The HR LOB at the U.S. Office of Personnel Management continues to demonstrate leadership in transforming HR service delivery throughout the Federal Government. The selection of private sector shared service centers and the development of migration planning guidance for agencies are critical milestones for the HR LOB. I am pleased to share this month’s letter, which provides updates on the HR LOB.

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**HIGHLIGHTS FOR THE HR LOB**
- Hosted the Customer Council meeting on February 27
- Hosted the Multi-Agency Executive Strategy Committee (MAESC) meeting on March 4
- Hosted Shared Service Center Advisory Council (SSCAC) bi-weekly calls on March 4 and 18
- Hosted Payroll Benchmarking Workgroup meetings on March 6 and 20
- Released the Migration Planning Guidance version 2.0 for review on March 11
- Hosted the Learning and Development Advisory Council (LDAC) meeting on March 25
- Participated in the CHCO Council HR LOB Subcommittee meeting on March 25

**UPDATES ON THE HR LOB**
The HR LOB achieved significant progress in realizing its vision and goals during the first half of Fiscal Year (FY) 2008. Major milestones reached include the selection of four private-sector shared service centers and the development of the Migration Planning Guidance. The success of the HR LOB also is reflected by the recognition of Joe Campbell and Jeff Koch as Federal 100 award winners for their leadership and contributions to the Federal information technology market as “agents of change”. These awards demonstrate the impact of the HR LOB across the government. The full list of winners is available at [http://www.fcw.com/events/fed100/2008/winners_list.html](http://www.fcw.com/events/fed100/2008/winners_list.html).

In the second half of FY 2008 the HR LOB will begin new initiatives around benchmarking core HR and developing a concept of operations for separation management. The HR LOB looks forward to sharing more about its progress over the next few months.

This month’s letter includes updates on the Migration Planning Guidance, Federal Enterprise Architecture, Customer Council, MAESC, and Benchmarking, along with features on the Federal Case Studies report and e-Training. The CHCO Council’s HR LOB Subcommittee met recently to discuss the Migration Planning Guidance version 2.0 and how the HR LOB supports HR transformation at the agencies. These discussions reinforce the central role of the HR LOB in the Federal government’s transformation.

*(Updates on the HR LOB continued on page 2)*
Updates on the HR LOB

Migration Planning Guidance version 2.0 Released for Review

The draft HR LOB Migration Planning Guidance version 2.0 (MPG v2.0) was released for review on March 11 to the Chief Human Capital Officers (CHCO) Council HR LOB Subcommittee, MAESC, Customer Council, and Shared Service Center Advisory Council (SSCAC). The HR LOB Migration Planning Guidance (MPG) provides tools and guidance to agency human resources (HR) executives, their management teams, and staff to support migration of selected human resources functions to a public- or private-sector Shared Service Center (SSC).

Version 2.0 will contain “Section 6: Service Delivery”, a new section, which will include information about the public and private SSCs. The other significant change from version 1.0 is that “Section 4: Migration Guidelines” has been updated and renamed “Section 7: Selection Guidelines”. This section contains the Migration Competition Framework, along with additional information, tools and templates to assist in an agency’s selection of an SSC, e.g., Statement of Objectives template, Operational Capability Demonstration guidelines, Expanded Due Diligence checklist, and Sample Evaluation templates.

The final MPG v2.0 is expected to be completed in the April/May timeframe and will be posted on OPM’s website shortly thereafter. The current version of the MPG, version 1.0, is available on OPM’s Web site at http://www.opm.gov/egov/documents/mpg/.

Federal Enterprise Architecture — Service Component Model Revision

The HR LOB submitted an FEA Reference Model revisions based on the HR LOB Service Component Model (SCM) version 2 to OMB on February 26. The HR LOB SCM identifies HR services - service components - and proposes the means for providing them to its customers - service delivery. It provides a framework and vocabulary for guiding discussions between service providers and customer agencies and is meant to be a catalyst for true cross-agency collaboration. The HR LOB SCM is available on OPM’s Web site at http://www.opm.gov/egov/documents/architecture/#scm/.

OMB requests agencies and cross-government initiatives periodically submit proposed revisions to ensure the FEA Reference Models remain useful and relevant, reflecting new concepts, technologies, and priorities. The HR LOB submission included:

- 17 service components for the Service Type “Human Resources”
- 14 service components for the Service Type “Human Capital Management”
- 30 service components outside HR/HCM Service Types that support HR LOB Business Reference Model processes

For agencies interested in submitting revisions to OMB’s Consolidated Reference Model, the FEA Reference Model Revision Submission Form is available on OMB’s FEA Web site at http://www.whitehouse.gov/omb/egov/a-2-EAModelsNEW2.html.

February 2008 Customer Council Meeting

The Customer Council held its monthly meeting on February 27 at OPM. The council focused on two topics: the MPG v2.0 and private-sector SSC remediation plans. Bob Streeter from the General Services Administration (GSA) briefed the Customer Council on the private-sector SSC remediation plans including the Customer Council’s role in reviewing these plans. The Customer Council will meet on March 26 to address issues identified during their review.

(Updates on the HR LOB continued on page 3)
March 2008 MAESC Meeting— RetireEZ

OPM’s Tom O’Keefe presented an update on RetireEZ to the MAESC during its March 4 meeting. RetireEZ is a suite of tools which provides information on an employee’s projected retirement earnings, their health insurance, life insurance, Thrift Savings, and Social Security benefits. Wave One of RetireEZ went live with GSA on February 25. Tom explained that RetireEZ will bring SSCs, agencies, and annuitants online in waves. The next wave scheduled to come online is the United States Postal Service. This presentation provided a forum for agencies to ask questions about RetireEZ, and Tom agreed to present additional information at the April MAESC meeting.

Payroll Benchmarking

The HR LOB is currently designing and conducting a benchmarking study for SSCs, e-Payroll providers, and agencies. The benchmarking study consists of two phases: payroll and core HR. The HR LOB established a payroll benchmarking workgroup consisting of payroll subject matter experts to assist in the selection and development of the measures for the payroll survey.

The payroll workgroup has made excellent progress to date. The workgroup met on March 6 to finalize the detail and calculation for the “Payroll Provider Servicing Ratio” and begin defining “Cost” measures. Prior to the session, workgroup members were asked to provide any additional detail they would like included in the “Payroll Provider Servicing Ratio” and to provide examples of how their organization calculates cost. During the working session, the group prepared a final definition and calculation for “Payroll Provider Servicing Ratio” that has been submitted to the HR LOB PMO for final approval.

Each member also discussed their organization’s approach to calculating cost and the workgroup prepared a draft of the “Cost” components that will be reviewed at their next meeting. The workgroup also met on March 20 to continue defining the measurement detail and calculations for the “Cost” measures.

Federal Case Studies

The Federal Case Studies report presents two case studies showcasing Federal HR success stories. In advance of its publication on the HR LOB Web site, we plan to share excerpts from the report in this and future Communications Letters.

This second excerpt from the “Improving Federal Hiring Practices and Service Delivery” case study, summarizes some of the practices that have been put into place to improve hiring results at the Department of Agriculture.

The Department of Agriculture hires thousands of employees per year for positions spanning more than 300 occupational codes. Accurate workforce forecasting can be very challenging because of the agency’s complex, multifaceted mission and its cyclical operational cycle. One of USDA’s critical management initiatives, according to its Strategic Plan for fiscal years 2005 through 2010, is to “use workforce planning and hiring flexibilities to recruit, retain, and reward employees, while developing a high-performing and accountable workforce.”

A key priority for senior leadership was to migrate from a rigid policy-driven recruitment process to a more strategic approach fully leveraging available hiring flexibilities. USDA leverages OPM’s Career Patterns strategies to assist agencies in 1) identifying appropriate applicant pools and candidates for specific positions; 2) building environments that would attract specific applicant pools; and 3) designing vacancy announcements to market USDA in a way that attracts its target audience. To effectively market the USDA to new candidate pools, the agency offers all available hiring, pay setting, and incentive flexibilities afforded it by OPM policy. (Federal Case Studies continued on page 4)
The department has also developed and deployed a marketing strategy aimed at potential candidates. USDA’s results from the CHCO Management Satisfaction Survey shows high satisfaction toward the department’s ability to leverage hiring flexibilities to produce a quality pool of candidates. USDA leadership attributes a great deal of the agency’s recent improvements in attracting and acquiring talent to one simple factor – accountability. USDA senior leadership stresses the importance of identifying and hiring talent and refuses to place all of the obligation on Human Resources. At the agency, selecting officials are held equally accountable in the hiring process and contribute to shared ownership and reduced cycles. To ensure bottlenecks are identified and eliminated, USDA continuously performs agency-specific performance audits. Hiring metrics and audit results provide critical input into applicable HR personnel and hiring managers’ performance evaluations. The result is a shared ownership of the process.

The full case study will be available in the Federal Case Studies report. Next month’s Communications Letter will include an excerpt from the “Evaluating and Improving Performance Management Systems” case study, which describes the practices and systems that have been put into place to improve the employee appraisal process and lay the foundation for improved performance management at the Department of Defense.

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**E-TRAINING**

The e-Training Initiative continues to move forward and supports two goals. The first goal, supported in partnership with OMB, is monitoring and guiding Federal agency migrations to Training Service Provider-contracted courses and interoperable Learning Management and Learning Content Management Systems (LMS/LCMS). Agencies’ efforts to migrate have been largely successful, with 23 of 26 scorecard agencies completing the process to date. The second goal of the e-Training Initiative, supported by OPM’s Learning and Development Advisory Council, is to help the CHCOC Learning and Development Subcommittee identify innovative training methods, learning standards, and learning best practices in the public and private sectors.

To further showcase e-Training Service Providers and the cutting-edge technologies and training services they offer, OPM’s Strategic Human Resources Policy (SHRP) division and the National Technical Information Service (NTIS) co-hosted a Federal learning Webinar on March 13. The Webinar was attended by 38 agencies and all of the Training Service Providers, who each presented a summary of their training service offerings. This was an excellent opportunity for agencies to learn about the options and choices available to meet OMB requirements for Learning Management System and Knowledge Solutions for training, evaluation, and tracking. The Webinar was recorded and will be available again in April. Invitations will be extended through the LDAC, OPM’s Policy Council, and NTIS. For more information please visit the NTIS Web site at [http://www.ntis.gov/](http://www.ntis.gov/).

The March 25 LDAC meeting will feature the American Society for Training and Development (ASTD) private-sector Work Place Performance Scorecard (WLP Scorecard) and ASTD Competency Models for Learning and Performance. These products offer benchmarking and decision support tools to measure the effectiveness of training. Further information on the WLP Scorecard is available at [http://www.astd.org/content/research/WLPscorecard/](http://www.astd.org/content/research/WLPscorecard/) and information on the Competency Models for Learning and Performance is available at [http://www.astd.org/content/research/competencyStudy.htm](http://www.astd.org/content/research/competencyStudy.htm).

The June 24, 2008 LDAC meeting will include a National Defense University (NDU) presentation on the Federal Consortium for Virtual Worlds and an International Business Machines (IBM) presentation on the use of Virtual Worlds technology to support global training. For more information on the Federal Consortium for Virtual Worlds please visit [http://www.ndu.edu/irmc/fedconsortium.html](http://www.ndu.edu/irmc/fedconsortium.html).
WEB SITE UPDATES

A number of important documents are now available on the HR LOB Web site http://www.opm.gov/egov.

The HR LOB Target Requirements for Shared Service Centers version 3.0 has been posted to the Web site at http://www.opm.gov/egov/documents/requirements/. The document provides all core and non-core requirements for the Human Resources Line of Business based on changes to policy and the recommendations of Federal agencies.

The February 2008 edition of the HR LOB Communications Letter has been developed and posted to the Web site at http://www.opm.gov/egov/news_info/communications/index.asp. The purpose of the HR LOB Communications Letter is to provide stakeholders with monthly updates on the progress of the HR LOB initiative.

The “Case Study: OPM Transforms Federal HR with Enterprise Architecture – Human Resources Line of Business Uses EA to transform Federal Human Resources” is available on OMB’s Web site at http://www.whitehouse.gov/omb/egov/a-2-EAProfilesNEW2.html. The case study documents how the HR LOB is using EA to drive Federal HR transformation by defining shared services-based service delivery expectations for agencies and SSCs.

UPCOMING EVENTS

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<tr>
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<tr>
<td>April 1, 2008</td>
<td>Multi-Agency Executive Strategy Committee (MAESC) monthly meeting</td>
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<td>April 2, 2008</td>
<td>Customer Council monthly meeting</td>
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<td>April 3, 2008</td>
<td>Payroll Benchmarking Workgroup meeting</td>
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<td>April 8-9, 2008</td>
<td>Shared Service Center Advisory Council (SSCAC) conference</td>
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<td>April 17, 2008</td>
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<td>April 30, 2008</td>
<td>Customer Council monthly meeting</td>
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<td>May 6, 2008</td>
<td>Multi-Agency Executive Strategy Committee (MAESC) monthly meeting</td>
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<td>May 28, 2008</td>
<td>Joint Customer Council-SSCAC meeting</td>
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LOB IN THE NEWS

Federal Computer Week: Springer touts OPM’s strategic plan for next two years

Federal Computer Week: OMB’s latest e-gov report shows continued effects on agencies, citizens
The Office of Management and Budget is touting its most recent e-government benefits report as the most transparent demonstration ever of the effect of the 25 projects and nine lines of business. (http://www.fcw.com/online/news/151654-1.html)

Federal Computer Week: OPM makes it easier to retire
The Office of Personnel Management is providing about 26,000 employees at four agencies the easy way out. That is, for those federal workers ready to retire, OPM launched RetireEZ today. (http://www.fcw.com/online/news/151743-1.html)
The vision of the HR LOB is Governmentwide, modern, cost-effective, standardized, and interoperable HR solutions providing common, core functionality to support the strategic management of human capital that will address duplicative and redundant HR systems and processes across the Federal government. The goals of the HR LOB initiative are to allow the Federal civilian HR workforce to focus on providing improved management, operational efficiencies, cost savings or avoidance, and improved customer service.

The HR LOB common solution takes a phased approach to delivering HR services through shared service centers based on common, reusable architecture that leverage open architecture concepts. These solutions will enable the Federal Government to standardize HR business functions and processes, as well as the systems that support them. The HR LOB common solution will enable a shift in emphasis within the agencies from administrative processing to customer service and strategic planning.

The shared service center approach is designed to encourage competition among Federal- and private-sector providers, and to maximize private-sector involvement; this competition, in turn, should result in improved quality, efficiency, and customer satisfaction. Economies of scale will help reduce costs and improve efficiencies. A focus on performance results will improve quality and customer satisfaction.

### HR LOB Key Points of Contact

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<tr>
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