

HR LINE OF BUSINESS

ISSUE 54-56, OCTOBER – DECEMBER 2011



INSIDE THIS ISSUE:

| | |
|--------------------|-----|
| HR LOB HIGHLIGHTS | 1-2 |
| WORKSTREAM UPDATES | 2-3 |
| UPCOMING EVENTS | 3 |
| ABOUT THE HR LOB | 4 |
| HR LOB CONTACTS | 4 |

SIGNIFICANT EVENTS

- Hosted Multi-Agency Executive Strategy Committee (MAESC) meetings on October 4, November 1, and December 6, 2011
- Hosted Customer Council (CC) meeting on November 16, 2011
- Hosted Shared Service Center Advisory Council (SSCAC) tri-annual conference on December 13-14, 2011, and monthly teleconferences on October 18, November 15, and December 20, 2011
- Hosted Joint CC-SSCAC meeting on October 19, 2011
- Hosted OPM system owners' meetings on October 26 and November 30, 2011

LIZ MAUTNER—HR LOB HIGHLIGHTS

The HR LOB celebrated several accomplishments in the first quarter of FY 2012. In November, we released all Provider Assessment reports to HR and payroll providers, MAESC members, and customer agencies. This release marked the culmination of an 18-month process during which we assessed the federal providers through a customer questionnaire, customer interviews, provider interviews, and evidence collection. The Provider Assessment reports are a resource for agencies and providers alike to evaluate the ability of providers to deliver services to their customers. The ultimate goal of the Provider Assessment is to ensure that providers have the business practices in place to deliver the highest quality service. The Provider Assessment cycle one reports are available at www.opm.gov/egov/documents/provider_assessment/reports.asp.

We also published the 2011 Payroll Benchmarking Report in November. The report documents the continued competitive performance of federal payroll providers relative to comparable industry standards (IBM/APQC sourced) for three measures:

- Federal providers' 2010 median cycle time from payroll system cut-off until payments are transmitted to a disbursing office is 1.39 days faster than the industry median.
- Federal providers' 2010 median payroll price per employee serviced is \$46.80 less than the industry median.
- Federal providers' 2010 median servicing ratio (measured as the number of payroll full-time equivalent employees (FTEs) needed to perform payroll processes for the employees they service) is 839.39 points more efficient than the industry median.

(Liz Mautner—HR LOB Highlights continued on page 2)



Liz Mautner
Program Manager
HR Line of Business

LIZ MAUTNER—HR LOB HIGHLIGHTS

Continued from Page 1

More information about Payroll Benchmarking is available at www.opm.gov/egov/documents/practices/index.asp.

In December, we finalized the HR LOB Modernization Roadmap and distributed it to the MAESC, SSCAC, and the Office of Management and Budget (OMB). The Modernization Roadmap provides guidance for achieving the interoperability, integration, and modernization of government-wide HR information technology (IT). The document was developed using the OMB Federal Segment Architecture Methodology (FSAM) and Federal Enterprise Architecture (FEA) guidance. The final version is the result of a tremendous collaborative effort between the HR LOB and our stakeholders and reflects input from customer agencies, SSCs, and business and technical subject-matter experts. The Modernization Roadmap will be published on the OPM website.

Finally, we hosted the SSCAC tri-annual conference in New Orleans, LA in December. Matt Perry, OPM CIO, presented on USAJOBS, retirement, OMB's shared services approach, and CIO authorities. OMB also attended the conference to share details of the draft OMB Federal IT Shared Services Strategy and have a discussion with the SSCAC about its implications. The HR LOB provided updates on our work packages, including the Provider Assessment Program Improvement, OPM Data Flow Analysis Project, Agency Alignment with SSCs, and facilitated several open forum discussions on topics pertinent to the providers throughout the two-day event. These conferences continue to serve as an invaluable forum for providers to communicate with one another and with the HR LOB.

We look forward to continuing our progress in the second quarter of FY 2012. The remainder of this issue of the HR LOB Communications Letter focuses on the status of our FY 2012 workstreams. Please take the time to read about the progress we are making on Provider Assessment Program Improvement, the OPM Data Flow Analysis Project, Performance Measures Reporting, Agency Alignment, and Governance. If you have any questions, please email me at HRLOB@opm.gov.

WORKSTREAM UPDATES

Provider Assessment Program Improvement

The Provider Assessment program provided a comprehensive evaluation of providers' business practices in the areas of strategy and architecture, customer relationship management, compliance, performance management, and integration and interoperability. Now that the first cycle of assessments of the federal HR and payroll providers is complete, we are evaluating the program to recommend changes that will improve the assessments. We are forming a Customer Work Group (CWG), which will evaluate the Provider Assessment cycle one processes, outcomes, and reports. The CWG will start meeting in January 2012 and its goal is to ensure that the assessments promote continuous improvement, transparency, and accountability. The CWG will present its findings and recommendations for improving the Provider Assessment program to the MAESC.

OPM Data Flow Analysis Project

We launched the OPM Data Flow Analysis Project in October with the aim of identifying redundant data and data feeds sent by providers and agencies to OPM. To date, the HR LOB has held interviews with agencies, SSCs, and OPM system owners in order to gather information on data flows. We plan to assess areas such as the business and technical reasons behind data feeds to OPM. Findings and recommendations developed from this analysis will be presented to our project stakeholders and documented in a formal report in FY 2012.

(Workstream Updates continued on page 3)

WORKSTREAM UPDATES

Continued from Page 2

Performance Measures Reporting

In November, we released the Performance Measures Reporting Tool for Q1-Q4 FY 2011 to the federal providers. The Performance Measures Reporting Tool captures SSC and payroll provider results against a set of required performance measures. The purpose of the tool is to support the HR LOB goals of improved customer service and operational efficiencies and to enable the HR LOB to continue to evaluate the performance of providers through quantifiable metrics over time. The recent release includes updated performance measures, which were revised in FY 2011 to better reflect and assess provider operating environments. The reported results will increase visibility into provider performance in areas such as compensation management, benefits management, helpdesk operations, and customer satisfaction.

Agency Alignment

OMB and OPM have approved six agency Exception Business Cases (EBCs) for the selection of and migration to HR SSCs for HR services. We recently revised our agency alignment statistics to account for changes to the migration status of these federal agencies. Our updated statistics show that 99.4 percent of federal agencies are now serviced by a federal payroll provider, and 69.7 percent of federal agencies are serviced by or are in the process of migrating to a federal HR SSC. As we move toward our goal of 100 percent federal agency adoption of payroll and HR shared services, we continue to look for ways to engage those agencies currently unaligned with a provider through outreach to CHCOs and CIOs. Our agency alignment statistics also serve as a resource for our stakeholders to obtain information about the current shared services landscape.

Governance

We have placed an increased focus on our governance activities in FY 2012. Our core governance bodies—the MAESC, CC, and SSCAC—are made up of key stakeholders in the HR LOB's vision of achieving government-wide, modern, cost-effective, standardized, and interoperable HR solutions. In October, November, and December, we intensified our efforts to provide relevant, useful, and engaging information and presentations to these groups. Among these presentations were system demos and briefings from customer agencies and OPM system owners on current initiatives. We also heard from speakers on a range of topics including performance management, Enterprise Architecture (EA), USAJOBS, and Enterprise Human Resources Integration (EHRI) retirement data.

UPCOMING EVENTS

| DATE | EVENT |
|-------------------|---|
| January 10, 2012 | Multi-Agency Executive Strategy Committee (MAESC) meeting |
| January 17, 2012 | Shared Service Center Advisory Council (SSCAC) monthly teleconference |
| January 18, 2012 | Customer Council (CC) meeting |
| January 25, 2012 | OPM Technology Integration Board (TIB) meeting |
| February 7, 2012 | Multi-Agency Executive Strategy Committee (MAESC) meeting |
| February 21, 2012 | Shared Service Center Advisory Council (SSCAC) monthly teleconference |
| February 22, 2012 | Joint CC-SSCAC meeting |

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 |
|------------------------------|----------------|--------------|--|
| OPM MAESC Co-Chair | Matt Perry | 202-606-1416 | Matthew.Perry@opm.gov |
| OMB MAESC Co-Chair | Andrew McMahon | 202-395-7706 | Andrew_S_McMahon@omb.eop.gov |
| Program Manager | Liz Mautner | 202-606-1121 | Elizabeth.Mautner@opm.gov |
| SSC Coordinator | Daniel McKay | 202-606-1451 | Daniel.McKay@opm.gov |
| Agency Coordinator | Anita Murray | 202-606-4262 | Anita.Murray@opm.gov |
| Administrative Issues | Linda Vera | 202-606-4185 | Linda.Vera@opm.gov |

Human Resources Line of Business

Office of Personnel Management
1900 E Street NW
Washington, DC 20415

Phone: 202-606-1800

Fax: 202-606-0530

E-mail: hrlob@opm.gov



FOR MORE INFORMATION
VISIT US ON THE WEB:

WWW.OPM.GOV/EGOV