

HR LINE OF BUSINESS

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SIGNIFICANT EVENTS

- Hosted Multi-Agency Executive Strategy Committee (MAESC) meetings on January 8 and February 5, 2013
- Hosted Shared Services Advisory Council (SSCAC) Tri-Annual Meeting on April 16 - 17, and hosted monthly teleconferences on January 15, February 19, and March 19, 2013
- Hosted HRIT Strategic Planning Session with the MAESC on March 5, 2013
- Hosted Chief Human Capital Officers (CHCO) Working Group HRIT Strategic Planning Sessions on HRIT Consolidation on February 25 and March 18, 2013
- Hosted an FY 2011 Cost Benefit Analysis (CBA) Conference Call Review with the MAESC and SSCAC on February 21, 2013

HR LOB HIGHLIGHTS

Effective in January 2013, the HR LOB transitioned to OPM's Planning & Policy Analysis (PPA) organization. As a part of this transition, the HR LOB welcomed the following new MAESC co-chairs: Angela Bailey, OPM Associate Director of Employee Services (ES), Jon Foley, OPM Director of PPA, and Chuck Simpson, Acting OPM CIO. Bernhard Kluger will be Acting HR LOB Program Director until a final candidate is announced, while Anita Murray is currently serving as Acting HR LOB Program Manager.

The HR LOB achieved a number of successes in its first decade of existence with the establishment of Federal HR and payroll providers, development of the HRIT Modernization Roadmap, and realized cost savings captured in the FY 2011 CBA study. The HR LOB is continually touted by the Office of Management and Budget (OMB) as an exemplary Federal Line of Business (LOB). In an effort to build on these successes, the HR LOB will facilitate the design of an HRIT Strategic Plan to position the initiative for a new decade of accomplishment. The HR LOB will look to develop a new HRIT vision, expand cost savings, and increase performance measurement with this Strategic Plan.

In support of developing the HRIT Strategic Plan, two parallel strategic planning tracks, comprised of Federal HR leaders and HR LOB stakeholders, have been established. A CHCO Working Group was formed to assist in outlining the new HRIT strategic vision and address opportunities for HRIT consolidation. Additionally, a MAESC / SSC track was formed to garner agency and SSC stakeholder support and input for the HRIT Strategic Plan. These strategic planning sessions were held in OPM's Innovation Lab and have generated discussion on HRIT strategic objectives, challenges of affected stakeholders, and the role of IT systems in agency and SSC HR departments. The focuses of these sessions will continue to evolve based on outcomes and issues identified by both tracks of stakeholder groups.

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HR LOB HIGHLIGHTS

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The HR LOB will support the construction of the HRIT Strategic Plan through September 2013, when a final version of the Strategic Plan will be disseminated. Stakeholder engagement in formulating the HRIT Strategic Plan is essential to the success of the HR LOB initiative. We appreciate the efforts of our stakeholder groups to contribute to the development of this Strategic Plan and to a new decade of success for the HR LOB.

The HR LOB held a conference call with stakeholders on February 21, 2013 to review the approved FY 2011 HR LOB CBA report. The HR LOB engaged in an extensive update of its CBA study to quantify the significant benefits of moving to shared services for agencies, SSCs, and the Federal government. The FY 2011 HR LOB CBA study calculates that the migration of Federal agencies to HR SSCs and payroll providers will result in \$1.625B in cost savings and avoidance for the Federal government through FY 2015, with over \$184M of cost savings realized each year after FY 2015. The FY 2011 HR LOB CBA Report, which provides further details about the CBA methodology and results, is available on the OPM website at <http://www.opm.gov/services-for-agencies/hr-line-of-business/cost-benefit-analysis/fy-2011-cost-benefit-analysis-report.pdf>.

The remainder of this HR LOB Communications Letter provides updates on our current workstreams for FY 2013. Please take time to review details of the Provider Assessment, the Agency HR and Payroll Benchmarking studies, HR LOB Agency Alignment Statistics, and updated MAESC member roles and responsibilities. If you have any questions, please email the HR LOB at HRLOB@opm.gov.

Upcoming HR LOB Communications Letter Highlights: Look out for updates on the formulation of the HRIT Strategic Plan in the next issue of the HR LOB Communications Letter.

WORKSTREAM UPDATES

Provider Assessment

The HR LOB is currently in the data collection and analysis phase of the Provider Assessment. The deadlines for Provider Questionnaire submissions from the SSCs were March 1, 2013, for Part One and April 12, 2013, for Part 2. The HR LOB thanks those who assisted us in compiling the Customer Questionnaire respondent population. We compiled a population of nearly 3,200 potential respondents, and received over 1,500 responses. We have completed the analysis of the Customer Questionnaire responses and have begun the analysis of the Provider Questionnaire responses in order to begin generating the 2013 Provider Assessment reports.

Agency HR and Payroll Benchmarking studies

The HR LOB is currently drafting reports for the 2013 Agency HR Benchmarking Study. The HR LOB submitted initial individual agency reports to each agency for review. Finalized individual agency reports will be provided to each agency, and a public version of the report containing the aggregate results will be posted to the OPM website.

The HR LOB 2013 Payroll Benchmarking Study data call closed on March 15, 2013. The HR LOB is now in the data analysis phase of the study and will begin drafting seven reports in mid April 2013. There will be one report for each provider, an overall HR LOB report, and a public version for the MAESC that will be posted on the OPM website in May 2013.

HR LOB Agency Alignment Statistics

The HR LOB continues to update our agency alignment statistics to capture the current landscape of agency alignment to HR and payroll providers. Our recently updated statistics now show that **99.2 percent** of Federal agencies are serviced by a Federal payroll provider, and **82.5 percent** of Federal agencies are serviced by or are in the process of

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WORKSTREAM UPDATES

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migrating to a Federal HR SSC. The percentage of Federal agencies migrating to a Federal HR SSC has increased 7 percent since the HR LOB's previous update, showing great strides in the movement of agencies to shared services. Additionally, the HR LOB launched an effort to gain better insight into the HR Operations support services provided by the Federal SSCs. The HR LOB conducted informational meetings with several SSCs who provide HR Operations support services to learn more about the specific services that they perform and about the customer base that they support. The HR LOB will incorporate this information into our existing agency alignment statistics to provide a clearer picture of the Federal agency alignment landscape. Furthermore, the HR LOB plans to work with the SSCs to identify areas of opportunity in the realm of HR Operations support services. The HR LOB will share findings with stakeholders in the future.

MAESC Member Roles and Responsibilities

Based on a growing number of new members to the MAESC, the HR LOB developed a MAESC Onboarding Checklist to provide a robust description of MAESC member roles and responsibilities, the vision of the HR LOB, and additional administrative tasks to be completed by new members. The MAESC Onboarding Checklist can be found on the HR LOB Google site at <https://sites.google.com/a/gsa.gov/hrlob/maesc-workspace/february-5-2013-maesc-meeting>

Please take time to review the "Upcoming Events" table below for a schedule of upcoming governance meetings.

UPCOMING EVENTS

DATE	EVENT
May 7, 2013	Multi-Agency Executive Strategy Committee (MAESC) Meeting
May 20, 2013	Chief Human Capital Officers (CHCO) HRIT Consolidation Working Group Meeting
May 21, 2013	Shared Service Center Advisory Council (SSCAC) Monthly Call
June 4, 2013	Multi-Agency Executive Strategy Committee (MAESC) Meeting
June 18, 2013	Shared Service Center Advisory Council (SSCAC) Monthly Call
July 9, 2013	Shared Service Center Advisory Council (SSCAC) Monthly Call
July 16, 2013	Multi-Agency Executive Strategy Committee (MAESC) Meeting
August 20 - 21, 2013	Shared Service Center Advisory Council (SSCAC) Tri-Annual Meeting <i>*Tentative</i>
September 10, 2013	Multi-Agency Executive Strategy Committee (MAESC) Meeting

MIGRATION SCORECARD

The migration scorecard below shows the current migration status of the MAESC agencies to HR SSCs. As of the present date, three MAESC agencies have not selected or initiated a migration to an HR SSC. Currently, 99.2 percent of Federal agencies are serviced by a Federal payroll provider and 82.5 percent are serviced by or are in the process of migrating to a Federal HR SSC.

Agency Name	HR Migration Status
Department of Agriculture	In Progress
Department of Commerce	In Progress
Department of Defense	Complete
Department of Education	Complete
Department of Energy	Not Initiated
Department of Health and Human Services	In Progress
Department of Homeland Security	In Progress
Department of Housing and Urban Development	Complete
Department of the Interior	Complete
Department of Justice	Not Initiated
Department of Labor	In Progress
Department of State	Not Initiated
Department of Transportation	Complete
Department of the Treasury	Complete
Department of Veterans Affairs	In Progress
Environmental Protection Agency	In Progress
General Services Administration	Complete
National Aeronautics and Space Administration	Complete
National Science Foundation	Complete
Office of Management and Budget	Complete
Office of Personnel Management	Complete
Social Security Administration	Complete
US Agency for International Development	Complete

Please see the following links for more information on:

- Migration Planning Guidance: <http://www.opm.gov/services-for-agencies/hr-line-of-business/migration-planning-guidance/>
- Approved HR LOB SSCs: <http://www.opm.gov/services-for-agencies/hr-line-of-business/migration-planning-guidance/service-delivery/>
- Exception Business Case Template: <http://www.opm.gov/services-for-agencies/hr-line-of-business/migration-planning-guidance/attachmenta.pdf>

ABOUT THE HR LINE OF BUSINESS

The vision of the HR LOB is government-wide, modern, cost-effective, standardized, and interoperable HR solutions providing common, core functionality to support the strategic management of human capital in addressing duplicative and redundant HR systems and processes across the Federal government. The goal of the HR LOB initiative is 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 leverages 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

AREA	NAME	PHONE	EMAIL
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FOR MORE INFORMATION VISIT US ON THE WEB:

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