies to provide information on the effects of the shutdown and reduction of preventive measures. Prominent examples of this include the repeated survey "Companies in the Covid 19 crisis" and high-frequency online person panel "Living and working in times of corona". Other surveys are looking into the effects of short-time work, the threat of job losses, mobile work, limited childcare options, online schooling, or limited (further) training options.

Given the scope of the developments, the IAB has additionally established a new focus area, "Consequences of the Covid-19 pandemic". This supplements the three existing focus areas "Digital and ecological transformation", "Migration and integration", and "Social security in transformation". As the pandemic will presumably intensify many transformation processes and bring structural changes in the medium to long term, these four areas are closely interrelated. To be named here, for example, are an expectable push for digitalisation, the repercussions of the corona crisis on vulnerable groups such as the long-term unemployed and refugees, as well as new stimuli for the future design of the welfare state.

Besides a further improvement of the data situation, the analyses in the focus area of "Digital and ecological transformation" in 2020 prioritised the questions how the digitalisation and ecological transformation will affect employment and pay, which employees are most likely to benefit from the transformation process, how job contents, corporate personnel policies and the organisation of work will change, and what the implications of this are for the training and further training.

The research and consultancy relating to migration and integration issues in the year under review prioritised analyses of the integration of refugees in the labour market and training five years after the forced migration of 2015, and the labour migration against the background of the West Balkan Regulation. Further activities served to build up, collect and expand various data records for

migration research. In the focus area of "Social security in transformation", the emphasis was on evaluating labour market policy instruments such as the support provided to the long-term unemployed under SGB II §§ 16e and 16i (Participation Opportunity Act), the effects of the statutory minimum wage, and the stability of employment histories after longer or recurring unemployment.

Of the other research projects, a particular mention should go to the European Labour Market Barometer published in the autumn of 2020 for the very first time. This early indicator of the network of European Employment Services and IAB for the European labour market is based on a joint monthly survey of local or regional employment agencies.



OUTLOOK 2021: LABOUR MARKET ON DIFFICULT PATH TO RECOVERY

The IAB elaborates forecasts of the labour market development twice a year.

IAB forecasts for the year 2021

GDP growth of

3.2%

Annual average rebound of the
working population to

45.00^m

(+130.000 persons)

Annual average decline
of unemployment

2.61^m

(−100.000 persons)

RESULTS OF THE CORONA RESEARCH

14.2^m

persons
are able to work
from home,

of which

8.2%

(1.1 m persons)
worked from home for more
than 20 hours per week before
the corona crisis.

49.3%

(7.1 m persons)
did so during the corona crisis
in the spring of 2020.

ANNUAL REPORT 2020

Sixty-ninth Annual Report of the Federal Employment Agency

For the period from 1 January to 31 December 2020, the Executive Board offers the following report, approved by the Board of Governors, pursuant to Section 393.2 of Book 3 of the German Social Code (SGB III).*

*Statements on Book 2 of the German Social Code (SGB II) are not subject to approval by the BA's Board of Governors.

ANNEX

CORPORATE GOVERNANCE REPORT

Good corporate governance, more efficiency and transparency are also crucial for state-owned companies and organisations. The leadership of these companies and organisations must therefore be guided by the ongoing development of modern governance structures. The Federal Ministry of Finance has created a “Public Corporate Governance Code” in connection with the Participation Policy set out by the Federal Government, offering a compilation of principles of good corporate governance. Based on this Public Corporate Governance Code, the BA would like to afford insights into its governance structures. The Corporate Governance Report is now in its eleventh year.

1. PREAMBLE

The BA is presenting a Corporate Governance Report for the 2020 financial year, based on the Public Corporate Governance Code of the Federal Government. The aim is to ensure transparency and traceability with regard to the corporate governance and monitoring.

In accordance with Section 6.1 of the Public Corporate Governance Code, the Executive Board and the Board of Governors of the BA declare that its recommendations have been and will be principally met. Deviations are attributable to the fact that legal regulations take precedence over the Public Corporate Governance Code.

The stringent separation between the management’s responsibility for the operational business and the control and advice by self-governance is enshrined in law.

2. EXECUTIVE BOARD (SGB III § 381)

The Executive Board manages the BA, conducts its business and represents the BA in both judicial and extra-judicial proceedings. It consists of a chairperson and two other members. § 2 of the Executive Board’s Rules of Procedure require business areas to be allocated to each board member. Each board member principally sees to the tasks associated with these independently.

The BA has not taken out pecuniary damage liability insurance for the members of the Executive Board, but has held a D&O insurance policy since 1 January 2013.

No loans were issued to the members of the Executive Board or Board of Governors.

Within the scope of corporate governance, the Executive Board has developed an institutionalised risk management system for the BA whereby it obtains regular information about the risks to have materialised and possible future risks. The objective is to plan preventive measures for safeguarding the organisation. This semi-annual information is forwarded to the Presidium of the Board of Governors by way of the Chairperson of the Executive Board. The responsibility for identifying risks and planning the resulting measures in the risk management system continues to reside with the business divisions – in keeping with the management philosophy described above.

Corruption prevention as part of the performance of duties by the legal/data protection/compliance departments is directly assigned to the Executive Board. The BA is a member of Transparency International.

In addition, the legal status of the members of the Executive Board is regulated, in particular with regard to pay, by contracts that the Federal Ministry of Labour and Social Affairs concludes with the members of the Executive Board and that require governmental approval (SGB III § 382.6).

3. BOARD OF GOVERNORS (SGB III §§ 371, 373)

3.1 Organisation and tasks

The Board of Governors has 21 members and is made up of members representing employees, employers and public bodies in equal numbers. Each group can nominate up to five alternate members. Alternate members have the rights and duties of a member for the period in which they represent a member. A member representing a public body cannot preside over a self-governing body.

The Board of Governors supervises the Executive Board and the administration and advises them in all questions relating to the labour market. It approves the budget prepared by the Executive Board (SGB IV 71a). The definition of the BA's strategic alignment and business objectives is subject to approval by the Board of Governors (Article 4 of the Charter of the BA).

For the purpose of preliminary deliberation on topics, the Board of Governors has established two committees (Section 14 of the Rules of Procedure of the Board of Governors):

- Committee I for strategic decisions, questions related to the budget and to self-governance issues,
- Committee II for the subjects of labour market policy, labour market research and cash benefits.

Both these committees are also concerned with the audit reports by the internal audit department and the Federal Audit Office, and in this way act as an audit committee.

To ensure continuous and prompt cooperation with the Executive Board, the Board of Governors has formed a Presidium consisting of the Chairperson, the Deputy Chairperson and the spokesperson of the group of public bodies of the Board of Governors (Article 6 of the Charter of the BA).

Committees and the Presidium cannot take decisions on behalf of the entire Board of Governors. Resolutions are reserved for the Board of Governors.

The Board of Governors and its committees monitor the quality and efficiency of their activity.

3.2 Appeals procedure (SGB III §§ 377 et seq.)

The members of the Board of Governors are appointed by the Federal Ministry of Labour and Social Affairs. In the process, men and women are to be considered with the aim of their equal participation in the groups. Staff and civil servants of the BA cannot be members of the Board of Governors.

Eligible to submit nominations for members of the groups of

- employees are unions that have entered into wage agreements, and their associations, and for the groups of
- employers are employers' associations that have entered into wage agreements, and their federations,

and are of key significance for representing the interests of employees or employers.

The following are eligible to submit nominations for the members of the group of public bodies in the Board of Governors

- the Federal Government for three members
- the Federal Council for three members, and
- the umbrella association of self-governing local authority bodies for one member.

The term of office of the members of the Board of Governors is six years (SGB III § 375).

The members of the Board of Governors carry out their activities in an honorary capacity. They may not be hindered in taking over or exercising the honorary office or be put at a disadvantage on account of taking over or exercising such an office (SGB III § 371.6). They are not subject to any instructions of the organisation by which they were delegated (Article 2.3 of the BA Charter).

In its recommendations to the administrative committees, the Board of Governors stipulates that conflicts of interest are to be avoided. It generally recommends that members disclose their concerns if experiencing a conflict of interest or fear partiality with regard to the pending session.

No service or work contracts have been entered into with the members of the Board of Governors.

4. REMUNERATION

4.1 Remuneration of the Executive Board

During the past year, the business of the BA was conducted by Mr Detlef Scheele (Chairman of the Executive Board), Ms Christiane Schönefeld (Board Member) and Mr Daniel Terzenbach (Board Member). The total remuneration paid to the members of the Executive Board in 2020 amounted to € 809,000 altogether.

4.2 Remuneration of the members of the board of governors

The members of the Board of Governors did not receive any remuneration. The BA reimburses members and deputies for their cash expenses and grants an allowance (Section 376 SGB III) that currently amounts to € 26 per session day.

5. AUDITING

The provisions of the Federal Budgetary Regulations apply analogously to the preparation and execution of the budget as well as to the BA's other fiscal management activities.

The general fiscal management principles of the Federal Government need to be followed (SGB IV § 77a).

The BA's annual financial statement is audited by the Federal Audit Office.







STATISTICAL INFORMATION

Statistical data on the application of labour market policy measures and on cash benefits (e.g. unemployment benefit, unemployment benefit II, short-time working allowance) are only available with a time delay and extrapolated from the latest figures. Annual totals or annual averages have been relied on for this report as a matter of principle.

Annual values based on extrapolated results were used to show admissions to labour market measures. Some of the detailed information (e.g. proportion of women) is based on flexible annual values for the months of October 2019 to September 2020 with the territorial and data status of December 2020. Subsidy data from the area of basic income support for job-seekers are only reported for jobcentres in joint institutions as the corresponding budget data were also available here.

The claimant data are based on extrapolated results for 2020. In the process, flexible annual values for the months of November 2019 to October 2020 were used for some of

the detailed information (e.g. proportion of women) in the unemployment insurance scheme, and on flexible annual values for the months of October 2019 to September 2020 for the basic income support for job-seekers.

The information on the funds invested only reflects the support programmes in the employment agencies and/or jobcentres in joint institutions and refers to the full year of 2020.

The unemployment data all map the full year of 2020.

All data concerning support through labour market policy measures are mapped without non-recurring payments.

Labour market policy measures not mentioned in this Annual Report and further data on the labour market and basic income support for job-seekers are available for your perusal on the website of the BA's Statistical Service at www.statistik.arbeitsagentur.de.



AWARDS AND PRIZES

The BA takes 1st place amongst the public service employers and is awarded the Gold Seal of the **"BEST RECRUITERS"** study for the first time

The BA is awarded the **"TOP CAREER OPPORTUNITIES FOR WOMEN"** seal by "Focus" magazine

The BA takes 24th place in a ranking of Germany's most popular employers in the **"TRENDENCE PUPILS' BAROMETER"**

The BA is awarded the **"TOTAL E-QUALITY PREDICATE"** for equal opportunities and diversity as an employer

The BA is amongst "WirtschaftsWoche" magazine's top 50 in the **"GERMANY'S MOST POPULAR EMPLOYERS AMONGST STUDENTS 2020"** category and discipline of "Humanities and Social Sciences"

The BA is distinguished as one of **"GERMANY'S BEST TRAINING PROVIDERS 2020"** by the business magazine "Capital"



JANUARY

The BA is honoured as a **"TOP4WOMEN ORGANISATION"** that welcomes women as employees and specifically supports "women's careers" for the 8th time in a row



FEBRUARY

The BA is distinguished as one of **"GERMANY'S BEST TRAINING ORGANISATIONS"** AND **"BEST EMPLOYERS 2020"** (2nd place in the "Public Administration" category) by "Focus" magazine



MARCH



MAY

The Frankfurt Family Alliance, whose partners include the BA, is honoured as the **"ALLIANCE OF JUNE 2020"** by the federal "Local Family Alliances" initiative of the Federal Ministry of Labour and Social Affairs



JUNE



JULY

The BA is honoured in the F.A.Z. Institute's **"GERMANY'S MOST POPULAR EMPLOYER"** study



AUGUST

The BA takes 1st place in the **"DIGITAL LEADERS AWARD 2020"** in the "Society" category with the entry "Home office, Hubertus Heil, Hackathon – the BA's Express Digitalisation for Citizens and Employers in Times of Corona"



SEPTEMBER

The BA wins 2nd place in the 19th eGovernment competition in the category **"BEST MODERNISATION PROJECT 2020"** with the project "Automation in Unemployment Insurance (AIDAV)"



OCTOBER

Awarded the **"COMENIUS EDUMEDIA MEDAL 2020"** for the BA's comprehensively modernised internet portal "abi » your way to study and job"



DECEMBER

The BA is awarded the **DEUTSCHLANDTEST SEAL "TOP CAREER OPPORTUNITIES"** by "Focus" magazine

Publisher
Federal Employment Agency
90327 Nuremberg
Executive Board
April 2021
www.arbeitsagentur.de

Design
RHEINDENKEN GmbH
Communication agency
Cologne

Printing
MKL Druck GmbH & Co. KG
Ostbevern

The annual report can be
downloaded from:

www.arbeitsagentur.de

- About us
- Our publications
- Reports and budget
- Annual Report 2020



Simply scan the QR code
with your smartphone.