

# Human Capital Business Reference Model (HCBRM)

Defining the end-to-end lifecycle of Federal Government Human Capital Management (HCM), including functional categorization & definitions

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**Human Resource Line of Business (HRLOB)**

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### Federal Functions

#### F1 Federal Human Capital Leadership

Establish government-wide Human Capital framework and environment to support agencies, focusing on current and emerging priorities; manage, direct, and develop enterprise Human Capital shared services offerings; and manage human capital laws and regulations.

##### F1.1 Federal Human Capital Regulation and Policy

Federal Human Capital Regulation and Policy provides government-wide leadership and direction in the strategic management of the federal workforce through regulations, guidance, and notices.

##### F1.2 Human Capital Service Delivery Management

Human Capital Service Delivery Management refers to the design of a set of systems for assessing the management of human capital by federal agencies and aligning human capital strategies with the missions, goals, and organizational objectives of those agencies.

#### F2 Federal Oversight and Evaluation

Create, implement, and maintain comprehensive evaluation practices and standards for agencies' Human Capital management programs and operations, supporting mission accomplishment that is effective, efficient, and in compliance with law.

##### F2.1 Human Capital Strategic and Operational Oversight

Human Capital Strategic and Operational Oversight fosters agency human capital strategic plans which are driving the organization's established goals and objectives while also promoting agency human capital operations and processes to meet performance targets for service effectiveness and efficiency.

##### F2.2 Human Capital Evaluation

Human Capital Evaluation involves reviewing agency human resources management programs and practices, including whether they are consistent with merit system principles, and reporting to the head of the agency and the President on the effectiveness of these programs and practices.

##### F2.3 Human Capital Agency Guidance and Evaluation Development

Human Capital Agency Guidance and Evaluation Development provides specific guidance and training to the agencies to facilitate Human Capital management programs and operations that are executed, monitored, and evaluated in accordance with law.

### F3 Federal Vetting

The process by which covered individuals undergo investigation, evaluation, and adjudication of whether they are, and remain over time, suitable or fit for Federal employment, eligible to occupy a sensitive position, eligible for access to classified information, eligible to serve as a nonappropriated fund employee or a contractor, eligible to serve in the military, or authorized to be issued a Federal credential.

#### F3.1 Vetting Standards and Oversight

Vetting, Standards and Oversight is where OPM jointly with the Office of the Director of National Intelligence, establishes investigative standards for the background investigations used to determine suitability or fitness for federal employment, fitness to perform work under a government contract, eligibility for access to classified information, eligibility to hold a federal position that is otherwise national security sensitive, and eligibility for logical or physical access to federal systems and facilities.

#### F3.2 Suitability and Fitness

Suitability and Fitness is the function in which OPM helps deliver a trustworthy workforce by establishing minimum adjudicative criteria and other guidance regarding suitability and fitness determinations for employment in the civil service, adjudicating reserved cases, and overseeing delegated adjudicative authority. For select cases, OPM makes government-wide suitability and fitness actions.

#### F3.3 Credentialing

Credentialing includes developing standards for unfavorable determinations of eligibility for a Personal Identify Verification (PIV) credential to include procedures for denying or revoking eligibility, reconsideration of unfavorable determinations, and rendering the PIV credential inoperable; develop standards and procedures for suspending eligibility for a PIV credential when there is a reasonable basis to believe there may be an unacceptable risk, inquiry or investigation; and develop guidelines and instructions for heads of agencies as necessary to facilitate appropriate uniformity, centralization, efficiency, effectiveness, and timeliness in processes relating to eligibility for a PIV credential.

#### F3.4 Background Investigation Operations

Background Investigation Operations conducts background investigations to safeguard the integrity and trustworthiness of the federal workforce and provides investigative systems, investigator, and adjudicator training.

### F4 Federal Benefits

Administers insurance and tax-saving benefits for federal employees, retirees, and other eligible individuals plus their family members, from negotiating benefits to providing counseling services and Federal Benefits Open Season information to agencies.

#### F4.1 Benefit Program Administration and Oversight

Benefit Program Administration and Oversight includes negotiating benefits, monitoring performance, and monitoring contractual obligations for health insurance, life insurance, dental and vision insurance, long-term care insurance, and flexible spending accounts.

#### F4.2 Benefits Enrollment

Benefits Enrollment provides the oversight of the enrollment process, including preparing materials for the annual Federal Benefits Open Season, such as benefit brochures, a health plan comparison tool, and information on the OPM website.

#### F4.3 Agency Benefits Counseling

Agency Benefits Counseling includes providing instructions and guidance to federal agencies on administering the various insurance programs, including implementation of new laws, regulations, policies, and procedures.

#### F4.4 Miscellaneous Benefits

Miscellaneous Benefits refer to OPM administering other benefit programs unrelated to insurance.

### F5 Federal Retirement

Administers insurance and tax-saving benefits and retirement services for federal employees, retirees, survivors, and their families.

#### F5.1 Pre-Retirement Activities

Pre-Retirement Activities provides advice and direction to Federal agencies to prepare the workforce for retirement employee pre-retirement issues and to improve the quality of retirement applications prior to agency submission.

#### F5.2 Retirement Case Processing

Retirement Case Processing processes submitted retirement applications and determines the appropriate amount of monthly annuity payments.

### F5.3 Post-Retirement Customer Service

Post-Retirement Customer Service provides ongoing customer service to annuitant's post-retirement, overseeing monthly payments, addressing account changes, and validating continued eligibility through program integrity measures.

## Enabling Functions

### A1 Agency Human Capital Strategy Policies & Operation Plan

Develop effective human capital management strategies, policies, and plans to support the agency in managing a high quality, productive, and diverse workforce focused on results and aligned with agency missions, goals, and objectives in accordance with merit system principles.

#### A1.1 Human Capital Strategy

A Human Capital Strategy is an agency’s action plan for how it will achieve the human capital goals outlined in the Agency’s Strategic Plan (ASP) and is aligned and integrated with the Annual Performance Plan (APP) and relevant budget, finance, and acquisition plans. The strategy also sets forth an integrated process that implements the systems (Strategic Planning and Alignment, Talent Management, Performance Culture, Evaluation) of the Human Capital Framework (HCF).

The strategy must rely upon the principles of the HCF (including the agency’s workforce planning process) to identify the current and future workforce skills needed. The foresight process may be integrated into the overall strategy to understand future trends and drivers impacting the agency’s workforce. The strategy is then operationalized within an agency’s Human Capital Operating Plan, which describes how an agency will execute the human capital elements stated within its ASP and APP.

#### A1.2 Workforce Planning

Workforce Planning is the systematic process of analyzing and assessing to set targets for mitigate the gaps between the workforce of today and the mission and human capital needs of tomorrow. Effective workforce planning enables an organization to:

- Align human capital needs directly to the agency’s strategic plan, annual budget and performance plans, human capital strategy, and operating plans.
- Develop a comprehensive picture of staffing level gaps, current competency gaps, and future competency gaps.
- Identify and implement strategies to close workforce gaps (e.g., restructure, resize, re-skill, recruit, and hire).
- Use data to make workforce decisions and recommendations.
- Identify actions to overcome internal and external barriers to accomplishing strategic human capital and agency business goals.

#### A1.3 Position Classification and Position Management

Position Classification is a process through which Federal jobs (i.e., positions) are assigned to a pay system, series, title, and grade or band, based on consistent application of position classification standards or job

grading standards. Position Management entails a carefully designed position structure that blends the skills and assignments of employees with the strategic mission and objectives of the organization.

### A1.4 Employee Engagement

Employee Engagement is the function through which Agencies develop and execute policies, programs, and/or strategies to motivate and empower employees to perform their work with a sense of purpose, accomplishment, and attachment to their organization and its mission.

## A10 Agency Human Capital Evaluation

Assess results achieved across all Human Capital Management systems in support of mission goals to identify and implement improvements and enable HC activities consistent with law and support merit system principles.

### A10.1 Human Capital Programmatic Evaluation

Human Capital Programmatic Evaluation refers to an agency's self-assessment and impact evaluation of its human capital strategy, services, and practices to improve its return on human capital investment, quality, efficiency, and employee satisfaction.



## Employee Lifecycle Functions

### A2 Talent Acquisition

Establish internal programs and procedures for attracting, recruiting, assessing, and selecting employees with the right skills and competencies, from all segments of society, in accordance with merit system principles.

#### A2.1 Talent Acquisition Management

Talent Acquisition Management includes aligning the workforce plan to business unit strategies/resource needs by identifying the job and assessments, undertaking position designations, recruiting and/or announcing the job, accepting, and reviewing applications, assessing applicants, certifying eligible candidates, making selections, and auditing the hiring action/record keeping.

#### A2.2 Candidate Sourcing and Recruitment

Candidate Sourcing and Recruitment is the process of attracting strong applicants prepared to perform successfully on the job. Agencies should recruit qualified individuals from appropriate sources in an endeavor to achieve a workforce from all segments of society.

#### A2.3 Candidate Assessment and Selection

Candidate Assessment and Selection includes developing and implementing general or customized tests, structured interviews, and other assessments to determine qualification for the position and evaluate candidates with regard to their relative levels of knowledge, skills, and abilities.

#### A2.4 Applicant Screening, Reciprocity, Investigation Request

Applicant Screening, Reciprocity, and Investigation Requests includes screening applicants for potential issues of suitability concerns; validating the need for an investigation or adjudication in light of law or policy issued by the applicable Executive Agent(s) that background investigations and adjudications shall be mutually and reciprocally accepted by agencies; and, if an agency determines an investigation must be conducted, initiating the Electronic Questionnaires for Investigations Processing (e-QIP or e-App) system and forward to National Background Investigations Bureau (NBIB) for investigation once the e-QIP/e-App application information is validated and complete.

#### A2.5 Vetting Adjudication

Vetting Adjudication is a process based on a completed background investigation. Agencies will make a suitability, fitness, national security, and/or credentialing adjudication, and report final adjudication to the Central Verification System (government adjudication and clearance system).

### A2.6 New Hire In-processing and Onboarding

New Hire In-Processing includes hiring a candidate and managing and automating in-processing forms. Onboarding is the process of integrating new employees into an organization and equipping them to become successful and productive.

## A3 Talent Development

Implement and maintain comprehensive employee development and engagement programs to meet current and future talent demands of the agency and to develop and retain quality, high performing, and diverse talent.

### A3.1 Talent Development Planning

Talent Development Planning cultivates a continuous learning and development environment so that an agency's workforce can adapt to constant change, internal restructuring, and/or adaptations that affect how work is performed. Talent Development activities are aligned to an agency's Talent Management process to facilitate succession planning and retention as the organizational philosophy versus possessing the mindset of replacing the required skills sets. The integration of Talent Development with Talent Management includes the analysis of workforce data to determine how an agency will meet its needs through the development/re-development of talent who possess' the required skills.

### A3.2 Talent Development and Training

Talent Development and Training is the creation and delivery of learning resources and opportunities increasing the employees' capacity to successfully perform in their roles and advance their careers.

### A3.3 Learning Administration

Learning Administration is the management and administration of agency talent development processes and programs.

## A4 Employee Performance

Create, implement, and maintain comprehensive employee performance management practices, programs, and activities that support mission objectives.

### A4.1 Employee Performance Management

Employee Performance Management is the systematic process by which an agency involves its employees, as individuals and members of a group, in improving organizational effectiveness in the accomplishment of agency mission and goals. This includes, but is not limited to, setting standards and conducting appraisals.

### A4.2 Recognition Management

Recognition Management involves defining appropriate types of recognition (e.g., cash, non-monetary, honor awards), analyzing current recognition and reward programs and practices so they are aligned to organizational business and people strategies and motivate individual/team/organizational achievement so that award criteria are sufficiently met.

### A4.3 Performance Appraisal System Certification for SES and SL/ST

SES and SL/ST Performance Appraisal System Certification is the process through which OPM, with OMB concurrence, certifies that an SES or SL/ST appraisal system, as designed and applied, makes meaningful distinctions based on relative performance, and the system's design, application, and administration meet the certification criteria. Certification authorizes an agency's use of a higher maximum pay cap and aggregate pay limit than would otherwise apply to senior employees covered by the applicable appraisal system.

## A5 Compensation and Benefits

Design, develop, and implement compensation, benefits, and retention programs to support agency mission and workforce strategy.

### A5.1 Compensation Management

Compensation Management designs, develops, and implements compensation policies and programs that attract, retain, and compensate employees in accordance with law and regulations; develops and implements strategic and cost effective use of pay flexibilities to address agency recruitment and retention needs in support of their missions and goals; coordinates with appropriate organizations to promote policies, programs, and human resources, payroll, and time and attendance systems which support accurate and timely benefits for employees.

Note: Federal civilian employees may be subject to compensation provisions in lieu of, or in addition to, the authorities listed below. For example, some agencies have independent statutory authority to fix compensation without regard to provisions of title 5, United States Code. Agencies may revise or supplement this list of authorities, as appropriate.

### A5.2 Work Schedule and Leave Management

Work Schedule and Leave Management designs, develops, and implements leave and work schedule policies and programs that attract, retain, and meet the work-life needs of employees in accordance with law and regulations. Develops and implements policies to administer leave and work schedules in support of agency missions and goals. Coordinates with organizations to provide for the appropriate conveyance of policies, programs, human resources, payroll, and time and attendance systems supporting accurate and timely benefits for employees.

Note: Federal civilian employees may be subject to leave and work schedule provisions in lieu of or in addition to the authorities listed below. For example, some agencies have independent statutory authority to fix leave and work schedule benefits without regard to provisions of Title 5, United States Code. Agencies may revise or supplement this list of authorities, as appropriate.

### A5.3 Benefits Management

Benefits Management is a collaborative process of establishing and maintaining a quality and competitive portfolio of insurance and tax-saving benefits for federal employees, retirees, and their families. The portfolio of benefits includes health insurance, life insurance, dental and vision insurance, long-term care insurance, and flexible spending accounts. Management includes administering and negotiating various contracts and oversight of day-to-day program activities, contract performance, customer service, and conducting Open Season. Program quality, competition, and innovation are maintained and improved through a continuous review and development of effective strategies, goals, and policies.

### A5.4 Work-Life Wellness / Employee Assistance Programming

Work-life Wellness is the business practice of creating a flexible, supportive environment to engage employees and maximize organizational performance. Key work-life programs offered to federal employees include worksite health and wellness, Employee Assistance Programs, workplace flexibilities, telework, and dependent care, to name a few.

## A6 Separation and Retirement

Conduct efficient and accurate Human Capital processing actions in support of employee separations and retirement.

### A6.1 Separation Counseling

Separation Counseling involves determining the terms, entitlements, and benefits options of separation (e.g., leave balance payout or transfer of account, severance, pension, and Temporary Continuation of Coverage) and conducting counseling activities, when appropriate or requested, to assist the separating employee and/or his or her family with the transition and helping complete necessary documents.

### A6.2 Retirement Planning and Processing

Retirement Planning and Processing includes retirement counseling between the HR department and the prospective retiree and retirement application processing (which includes input from the prospective retiree, HR, and payroll).

## Supporting Functions

### A7 Employee Accountability

Design, develop, and implement programs to support mission effectiveness through employee accountability and reviewing the background of a covered individual at any time to determine whether that individual continues to meet applicable requirements.

#### A7.1 Employee Accountability for Conduct and Performance

Employee Accountability for Conduct and Performance involves developing and delivering policies, procedures, and guidance for addressing employee conduct or behavior that detracts from the efficiency of the service or employee performance that fails to meet established performance standards in one or more critical elements of such employee’s position.

#### A7.2 Administrative Grievances and Third-Party Proceedings

Administrative Grievances and Third-Party Proceedings refer to the processes and procedures (e.g., mediation, fact finding, ombudsman meeting, dispute panels, and facilitated discussion) agencies use to objectively review and resolve employee concerns or dissatisfaction relating to working conditions or employment decisions for non-bargaining unit employees or for bargaining unit employees where such matters are not covered by a collective bargaining negotiated grievance procedure, including engagement in alternative methods of dispute resolution, as appropriate.

#### A7.3 Reasonable Accommodations

Reasonable Accommodation refers to formal procedures for handling requests for an adjustment or change to some aspect of one’s job or benefit of employment for reasons related to a disability or medical condition, and available provisions that make it easier for an employee to successfully perform the essential functions of his or her position.

### A8 Labor Relations

Manage the relationship between the agency and the respective management associations and unions.

#### A8.1 Labor Management Relations Administration

Labor Management Relations Administration is the establishment of an environment and resources conducive for ongoing communication between management and labor organizations representing Federal employees, as well as the performance of routine activities in support of Labor Management Relations. Labor Management Relations Program Administration may also involve consulting and communicating with non-labor organizations whose members are Federal employees and with other organizations on matters related to agency operations and personnel management. Such consultations and communications do not

take on the character of negotiations or consultations regarding conditions of employment of bargaining unit employees.

### A8.2 Negotiated Grievances and Third-Party Proceedings

Negotiated Grievances and Third-Party Proceedings refer to the procedures and guidelines to be followed by employees, management, and/or the union when resolving complaints or disputes concerning a claimed breach of the collective bargaining agreement, or any claimed violation, misinterpretation, or misapplication of Chapter 71 of Title 5 of the United States Code. For any grievance not satisfactorily settled under the negotiated grievance procedures, agency management and unions may voluntarily elect to settle disputes informally (e.g., through the alternative dispute resolution (ADR)) and/or invoke arbitration for the case to be heard before a third-party arbitrator who will make a final and binding decision.

### A8.3 Collective Bargaining

Collective Bargaining refers to the mutual obligation between parties (an agency representative and the exclusive representative of employees) to consult and bargain in a good-faith effort to reach an agreement concerning conditions of employment and implementation of the agreement.

## A9 Human Capital Analytics and Employee Records

Implement a systematic, flexible, and inclusive process to review workforce and performance data, metrics, and results, to anticipate and plan for future strategic and operational requirements, and to make holistically-informed Human Capital Management decisions.

### A9.1 Employee Inquiry Processing

Employee Inquiry Processing refers to the process of handling, responding to, and maintaining information associated with employee questions, concerns, complaints, or suggestions.

### A9.2 Employee Research

Employee Research involves the use of surveys, focus groups, and other data-gathering methods to reveal the attitudes, opinions, and feelings of employees that could influence the organization.

### A9.3 Human Capital Analytics

Human Capital Analytics provide evidence-based metrics allowing government-wide and agency leadership to enhance recruitment, staffing, training and development, and facilitate compensation and benefits modeling, as well as the application of statistical models on such human resources issues as retention rates, time to onboard, retirement trends and employee engagement.

### A9.4 Human Capital Reporting

Human Capital Reporting involves communicating organizational composition, resources utilization, and/or achievements data to relevant stakeholders to inform goal creation and drive positive change.

### A9.5 Employee Records Recordkeeping

Employee Records Recordkeeping encompasses the operational activities related to creating, receiving, maintaining, and using active employee records as well as applicable policies and procedures.

### Cross Cutting Function

#### X1 Personnel Action Request (PAR) Processing

Personnel Action Request (PAR) Process documents an employee's Federal employment by recording the data required by OPM and the Agency human resources offices to make decisions about employees' rights and benefits throughout their careers (The Guide to Processing Personnel Actions (GPPA)). PAR Processing includes preparing, processing, and documenting the personnel actions in the Official Personnel Folder (including an approved electronic equivalent) for all types of appointments and personnel actions, including the legal authority governing the action taken. Note however that in no case may an agency document derogatory or medical information on a personnel action if the information is not authorized in the GPPA. The range of personnel actions can be found in the Guide to Processing Personnel Actions and includes a cross-section of actions required for Talent Acquisition, Employee Performance Management, Compensation and Benefits, Separation and Retirement, Employee Accountability, and Labor Relations.