

# Public Employment Services and Employers – The approach of the *Bundesagentur für Arbeit* (BA) in Germany -

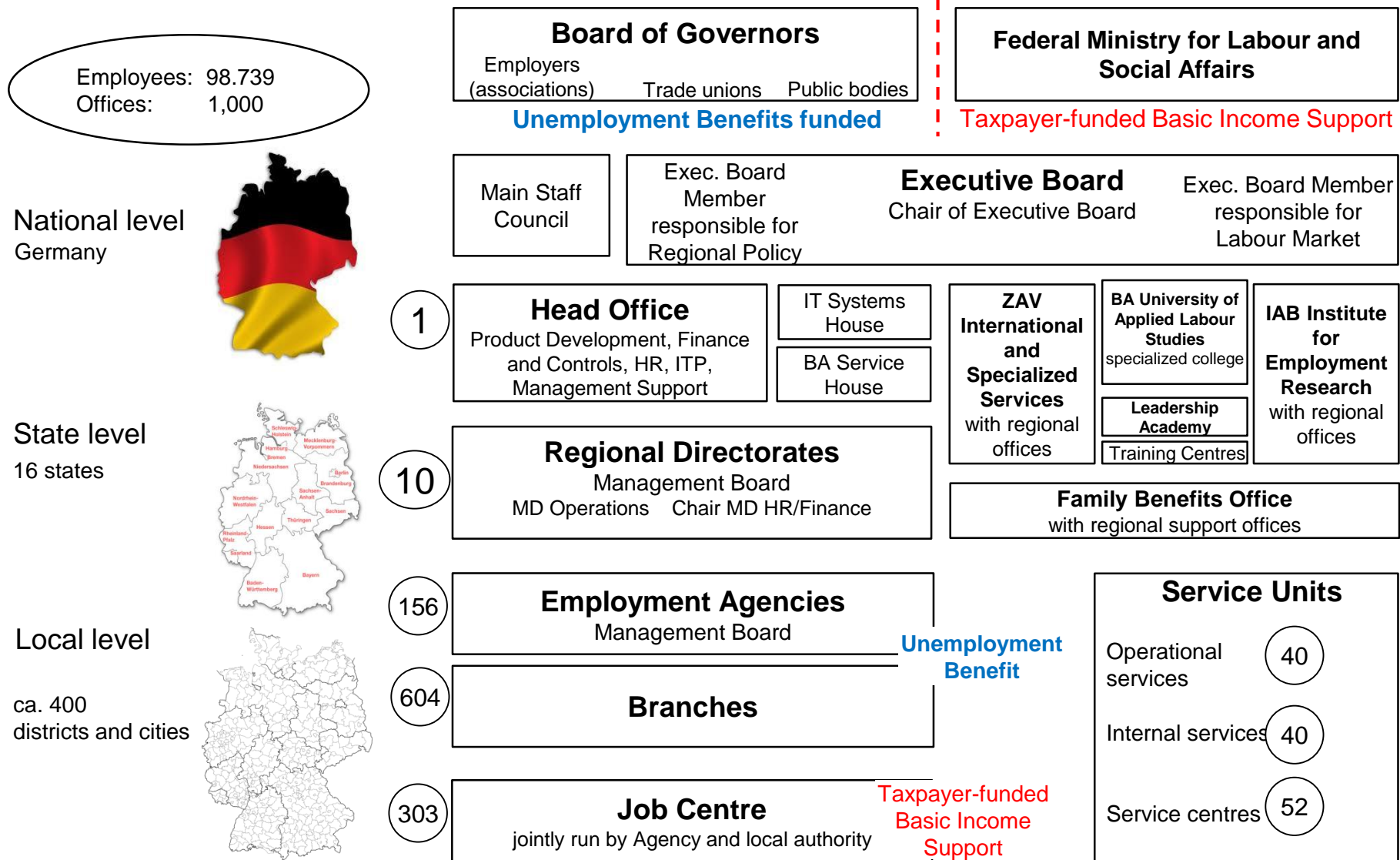


# Key data: Federal Republic of Germany

- **Population:** 83 million,  
Capital Berlin: 3.6 million inhabitants
- **Economy**– Proportion of GDP
  - Services: 68,9%
  - Manufacturing: 25,7%
  - Construction: 4.8%
  - Agriculture: 0.6%
- **Employment:** 43.82 million in employment
  - of whom 32 million in employment subject to full social security contributions (others: self-employed, civil servants, etc.)
- **Unemployment** rate in April 2017 ca. 5,8 % (= ca. 2.56 million persons)  
Large Regional differences remaining east/west; north/south:
  - Mecklenburg-Western Pomerania : 10.3 %
  - Berlin: 9.6%
  - Bavaria: 3.8%
- Ongoing positive **trend** on the labour market:
  - 2005: 5 million unemployed
  - 2017: 2.56 million unemployed



# Structure of the Federal Employment Agency (BA)



# General Information – PES funding & services for employers

- The BA is primarily financed by social insurance contributions by employees and employers (50:50)
- The planned budget of the BA for 2017 = Income of 37.4 billion Euros and expenditure of 35.9 billion Euros
- 98.739 Men and Women work at the BA – Six percent of them are employed in the employer's service (AGS)
- Record high in job vacancies in 1/2017: ca. 1,1 Mio. Job vacancies, around 2/3 are reported to the PES by Employers
- Occupation of 193.618 reported job vacancies in April 2017 – 23% of them via BA.
  
- **Which general services are offered to employers?**
  - Labour market counselling, preparation of job advertisements and granting of integration benefits
  - preselection of candidates (involving the medical/vocational psychology service if necessary)
  
- **Which channels do we use to provide services to employers?**
  - Telephone contacts, on-site visit and Key Account Management
  - Also provision of e-services like JOBBÖRSE, employer account, HR-BA-XML interface for all employers

# Organisation of BA's service for employers (AG-S)

**156 Employment Agencies**

**303 joint facilities** (of that 88 % in the joint employer service AG-S)



**370 AG-S teams with approx. 5,900 skilled agents and executives  
(4,500 in Employment Agencies / 1,400 in Jobcentres for long-term unemployment)**

Volume of orders 2016  
approx. 2.2 m reported vacancies  
approx. 550,000 reported vocational training  
vacancies

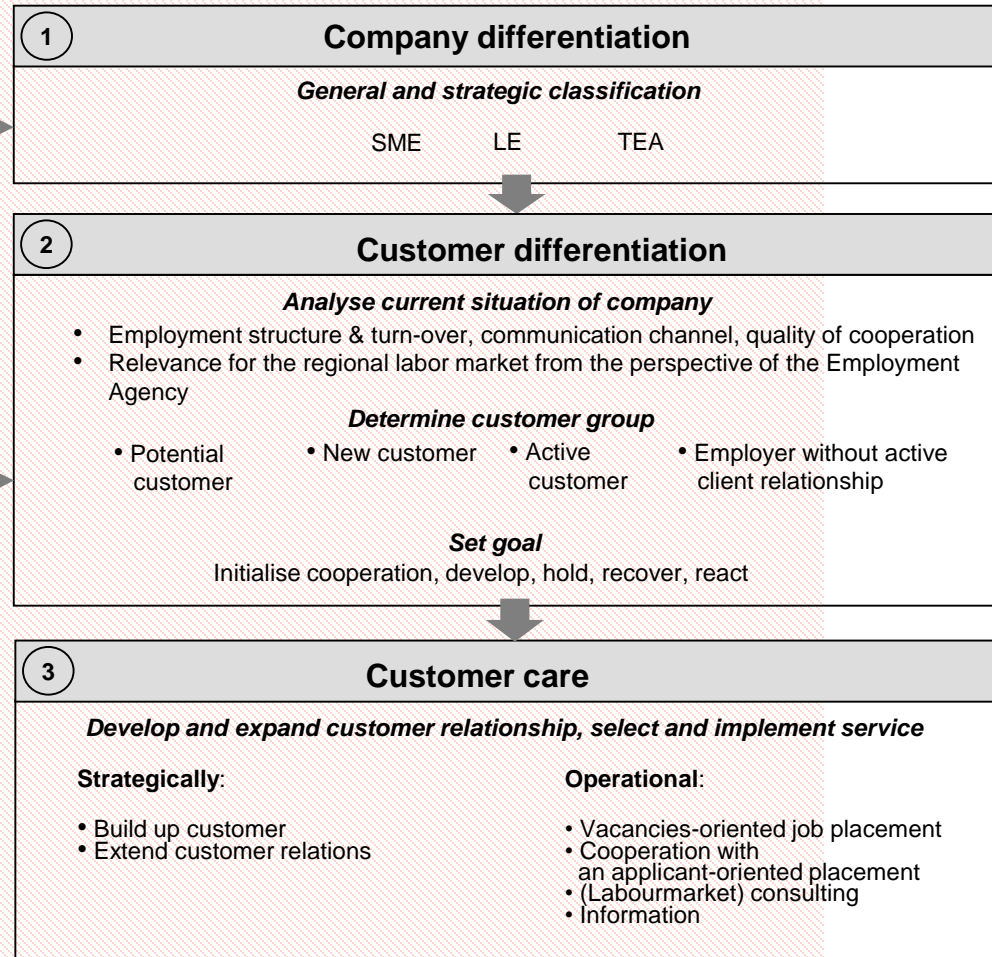
# Employer's Service (AG-S) On-Site

- The AG-S is an **independent organizational unit** within the Federal Employment Agency
- The personnel structure and technical content are determined by the strategic orientation and the business policy focus (profiling of employers), which are determined by the local PES-unit in **decentralized responsibility**.
- Regional structures of the AG-S and provided services for employers are determined by the **industrial / economic structure** in the region.
- services for employers are supplied by **specialists**, e.g. in general labour-market counselling, qualification of staff, integration of disabled employees

**The aim of the Federal Employment Agency is to provide the first contact and to be a competent service provider for employers in all aspects of the labour market**



# Profiling employers as customers



**Strategically seen: What kind of employer is it?**  
**Goal:** Effective and economic use of resources in line with the need of the company

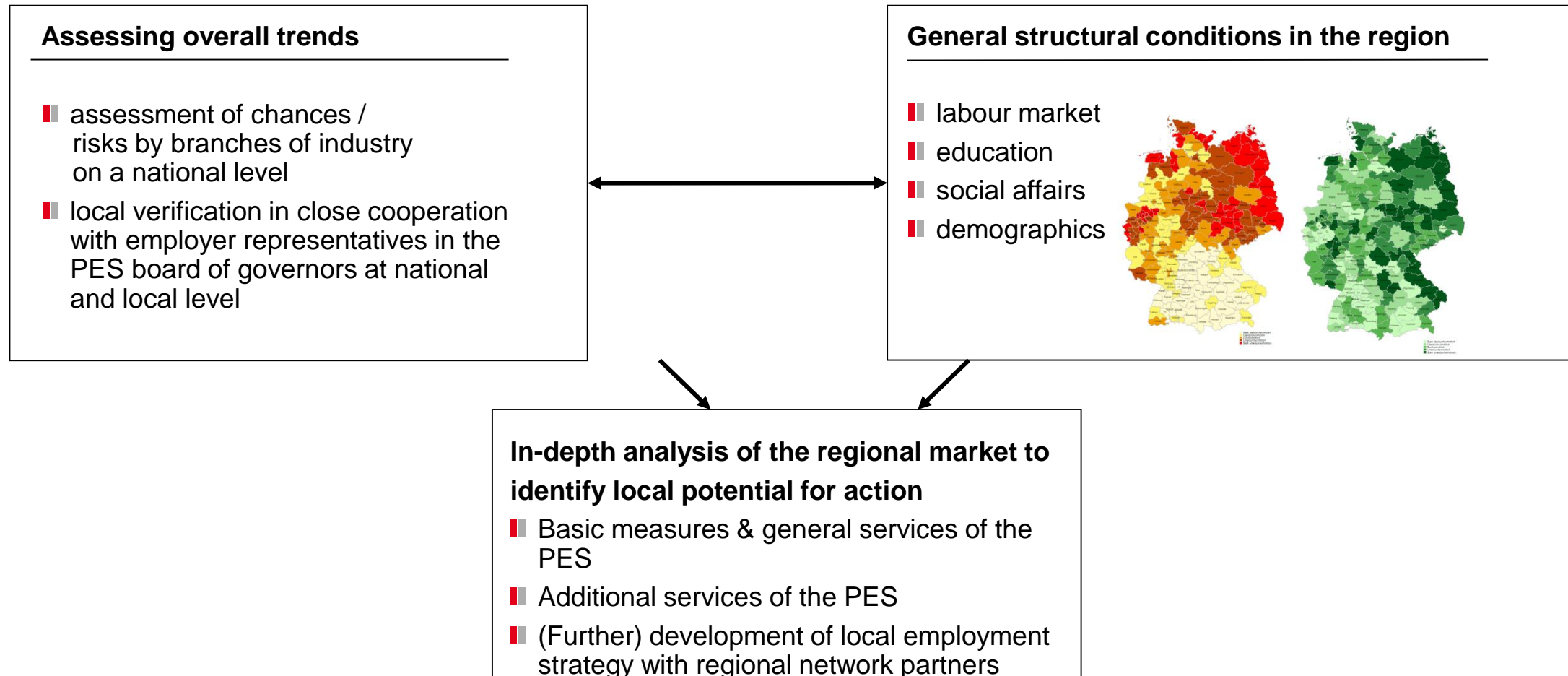
**Starting point and where do we want to go?**  
**Goal:** Individual planning of future cooperation with Employers under strategic aspects

**How do we get there?**  
**Goal:** Convince of BA's services and build up professional partnership

SME: Small & medium-sized enterprises;  
 LE: Large enterprises;  
 TEA: Temporary employment agencies;



# Understanding the market – employers needs and challenges



# Tailor-made & need-based services for employers

Life and work are becoming more mobile, flexible and volatile

Markets are becoming more international

The knowledge and information society is developing rapidly

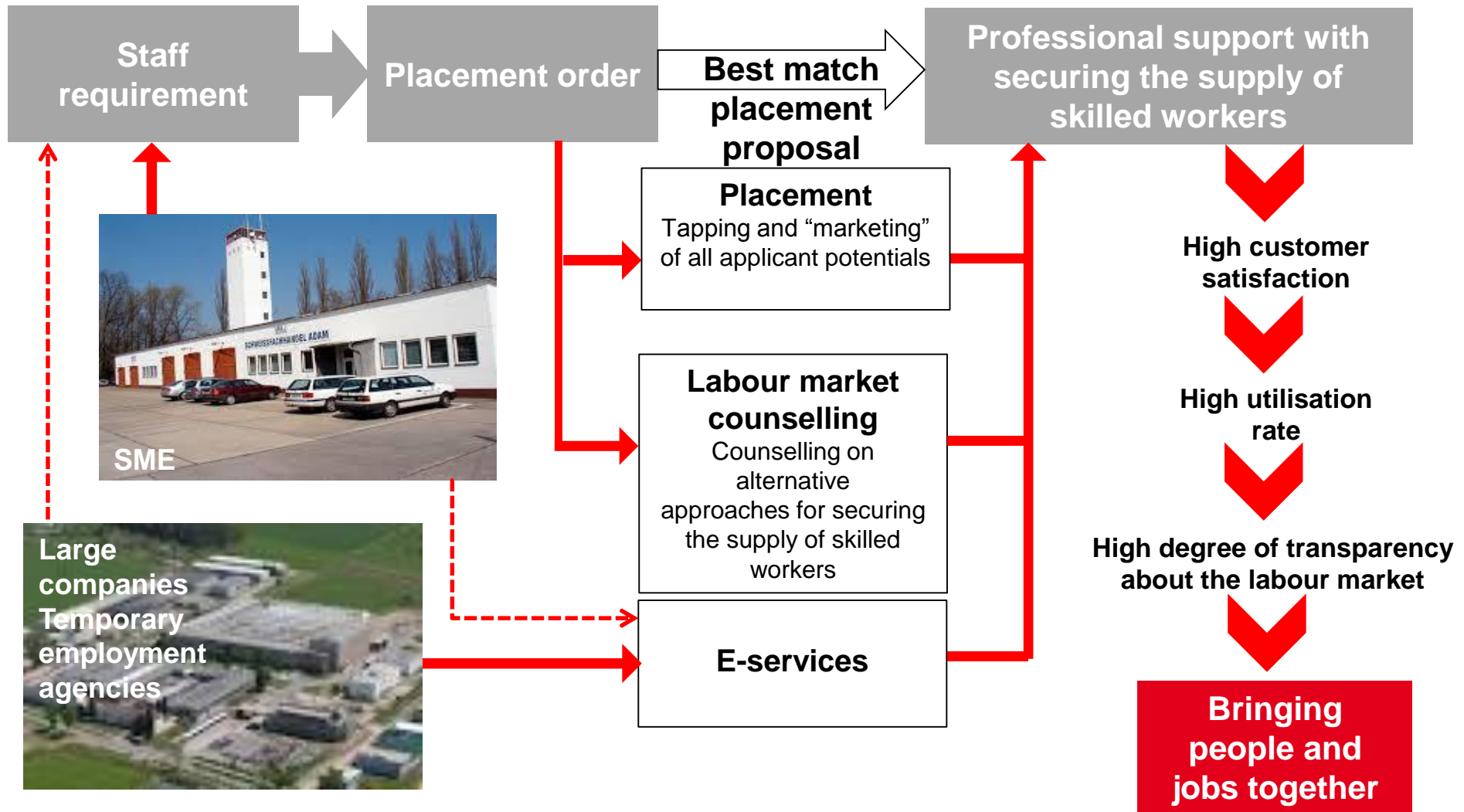
Demographic change is becoming noticeable

Public finances remain in short supply

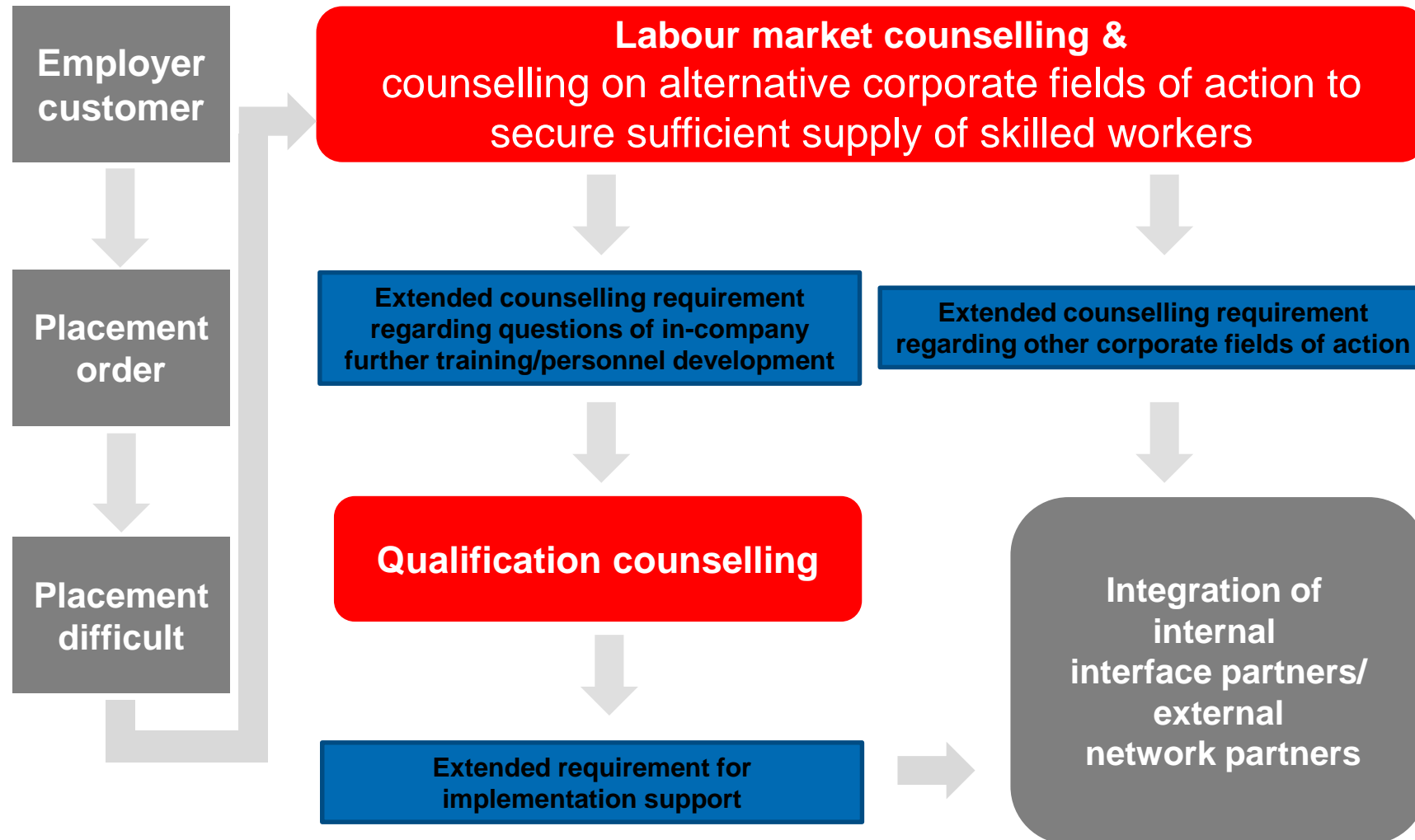


- **General services** (e.g. preparation of job advertisements, granting of integration benefits, preselection and proposal of candidates)
- In-depth Support for **small and medium-sized enterprises** (e.g. counselling on skill development)
- e-services and key-account service (Großkundenbetreuung”) for **large companies** (e.g. shared interfaces)
- Cooperation with **Temporary employment agencies** as mediators in the market

# Our aims and solutions for employers



# Additional services for employers



# What is labour market counselling?

Employers are advised on and informed about the following topics:

## Current situation and trends on the labour market, e.g.

- Demographic development & supply of applicants
- labour demand & further development of occupations on national and regional level
- new job profiles (e.g. digitalisation)

## Filling of vacancies/ vocational training opportunities, e.g.

- alternative recruitment strategies, e.g.
  - initial training of young adults
- including alternative applicants, e.g.
  - disabled people
  - low-skilled workers and skill-development
  - refugees
  - long-term unemployed people
  - Recruiting foreign skilled labour
- Information on subsidies supplied by the PES for employing disadvantaged groups

## Design of workplaces & working conditions, e.g.

- measures for work-life balance
- in-company health promotion
- age(ing)-appropriate workplace design
- working hour arrangements
- diversity

## Vocational training and further training, e.g.

- qualification counselling
- further training of low-skilled and elderly employees in enterprises and respective subsidies supplied by the PES

## Qualification of agents and counsellors in the AG-S

- To prepare placement agents for the employers service, AG-S staff is trained in different fields.
- General training includes especially the fields of sales orientation, labour market counselling and training placement.
- For offering professional services, AG-S staff is also trained in contents regarding the design of workplaces, addressing employers and communication and conflict management.
- Training in legal backgrounds regarding the employment of foreigners – not only due to the large number of refugees and immigrants in Germany over the last couple of months – is another important aspect of the qualification programme for placement agents and counsellors in the employer service.
- Beyond that, placement agents and counsellors are also qualified regarding topics of data protection, operator's rights and handling and counselling on IT processes in the BA.

# Future challenges in the AGS

## **Growing complexity of processes and growing shortage of skilled-labour:**

- Matching demand and supply on the labour market is becoming increasingly difficult due to the decrease in applicants → improve job placement services and profiling of candidates.
- PES-internal exchange of information and interaction between employee- and employer-oriented placement agents and counsellors is becoming more important.

## **Tapping the potential of all groups on the labour market:**

- Offering tailor-made measures and subsidies for the integration of disadvantaged groups (e.g. low-skilled worker, long-term unemployed and refugees) becomes more important.
- Support in recruiting skilled workers from abroad gains importance.

## **Digitalisation and growing need for ongoing skill-development in SMEs**

- Requirement for targeted counselling of SME employers and growing variety of counselling topics requires intensification of counselling services.
- Further professionalization of labour market counselling and specialised PES consulting services is necessary.

**Thank you!**

