OFFICE OF PERSONNEL MANAGEMENT

HR LINE OF BUSINESS

ISSUE 20, MAY 2008

★ E·GOV

MESSAGE FROM OPM DIRECTOR LINDA SPRINGER

The HR LOB at the Office of Personnel Management continues to set an example for cross-agency collaboration in the Federal Government. The recently completed migration planning guidance is an example of this successful collaboration. The guidance is a landmark document that was developed in concert with the 24 agency MAESC and the Chief Human Capital Officers Council (CHCOC) HR LOB Subcommittee. To further promote collaboration, the CHCOC Academy and LDAC have partnered to host a meeting on virtual worlds technology.

HIGHLIGHTS FOR THE HR LOB

- Hosted the Separation Management kick-off session on May 1
- Hosted Payroll Benchmarking workgroup wrap-up session on May 7
- Hosted the Separation Management workgroup process model workshop from May 13-15
- Hosted the Multi-Agency Executive Strategy Committee (MAESC) meeting on May 20
- Hosted the joint Customer Council and Shared Service Center Advisory Council (SSCAC) meeting on May 28

REGGIE BROWN PROVIDES HR LOB UPDATES

Migration Planning Guidance Version 2.0 Complete

I am pleased to announce the *HR LOB Migration Planning Guidance Version 2.0* (MPG v2.0) was posted to QuickPlace on May 23. It will subsequently be made available on OPM's website. In the interim, the current version of the MPG, Version 1.0, is available on the Web at http://www.opm.gov/egov/documents/MPG/.

Reggie Brown,
Director of Modernization and
HR Line of Business

Version 2.0 contains two new sections: "Service Delivery" and "Selection Guidelines". The "Service Delivery" section includes information about the public and private sector SSCs including links to their self-evaluations against target requirements. The "Selection Guidelines" section contains the Migration Competition Framework - available at http://www.whitehouse.gov/omb/memoranda/fy2007/business_migrations.pdf - as well as acquisition guidelines, tools, and templates to assist agencies in conducting a public-private competition to select an SSC.

Version 2.0 also includes a refinement of the HR LOB Concept of Operations (CONOPS). The change to the CONOPS description is designed to provider greater clarity and will not have any substantive effect on the agencies or SSCs. The HR LOB CONOPS specifically refers to expectations regarding offerings Shared Service Centers (SSCs) will provide to customer agencies in the near-term and long-term. It also outlines what functions customer agencies will or will not be mandated to migrate to SSCs.

REGGIE BROWN PROVIDES HR LOB UPDATES   *Continued from Page 1*

The expectations for agencies remain the same: "Under the HR LOB CONOPS, agencies must obtain HR Information Technology (HRIT) services for the core functions of Personnel Action Processing and Benefits Management and Compensation Management (payroll operations)." The expectations for SSCs have not changed, but have been refined to more accurately reflect the services provided by the SSCs. Previously, the expectations for SSCs stated: "At a minimum, SSCs must provide HRIT services for the core functions of Personnel Action Processing and Benefits Management and Compensation Management (payroll operations)."

In MPG v2.0, the expectations for SSCs have been updated to state: "At a minimum, SSCs must provide HRIT services for the core functions of Personnel Action Processing and Benefits Management. Additionally, SSCs may also offer core Compensation Management (payroll operations)."

The e-Training Initiative's Learning and Development Advisory Council (LDAC) partners with the Chief Human Capital Officers Council (CHCOC) to host a consolidated CHCO Council Training Academy/LDAC meeting on June 24

The Chief Human Capital Officers Council (CHCO) Training Academy holds sessions six times per year for the Federal human resources community. The sessions are designed to showcase cutting edge human capital practices in the Federal Government and private sector. Attendees for the sessions include agency CHCOs, Deputy CHCOs, and staff practitioners. In Fiscal Year 2007, an attendance record for the Training Academy was set with over 300 employees attending the sessions. At this juncture, the Council is interested in exploring ways to expand the visibility and reach of the Training Academy, especially to those Federal employees in field offices. Thus, the June 2008 Training Academy session will be webcast to showcase innovative training methods and explore the use of technology to reach a wider audience.

The June 24 CHCO Training Academy will focus on Virtual Worlds technology and the application of this technology to Federal human capital management and training the workforce of the future. The Training Academy will feature private sector and public sector practitioners currently implementing Virtual Worlds technologies including Dr. Susan Stucky, from IBM's Almaden Research Center, Dr. Paulette Robinson, from the National Defense University and leader of the Federal Virtual Worlds Consortium, a panel of Federal agency Virtual World experts, and a showcase of Virtual World technologies and vendors. The speakers will focus on Virtual Worlds technology, the potential Virtual Worlds holds for Federal training and the business of government, and the inherent challenges and advantages to implementing the technology in both the private and public sector.

HR LOB Participates in the Federal Segment Architecture Working Group (FSAWG)

The Federal Segment Architecture Working Group (FSAWG) was formed as a sub-team to the Architecture and Infrastructure Committee (AIC) of the Federal CIO Council. Segment architecture defines a roadmap for a mission area for use by business owners and managers. The HR LOB enterprise architecture is an example of segment architecture. The purpose of the FSAWG is to leverage segment architecture artifacts, documents and methodologies within the Federal government that exemplify "best practice". The FSAWG provides a collaborative work environment for Federal agencies to develop segment architecture guidance and training materials, and establish a best-of-breed approach to develop and use segment architecture as part of a results-oriented enterprise architecture (EA) practice. The goal of the FSAWG is to establish a consistent approach to develop and use segment architecture across the government.

The FSAWG has developed a high-level five process-step methodology for developing segment architecture blueprints and transition plans. The HR LOB has taken the lead in developing the activities for process-step four "Define the Conceptual Solution Architecture". The HR LOB participated in the FSAWG off-site on May 29 to finalize the detailed activities across the process-steps in the methodology and to identify the information needs for external processes and stakeholders.

Reggie Brown Provides HR LOB Updates   *Continued from Page 2*

HR LOB Hosts the May 2008 MAESC Meeting

The MAESC held its monthly meeting on May 20, at OPM. At the meeting participants discussed recommendations from a MAESC focus group to begin a new project to provide guidance to agencies and SSCs for the integration of various e-Gov and HR initiatives. The project will result in an end-to-end view of common HR solutions and their interrelationships, along with a compilation of existing information and resources to help effectively implement the identified common HR solutions at the agencies and SSCs.

Minnie Shorter from the Social Security Administration presented on the HR LOB Technical Model Version 2. The Technical Model depicts the technical services necessary to deliver the business services identified in the HR LOB Service Component Model. It also provides a common vocabulary for discussing those technical services and compiles existing technical standards that specify how each technical service is to be designed, implemented, or operationalized. The next MAESC meeting is scheduled for June 17, at OPM.

HR LOB Hosts the May 2008 Customer Council—SSCAC Joint Meeting

The Customer Council and Shared Service Center Advisory Council (SSCAC) held a joint meeting on May 28 at OPM. The meeting provided an opportunity for the Customer Council and SSCAC to collaboratively address areas of importance to the HR LOB and weigh in on systems implementation issues. The councils discussed several topics including: integration support for e-Gov and HR initiatives, the Provider Capability Model (PCM), and SSC data cleansing approaches for RetireEZ. The next joint meeting is scheduled for September 24 at OPM.

Benchmarking

The HR LOB is conducting two benchmarking studies to measure the performance of agencies, SSCs, and e-Payroll providers in the areas of payroll and HR.

Payroll Benchmarking

The payroll benchmarking workgroup met several times during the month of April to finalize the list of recommended payroll benchmarking measures. All of the recommended measures have been annotated to identify those that could be compared to current industry benchmarks and those that will be used for comparison across all government selected payroll providers. The workgroup also finalized the list of narrative information that each provider will submit to be included as background information in the final report. The final list of recommended payroll benchmarking measures is:

- Payroll Provider Servicing Ratio
- Price per Employee Serviced
- Cycle Time in Days from Payroll System Cut-off until Payments are Transmitted to Treasury or DoD Disbursing Office
- Cycle Time of Hard Copy W-2 Distribution
- Cycle Time of Electronic W-2 Distribution
- Unit Cost of Processing a Wage Garnishment
- Cycle Time for Disbursing an Off-cycle Payment
- Cost of Printing and Mailing Hard Copy W-2s
- Number of SAS-70 Material Weaknesses

BENCHMARKING

The HR LOB PMO has initiated a data call to collect the payroll benchmarking measures from the e-Payroll providers.

HR Benchmarking

Over the next month the HR LOB will launch an initiative aimed at benchmarking HR performance. The HR benchmarking study will be aligned to the HR LOB goals. Our focus will be on measuring the transaction and administrative HR functions performed at agencies and SSCs. Our goal is to advance SSC performance so that they can help agencies become more efficient, customer service-oriented, cost effective, and more strategically focused.

The HR LOB is reaching out to the CHCOC Subcommittee on the HR LOB, and the HR LOB SSCs to obtain their views on HR benchmarking and to nominate individuals to participate in the HR Benchmarking workgroup. Eventually, the workgroup will define five to seven performance measures. The workgroup will leverage the payroll benchmarking approach by conducting several conference calls and then hosting an in-person session to finalize the agreed upon measures.

FEDERAL CASE STUDIES

The *Federal Case Studies* report presents two case studies showcasing Federal HR success stories. This second excerpt from the "Evaluating and Improving Performance Management Systems" case study, summarizes some of 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 Homeland Security.

> The legislation that created the Department gave the Secretary of the Department of Homeland Security and the Director of the U.S. Office of Personnel Management the authority to develop an "Alternative Personnel System for its civilian workforce to provide mission-essential flexibility while preserving core civil service and merit system principles." This new system includes a performance management system.

> As a newly created entity, DHS was in a position to consider a broad array of HR systems. A design team consisting of DHS managers and employees and employee representatives from OPM was assembled to survey and study state, local, and international HR systems to get a sense of the most innovative and effective designs. Fifty-two different options for a new HR system emerged from the team's six months of research. Ultimately, personnel from DHS and OPM came together to create the regulations that specify the new DHS HR system.

> Cascading goals is an overarching practice that prevails over the DHS employee performance management system. Every employee must have goals that support one or more of the Secretary's goals for the Department. Goals cascade down through organizational levels; the Human Capital Organizational Plan, for example, ties its tactical goals to these strategic goals. Cascading goals links higher level strategic goals with every goal across the organization.

> In the future, DHS plans to put its own formal apparatus into place to measure and improve its employee performance management system. In the shorter term, employee surveys will contain performance management questions that will also qualitatively assess the program. Additionally, the agency plans to put a metric into place that measures the number of people getting trained, so it can gauge the effectiveness of both the training and the overall system.

The full case study is available in the *Federal Case Studies* report at http://www.opm.gov/egov/documents/practices/FederalCaseStudies_022808.pdf. 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 General Services Administration.

WEBSITE UPDATES

The April 2008 edition of the *HR LOB Communications Letter* has posted to the Website 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 Status page of the HR LOB Website was recently updated to reflect the latest information on the major HR LOB deliverables at http://www.opm.gov/egov/HR_LOB/status/index.asp. The Status page along with other pages such as the Benefits & Accomplishments and Future Milestones pages are dedicated to providing the most up-to-date information about the HR LOB. The HR LOB website is continually updated and may be accessed at http://www.opm.gov/egov/HR_LOB/index.asp.

The HR LOB is also preparing the Technical Model (TM) Version 1 for posting on the Website. The TM Version 1 defines standards, specifications, and technologies of the four Service Areas for HR LOB. The TM provides agencies with a foundation to understand HR LOB standards and technologies and the groundwork for re-use of technology and component services across the Federal Government through standardization.

UPCOMING EVENTS

DATE	EVENT
June 10-12, 2008	Separation Management Workgroup requirements workshop
June 17, 2008	Multi-Agency Executive Strategy Committee (MAESC) meeting
June 24, 2008	Learning and Development Advisory Council meeting
June 27, 2008	RetireEZ-SSC workshop
June 25, 2008	Customer Council monthly meeting
July 15, 2008	Multi-Agency Executive Strategy Committee (MAESC) meeting
July 30, 2008	Customer Council monthly meeting

IN THE NEWS

Bill Seeks to End Salary Penalty for Rehired Retirees

A House subcommittee is reviewing legislation that would remove a financial penalty for federal retirees who wish to rejoin the government.

(http://www.washingtonpost.com/wp-dyn/content/story/2008/05/20/ST2008052001757.html)

A Second Life for Corporate America

To save money in these tough times, universities, conference planners and global firms have started holding gatherings for far-flung employees and students in the online world known as Second Life.

(http://www.latimes.com/business/la-fi-secondlife10-2008may10,1,6734163.story)

Uncle Sam Still Hiring Despite Tight Job Market

The job market may be tight in some places, but Washington's biggest employer, the federal government, is recruiting new employees.

(http://www.nbc4.com/news/16342556/detail.html)

About The HR Line Of Business

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 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.

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