CASE STUDY: OPM Transforms Federal HR with Enterprise Architecture

Human Resources Line of Business Uses EA to Transform Federal Human Resources

The Human Resources Line of Business (HR LOB) is driving transformation of Federal HR by using enterprise architecture (EA) to define shared services-based service delivery expectations for agencies.

HR LOB PROFILE

The Office of Personnel Management (OPM) is the managing partner of the Human Resources Line of Business (HR LOB) – an initiative creating a standardized and interoperable HR service delivery model for 1.8 million Federal civilian employees.

THE SITUATION

In 2004, the U.S. Office of Management and Budget (OMB) appointed OPM to manage the HR LOB. OPM assumed a key role in transforming human resources for the Federal Government into an efficient, cost-effective, performance-driven business. Historically, the Federal government has had an agency-centric approach to delivering human resources services to Government employees. Agencies have had their own HR missions, HR staffs, HR management practices and technology. The HR LOB proposed a service delivery model that preserves some HR functions at the agency level – where it makes sense – and moves other HR functions to shared service centers. This service delivery model frees up agency HR resources to provide valuable strategic and consultative support to agency missions.

The vision of HR is to develop Government-wide standardized and interoperable HR solutions providing common functionality to support human capital. The HR LOB solutions allows the Federal civilian HR workforce to focus on providing improved management, operational efficiencies, cost savings/avoidance, and improved customer service.

THE SOLUTION

The HR LOB common solution takes a phased approach to delivering HR services, using shared service centers (SSCs) that are based on open architecture concepts. These solutions will enable the Federal government to standardize HR business functions and processes, along with 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 HR.

The HR LOB Enterprise Architecture (EA), aligned with the Federal Enterprise Architecture (FEA), is designed to assist SSCs and agencies in standardizing their HR processes and technology. Each of the HR LOB EA Reference Models was created as part of a collaborative, multi-agency effort, where agencies contributed resources and HR subject matter experts to EA workshops. The HR LOB EA provides a blueprint for transformation of the HR business function, thus providing a basis for the Federal government to redesign its approach to HR management.

The HR LOB has developed its end-to-end architecture and includes:

- ***HR Business Reference Model (BRM) - version 2.*** The HR BRM is the foundation of the HR LOB enterprise architecture. The HR BRM provides an end-to-end description of HR business processes within the Federal government. The HR BRM has become the acknowledged standard used by public and private entities for understanding the HR processes of the Federal government.
- ***HR Performance Model (PM) - version 1.*** The HR PM proposes a common set of performance measures for use throughout the Federal Government. These performance measures can be used to gauge how effectively Government HR resources are used to support agency mission results, support the effective management of human capital across the Government and provide for effective human resources service delivery to employees, managers/supervisors and other HR constituents.
- ***HR Service Component Model (SCM) - version 2.*** The HR SCM identifies HR services – *service components* – and proposes the means for providing these services to customers – *service delivery*. The SCM 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.

- ***HR Data Model (DM) - version 1.*** The HR DM identifies the data needed to execute the HR LOB BRM processes. The HR DM is depicted at the conceptual and logical levels to describe the data in as much detail as possible, without getting into actual physical design. The HR DM enables the Federal government to communicate more accurately and efficiently about the structure, content, and purpose of human resources data by encouraging standardization of data description, data context, and data sharing.
- ***HR Technical Model (TM) - version 1.*** The HR TM provides a consistent set of service and interface categories used to address interoperability and open-system issues. The HR TRM provides a common vocabulary to better describe, compare, and contrast systems and components. It can be used as a tool for the identification, comparison, and selection of existing and emerging standards and their relationships.

The HR LOB EA provided the blueprint to develop the following:

- ***Target Requirements for HR Shared Service Centers - version 3.0.*** The target requirements represent the first-ever Government-wide set of detailed business, technical, and data requirements for HR. The report provides detailed requirements that outline expectations for SSCs to effectively deliver HR solutions and services.
- ***Entrance on Duty (EOD) Concept of Operations (CONOPS).*** The EOD CONOPS describes a business capability that will leverage HR LOB EA and technology best practices to bring efficiencies to the EOD process. The implementation of a Government-wide standardized EOD capability will result in a return on investment that reflects both human capital and financial benefits.

THE RESULTS

The HR LOB developed its enterprise architecture, and leveraged this architecture as a business planning and transformation tool to guide agencies in defining their future vision for HR. In addition, this architecture has the potential to significantly improve the delivery of HR services and address pressing issues facing the management and operation of the Federal government's human resources. Key results include:

- ***Selection of five Federal and four private sector SSCs.*** Using the standardized processes and target requirements provided by the HR LOB architecture, Federal and private sector SSC candidates were evaluated on their ability to meet these requirements.
- ***Transition of Core HR services (HR IT for Personnel Action Processing and Benefits Management plus Payroll Operations) from agencies to SSCs.*** The establishment of HR SSCs provides agencies the opportunity to migrate core HR services and other optional HR services to these providers.
- ***Development of "best practices" guidance for HR migration planning.*** The HR LOB developed migration planning guidance agencies can use to define their future HR business operations and service delivery models. This guidance will help agencies assess their current HR function and define their future HR operational model.
- ***Inclusion of HR LOB's architecture in the Federal Transition Framework (FTF).*** The FTF is a catalog of architectural information and implementation guidance for Federal government, cross-agency initiatives. The FTF includes the HR LOB architecture information for agencies to leverage when developing segment architectures.
- ***EOD Market Survey assists agencies in the acquisition of EOD solutions.*** The HR LOB issued a Request for Information (RFI) to assess how vendor solutions comply with the architecture and requirements in the HR LOB EOD CONOPS. The EOD Market Survey compiles and analyzes the responses as a tool for agencies to use in assessing and acquiring EOD solutions.

The HR LOB architecture enables the Federal government to support pay-for-performance systems, modernize HR systems, and improve the strategic management of human capital. These results also provide the framework for future initiatives such as an HR LOB certification program. Enterprise Architecture supports the HR LOB in realizing its goals of improved management, operational efficiencies, cost savings/avoidance, and improved customer services.