

Audit of the key ICT project ASALfutur

Supervisory Commission for the Unemployment Insurance Compensation Fund and State Secretariat for Economic Affairs

Key facts

The Swiss Federal Audit Office (SFAO) audited the ASALfutur key project at the Unemployment Insurance Compensation Office in the Labour Market and Unemployment Insurance sector of the State Secretariat for Economic Affairs (SECO-TC) for the fourth time.¹ The project is in the implementation phase. The existing ASAL 1.0 application is used to pay out unemployment insurance benefits. In the first half of 2023, unemployment benefits were paid to around 108,000 daily allowance recipients, short-time working compensation to around 150 companies and bad weather compensation to around 165 companies.²

ASAL 2.0 was put into operation at Easter 2023: It was a partial introduction and involved only the benefits for compensating short-time working and bad weather. The partial introduction did not run smoothly and revealed various deficiencies. These related not only to the quality of the system introduced, but also to project implementation. In May 2023, the project managers had to acknowledge that the introduction of the entire recipient management system planned for the end of 2023/beginning of 2024 was no longer feasible. In June 2023, the project client arranged for the ASALfutur planning to be revised.

Due to this situation, the SFAO carried out an urgent audit in July 2023 and informed the SECO Directorate and the Supervisory Commission for the Unemployment Insurance Compensation Fund.

In its audit, the SFAO identified significant deficiencies in the project management and leadership. In addition, the willingness of the compensation office and the funds to take responsibility is insufficient. These factors are also the main cause of the problems following the partial introduction. ASALfutur's planning will not be resilient until these causes are remedied, and there is a risk of further delays and cost increases. The SFAO also found that the project management has taken measures to improve the situation.

The project management does not have an aggregated view of all the compensation office's projects and its operations

The ASALfutur project sponsor manages the project on the basis of the current detailed planning. However, this does not show the critical path between the work packages and the projects associated with ASALfutur.

As head of the compensation office, he also does not have a consolidated view of all the compensation office's projects and its operations. He must therefore hold management meetings with the overall project managers and the heads of the compensation office departments in order to establish an overall view.

¹ "Governance audit of unemployment insurance" (audit mandate 17540), "Audit of the key ICT project ASALfutur" (audit mandates 19409 and 21304), available on the SFAO website

² Source: SECO, Statistics and labour market analyses, viewed on 17 November 2023; the figures represent the average value for the period under review. For bad weather compensation, the bad weather period from January to April 2023 was analysed

The SFAO recommended developing management-relevant parameters that allow the project sponsor a consolidated, objective and measurable view, including the development of project progress in the parent organisation.

Furthermore, the SFAO recommended expanding the existing portfolio management. In this way, resources can be comprehensively managed for operations and projects at the compensation office. This requires the dependencies between the projects and their impact on operations, and vice versa, to be mapped.

Deficiencies in project management must be urgently remedied, and the compensation office and the funds must better fulfil their professional responsibilities

In June 2023, the funds criticised various issues in connection with the partial introduction in their position papers. Those involved in the project itself also voiced criticism. This can be attributed to weaknesses in the project management, among other things. In addition, the lack of involvement and reactive behaviour from the parent organisation and the funds also had an impact on the situation. Cooperation between the line and project organisations is not sufficiently constructive. This is exacerbated by internal tensions in the compensation office.

There are a large number of bodies in which the technical and hierarchical competences required for decision-making are not always represented. In order to increase the reliability and clarity of decisions made, the project management must consciously request them and confirm the commitments made. Overall, there is a considerable need for action. Therefore, the SFAO made recommendations that focus in particular on ensuring that the compensation office and the funds assume greater technical responsibility.

The project is managed by two co-overall project managers, each entrusted with different tasks. However, tasks are not shared consistently enough, which means that they do not sufficiently take the pressure off each other. Furthermore, technical decisions are sometimes also made by the joint project management. The SFAO therefore made a recommendation to SECO to ensure that technical powers are not exceeded and that no compensatory activities are undertaken.

Original text in German