

AUSTRIA'S LABOR MARKET SERVICE



EFFICIENT USE OF SUBSIDIES – THANKS TO BI SOLUTIONS FROM COGNOS

To operate as a broker between job-seekers and employers, Austria's Labor Market Service (AMS) – like any private-sector company – has to strive for profitability. Tight controlling, the optimized use of resources and solid data to support management decisions are crucial if it is to achieve optimal success in this role.

The service's IT systems were faced with a clear challenge. The original AMS2000 project was therefore launched as far back as 1994, and has been continued since 1999 under the name AMS 2000plus. One of the aims of the project was to implement a data warehouse that would bring together the huge volume of data stored on different legacy media and in various databases. That data warehouse is now in place, transforming raw data into useful information as the basis for management decisions.

"On the information technology side, AMS is working toward three main goals," explains Herbert Böhm, a member of AMS' managing board. "First, we are focusing all our business processes on the customer. Second, we want to use Internet technology to offer more self-service facilities and open up new ways to interact with our customers. And third, we are using data warehouse applications to improve the quality of management information. On the one hand, that will help us know more about our business transactions on a general level. On the other hand, it will also help us to keep

both costs and labor market policy measures tightly under control.

THE TRANSPARENT COMPANY

Networked data systems let users see at a glance exactly how well AMS is doing in reaching its defined goals and indicators – for instance, how many long-term unemployed persons have been reintegrated in the world of work, and how many job vacancies have been acquired.

The data warehouse installed at AMS also supplies key information that enables managers and corporate customer care staff to respond precisely to the needs of their customers. This factor is all the more important because AMS, like any private enterprise, wants to increase its market share. Thanks to the data warehouse, AMS constantly has a clear overview of all its customers; and each customer can be identified by region, line of business or work, attitude to employment, etc.

That makes it easy to segment customer groups and identify the service's top customers based on a flexible array of criteria (OLAP analysis options in Cognos cubes). The same goes for changes in the time devoted to each customer. AMS thus has at its fingertips all the data it needs to provide optimized customer support.



THE NEXT LEVEL OF PERFORMANCE™

Since demand for flexible online access to AMS' extensive data resources is growing by the day, an extranet solution is currently being developed to streamline collaboration with employers, authorities and an assortment of institutions.

OPTIMIZING THE USE OF RESOURCES

Every year, AMS receives some 700 million euros in public funds to help job-seekers find work. Using this money efficiently is therefore a critical issue. At the same time, it is equally important to assist employers as they seek to recruit jobless persons. Data has to be supplied to the national headquarters, nine separate state offices and around 100 regional offices. In the past, that made the assignment of public subsidies a complex task. Funds were initially allocated by AMS.

The nationwide data center disbursed the relevant amounts via the PSK (Austria's postal giro bank) and then reported back to AMS. In some cases, the federal offices in charge of social welfare and assistance for the disabled were also involved. Such complex information paths naturally generated mountains of data, some of which had to be passed back and forth on paper because of incompatibilities between the database systems used.

Since 2002, AMS has been drawing on external data to ensure that these public subsidies are channeled into efficient measures to support the labor market. Thanks to Business Intelligence (BI) solutions from Cognos, the data warehouse delivers regular, detailed and cleansed data that enables AMS to monitor its customers and all the concrete assistance it provides. Success can now be measured by criteria such as employment rates and new job placements. It is also possible to compare the effectiveness of measures taken to support different groups (by sex, age, educational background, region, etc.).

WANTED: FLEXIBILITY AND VISION

When people take part in measures sponsored by AMS, the time they spent in gainful employment before and after those measures can be compared. Indeed, the Cognos cubes are so flexible that control groups – i.e. AMS customers who have not

taken part in any special measures – can also be integrated at any time with no difficulty. These analysis functions also enable quantitative statistical methods to be applied.

The tremendous significance of this project becomes clear when one remembers that AMS spends nearly 700 million euros a year: Every last euro of public money that is used effectively is of relevance to the organization's budget. Not to mention the benefits to customers, who want to receive the most suitable form of assistance. In June 2003, the assistance monitoring program deployed by AMS was presented at the EU peer review program in Vienna as the best practice method – a tribute to the innovative nature of this BI strategy.

That, however, is by no means the only benefit from the data warehouse project: It also allows AMS to track the career paths of Austria's gainfully employed population on the basis of aggregated data, by region, line of business/work and socio-demographic attributes over time.

This information helps the service to define those areas in which job-seekers have the best chances of finding work – a key challenge in its analysis of the labor market. Moreover, a forward-looking labor market and employment policy relies heavily on constant observation of developments on the labor market. It is critically important to quickly identify those groups of people who may be exposed to a greater risk of unemployment.

The data warehouse monitoring solution enables AMS to provide services so that people can efficiently be placed in jobs and can once again earn their own living. The aim is therefore to take intelligent action that reduces unemployment, safeguards jobs, helps reintegrate jobless persons in the world of work, and presents suitable candidates to potential employers.

COGNOS®

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THE SOLUTION

The 300 data cubes used by the solution take up around 500 GB. One terabyte of storage is needed in total so that the data warehouse can operate reliably and the database and cubes can be updated regularly. The solution is dimensioned for around 4000 potential web users (who access the Cognos PowerPlay web explorer via the AMS intranet) and around 100 PowerPlay clients or Cognos Impromptu users.

It also features 12 (SPARC 3) Sun F12K (Fire 12K) CPUs of between 900 and 1050 MHz each and uses an Informix database.

The hard technical requirements placed on the solution included simple generation of HTML formats and the need for web-based software and easy data maintenance. Criteria such as reference projects and a provider with a genuinely international reach were also taken into account, however. AMS found that its catalog of requirements was best satisfied by Impromptu, Transformer and PowerPlay, the data warehouse tools from Cognos.

GOING FORWARD

The data warehouse has now become AMS' central management information system. It is being expanded constantly and consistently. New areas of development include reports on AMS' self-service systems (its e job room on the Internet), the analysis of data from an SAP development project (starting in April 2004), and the use of the data warehouse as the foundation for a customer relationship management system.

Since January 28, 2004, the AMS data warehouse has also (exclusively) contained the organization's official unemployment and job vacancy figures.

WHY COGNOS?

Only Cognos delivers a complete range of integrated, scalable software for corporate performance management. Cognos products let organizations drive performance with enterprise planning and budgeting, monitor it with scorecarding, and understand it with business intelligence reporting and analysis. Founded in 1969, Cognos now serves more than 22,000 customers in over 135 countries.



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