



## Enterprise Process Improvement Project

# Human Resources and Staff Management

FINAL DRAFT REPORT

Prepared for  
**Bonneville Power Administration**  
**Business Operations Board**

**June 2005**

This information is being released externally by BPA on March 1, 2006, as analysis generated for BPA's Enterprise Process Improvement Program (EPIP) studies. Although baselines were sourced from the Financial System, they do not track directly back to official financial statements. In some instances subsequent analysis was performed to better represent the particular scope of the process being reviewed. Projections of savings should be considered as initial targets and may or may not convert to future budgets.



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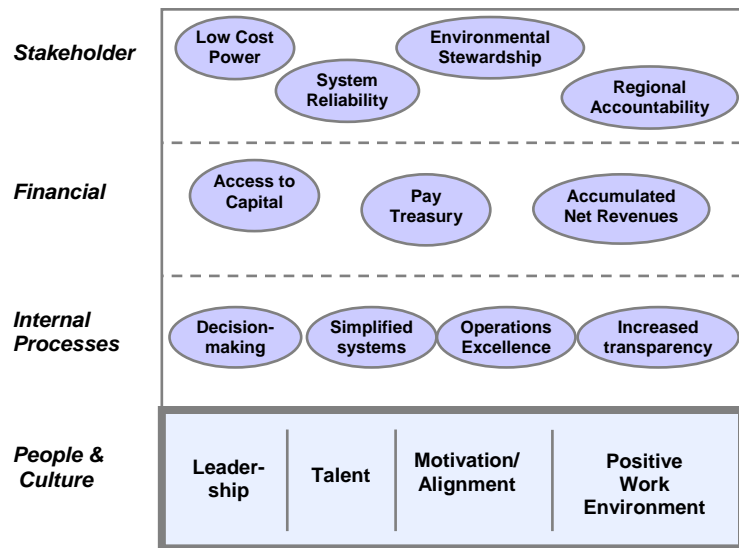
## I. Executive Summary

In 2003, the BPA Administrator requested a review of internal factors contributing to BPA's financial crisis be conducted. The final report (The Report to the Administrator) identified the need to better align our systems, processes, people, and culture to our mission and strategic direction. The Administrator promised the Region that we would strive to maintain low rates through better controls of our costs through the effective management of our resources.

BPA is successful because of our people and the pride they have in the organization and the service they provide the Region. In order for BPA to achieve its goals, it needs a highly capable, diverse, motivated workforce. An effective, motivated workforce insures BPA's ability to deliver on the Agency's strategic objectives. This is best illustrated in the chart on the next page depicting interface and importance of BPA's People and Culture objectives to the achievement of the Stakeholder, Financial, and Internal Operations objectives.

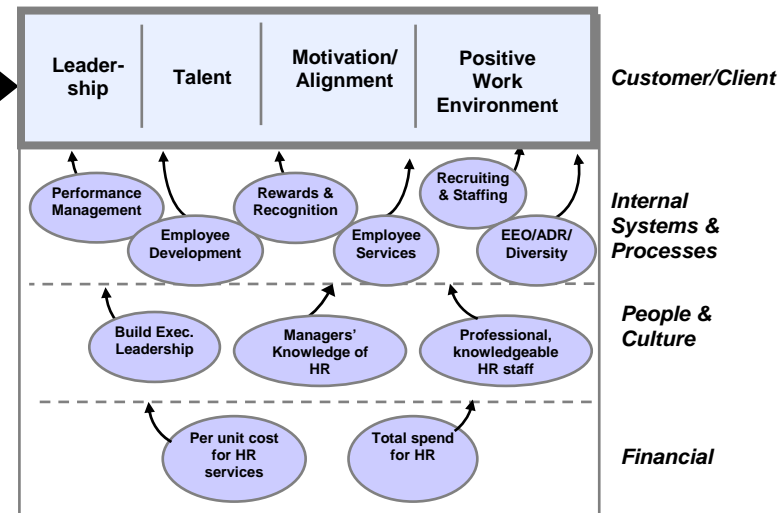
## Setting the Context

*BPA Strategy Map (simplified)*



**11. Effective cost management (with an emphasis on best practices, innovation, simplicity) through our systems and processes.**

*The HR Strategy Map*





The authors of the internal Lessons Learned Report to the Administrator and BPA's customers suggested BPA periodically employ a third party to assist in reviewing BPA's systems, processes, and organizational structures. In 2004, BPA hired the KEMA consulting firm to launch a process improvement study of BPA's processes. In their initial review, KEMA identified the importance of the HR function to BPA's success, and also how this function represents one of the greatest opportunities for implementing efficient management practices. At the outset of the project, the Staff Management function was added to the study scope.

The study had a number of goals for the future HR function:

- Strategically focus and align support the Agency's goals and objectives;
- Enable managers and employees to make better business decisions quickly and more independently through the use of automated business systems;
- Develop a process and business-centric organization that continually looks for the most effective and efficient way to provide service and support; and
- Create a lean and effective, single-focused organization that enables its employees to operate as a team.

The study began with identifying specific metrics and comparing the HR/Staff Management functions with other similar functions.

Baseline BPA Data: \$ 12.7M 125 BPA and Contractor employees

BPA's costs per capita are nearly three-four times the industry average.

The number of BPA HR\* staff to employees served is approximately 20% more than the average ratio among other federal agencies.

(\*only includes employees classified in the 200 series)

The scope of the review is extremely broad. Over 85 HR processes and a large number of administrative processes were identified. The team identified eight processes to review. A cost target of 40% savings was identified.

The initial analysis resulted in a number of key findings:

- Redundant processes exist within and across the HR and Staff Management functions. Redesign of processes will result in immediate efficiencies.
- A large portion of the manager and employee population relies on staff to assist them in obtaining answers and completing HR and administrative transactions. Automated tools will diminish or eliminate the need for high-touch support.
- HR and administrative computer systems exist and need to be deployed and utilized.
- Dispersed implementation of HR programs and policies creates blurred interpretation, accountability, and redundant efforts.



The review team found that the goal of 40% cost savings is achievable over the next 4-5 years through:

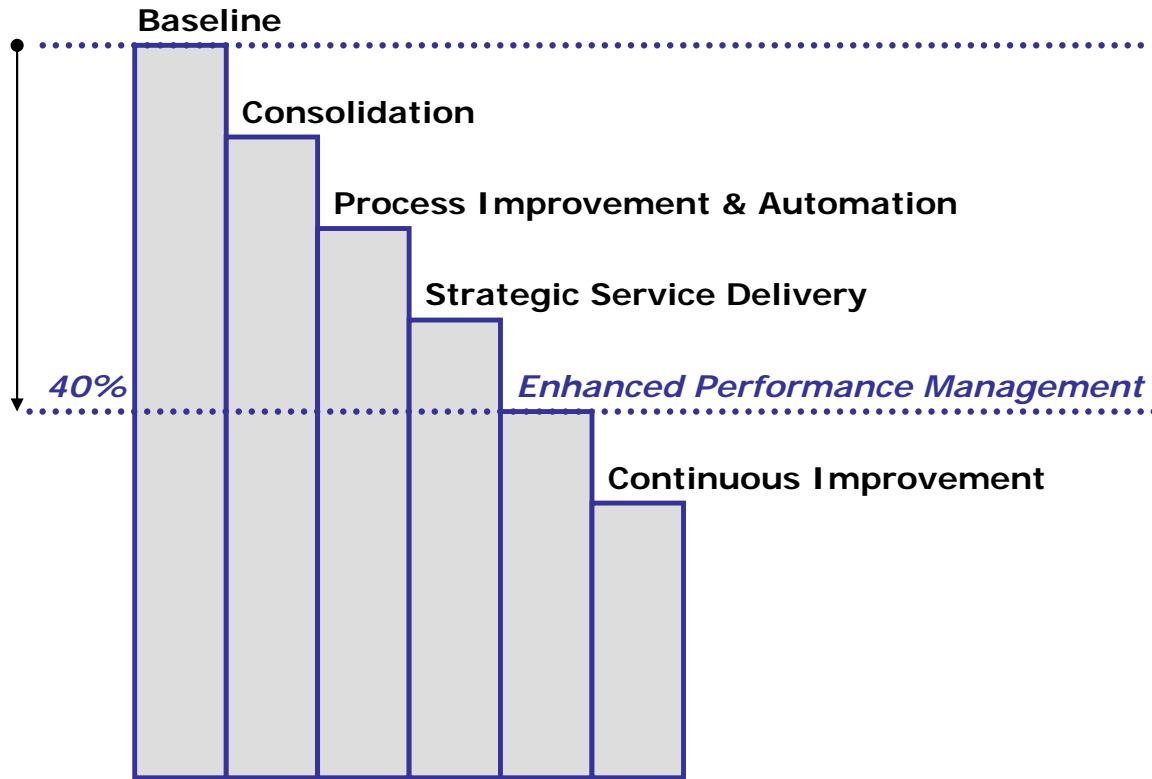
- **Consolidation** and centralization of the HR and Staff Management functions into the Employee and Business Resources organization. A description of the recommendations is found in Section 8 of the Report.
- Redesigning **processes** including reviewing the list of products and services delivered, will create immediate, noticeable efficiencies. Section 6 describes the current and future state recommendations for improvements to the processes studied.
- **Automation** of many of the HR and administrative processes are what will help us achieve the total cost savings goal. There are automated tools ready to be deployed and others in the next couple of years. A description of the systems is found in Appendix 10-8.
- **Strategic alignment** of the HR staff deliverables with the Agency mission and strategic objectives supports the ability to effectively and efficiently deployment of resources.

The chart on the next page visually depicts the steps involved to achieve the 40% cost target.

Successful implementation of the study findings and recommendations is predicated on a number of factors:

- A rigorous, managed implementation plan.
- External support to continue to develop integrated automated HR tools is important to BPA's ability to manage our business in an integrated manner. The Federal Government is planning to centrally deliver internal support functions through the use government-wide systems and processes, and through shared service centers, which may or may not interface well with BPA's business operations model.
- Internal support (IT, dollars, FTE, leadership) for bringing automated HR tools online in the next several years.
- Shifting the culture to embrace the use of standard processes and systems. Persistence, discipline and leading by example will be required at every level of the organization to stay the course to 'modernize' BPA's HR and administrative functions.
- The skills required for the providers and clients to operate in the future state.







## II. Human Resources & Staff Management Efficiency Review

### 1. How to Read This Report

HR and Staff Management proved to be a large and complex study. The team identified 85 HR and administrative processes. The people performing the work involved in these processes number 125 and they reside in several organizations, locations, and six functional areas.

The report is divided as follows:

- PP3-PP21 – **Overview:** This section includes background, the team, methodology, and a discussion of the current state.
- PP22-PP83 - **Key Processes:** From the 85 processes, eight were selected for full study and redesign. In this section you will find a description of the current state, an analysis of the process, and a recommended future state for each process.
- PP84-PP102 - **Functions:** In addition to processes, the team studied all five HR functions plus Staff Management. The above processes often cross multiple functional areas and all of the functions involve many processes not covered by this study. Therefore, the functions and processes had to be treated separately even though significant overlap exists.
- PP103-PP112 - **Future State Recommendations:** This section covers recommendations that span both process and function. Here you will find recommended organizational structure and additional recommendations for HR and Staff Management.
- PP113 - **Implementation:** This section provides high-level recommendations for the implementation plan design. Implementation planning will commence once approval is begun and actual implementation will begin as soon as practical after the completion of planning.

Some information is repeated in different parts of the report. If the report is read from front to back in its entirety this will become clear. For the reader with a particular interest, the repetition allows for reading a single function or process and getting a full picture. Some readers may benefit from reading one process and then the functions related to that process. For your convenience the following matrix shows the relationships.



## Function and Process Matrix

In determining which processes to select for examination and potential re-design, we considered the following criteria:

- Process impacts a large number of people,
- Process contains significant manual and/or duplicative efforts,
- Process is confusing to users,
- Process has significant cost-savings potential through the use of enabling automated systems, and
- Process, through re-design, has the potential of moving the Agency towards both a process-centric and business-centric culture.

### Processes Selected for Study

Function	Administrative Transactions	Filling Vacancies Hiring	Training Registration	Training Determination and Delivery	Diversity Management	HR Policies & Procedures	Conflict Management	Reorganization
HR Diversity and EEO		A			D	A	D	A
Learning Environment			D	D		D	D	
Maintaining a Supportive & Effective Work Environment	D					D	D	
Acquiring and Positioning		D				D		D
Employee Services	D					D		
Staff Management	S	S	S	S	D	S	S	D

A = Advise or Govern

D = Do or Delivery

S = Support

**Note: The processes selected cover all functional areas. Some functions are involved in multiple processes and some processes cut across multiple functions. For this reason functions and processes are treated separately in the body of the report.**



## 2. Introduction

At the request of Bonneville Power Administration (BPA or the Agency), KEMA launched a process improvement study of the Agency's Human Resources (HR) organization. The key driver for this study was the previous high-level strategic assessment conducted by KEMA (presented to BPA's Executive Board on July 14, 2004), which recommended that the HR organization:

- Aggressively move towards a lower cost delivery model that appropriately balances personal service with effective service delivery;
- Proactively partner with all departments within the Agency to create a sustainable HR model that reinforces the emerging process-centric culture; and
- Alter the department's focus from running programs to setting up and driving process change.

Because the initial KEMA study also noted that "the business lines all have separate human resource contacts that address a variety of HR and other administrative issues" (which, in turn, create a "high touch" model), BPA requested that KEMA include its Staff Management (SM) organization within the scope of the process improvement study.

Therefore, the original scope of the requested HR and SM study was to:

- Identify key Human Resources processes;
- Identify areas of manual and duplicative effort across the Human Resources and Staff Management organizations;
- Make process improvement recommendations, technological recommendations, and out-sourcing recommendations; and
- Create a new cost-effective and process-centric model for the Agency's human resources organization.

The study has looked at seven key processes and has mapped the administrative transactions that occur within the HR and SM organizations. As a result of our analysis, we have made future state recommendations that through implementation will provide BPA the opportunity not only to achieve its highly desired cost savings objectives, but also compel the Agency to more clearly define:

- What is expected of the Agency's HR/SM organization;
- What role the Agency want it's HR organization to assume in defining strategic deliverables;
- How committed the Agency is in supporting a self-service, enabling business model that will refocus the roles and responsibilities of not only its line managers, but to the self-sufficiency of many of its employees; and

In KEMA's original 2004 study, the Human Resources Recommendation (Number 18 out of 23) was listed as a "Category Three" (i.e., tends to be of lower value and/or more difficult to achieve). While it is certain that some of the recommendations will be a stretch to achieve given the history of the Agency's high-touch, low-tech culture, the cost savings and value-add opportunity has the potential to provide significant payback for many years to come.



## Future State:

The Human Resources (HR) and Staff Management (SM) process improvement study analyzed seven key processes and captured in detail the administrative transactions that are occurring throughout the HR and Staff Management organizations. Looking at this analysis, and also taking into consideration: 1) a review and analysis of current functions and their supporting organizational structures; and 2) the future needs of the Agency, the business case illustrates the future state where the Agency receives human resources and administrative services from internal organizations with the following objectives and recommendations:

### **Lean and operating efficiently within a single-focused organizational structure that enables its employees to operate as a team in support of the Agency and in support of each other:**

- Transitioning the administrative support staff who perform administrative transactions (largely located within the Staff Management organization) into a consolidated organization serving the entire Agency and the migration to manager and employee self-service for the majority of the administrative services during the next 3 – 5 years;
- Redefining the staff manager role and responsibilities along with a dotted-line reporting relationship to the line organizations;
- Reassigning business line staff to HR who perform HR expert and analytical activities;
- Strengthening the HR organization by bringing all of its core functions into one group with a focused point of leadership and direction that continuously leads and manages towards a process-centric model and strategic alignment with the Agency's business needs;
- Repositioning the EEO office outside of the HR organization by following EEOC guidelines (EEO-MD-110) which describe its role, responsibilities, and reporting relationship to the head of the Agency, thus strengthening the resolution process (both informal and formal);
- Repositioning labor relations with a matrix reporting relationship to HR and the front office so as to effectively manage future labor negotiations;
- HR policies and procedures that will be clearly focused on: 1) equal treatment for all employees; 2) easy for managers to use; 3) legally defensible; and 4) less unnecessary bureaucracy.



**Process and business-centric organizations that continually look for the most effective and efficient way to provide service and support:**

- Key process improvements through the use of standardization, automation, and clearer communications, which enables an at least forty percent reduction of staff within the HR and SM organizations leading to a forty percent reduction in costs;
- A change initiative that puts automated tools at the desktop for managers' and employees' use while diminishing or eliminating the need for high-touch support;
- The consideration of out-sourcing selected core HR and administrative services consistent with the President's Management Agenda and Lines of Business initiatives; and
- Demonstration of continuous improvement through wide use of process-oriented baselines, performance indicators, and industry benchmarks.

**Enabling employees to make better business decisions quickly and more independently through the use of automated business systems:**

- Emphasizing and embracing ongoing automation and self-service efforts;
- Automating selected core HR and administrative services to develop an enabling and self-service culture.

**Strategically focused and aligned to support the Agency's goals and objectives:**

- Clear and concise direction from the Agency's front office on key HR initiatives along with public statements to improve its ability to attract the workforce of tomorrow.



## Key Drivers:

During our study, inefficiencies were disclosed that require an HR and SM workforce larger than HR benchmarks suggest. These include:

- Manual and other high-touch, time-consuming processes;
- Duplicative processes and duplicative administrative transactions across business lines and corporate established through long-standing business practices;
- Staff Management groups who, over the course of many years, have provided assistance to managers and employees where processes and clarity of direction did not exist;
- Performance and skill gaps;
- Un-tapped efficiency potential offered through the Agency's current HRmis (PeopleSoft) system and other web based systems;
- An HR organizational structure with boundaries within itself that prevents the HR functions from working as efficiently and collaboratively as they could;
- An HR organization that has a cumbersome approach to policy development and governance;
- An HR business model that focuses on service and reacting to customer demands versus forward planning of deliverables that supports the Agency's strategic needs;
- Management's intention to provide flexibility by allowing multiple options which requires support for redundant/multiple ways to get things done; and
- A lack of clear and consistent executive guidance in communicating the Agency's mission and direction regarding some key HR initiatives thus creating a situation where Human Resource and Staff Management staff spend considerable time and effort on ad hoc initiatives within the respective business lines with modest executive support.



## Financial and Metrics:

The study began with 2004 baseline information (that included both the HR and Staff Management organizations) as follows:

<i>EPIP – HR/Staff Management</i>	01/2005 FTE	01/2005 Contractors	Compensation and Benefits	Materials and Equipment	General Contracts	Rents, Utilities and Land	Total
Human Resources	77	6	\$ 7,237,862	\$ 160,005	\$ 1,365,538	\$ 11,741	\$ 8,775,147
Staff Management	36	6	\$ 3,326,377	\$ 16,520	\$ 585,070	\$ 2,663	\$ 3,930,630
<b>Total Baseline</b>	<b>113</b>	<b>12</b>	<b>\$ 10,564,239</b>	<b>\$ 176,525</b>	<b>\$ 1,950,608</b>	<b>\$ 14,405</b>	<b>\$ 12,705,777</b>

The study goal of 40% decrease in costs is achievable if all the future state recommendations are implemented over several years. A 40% reduction translates to an approximate revised total of \$7-8M and 75 FTE.

### Staff Management

The Staff Management organization has approximately 36 BPA employees and six contractors working in the Agency’s Corporate, and Power Business and Transmission Business lines. While the three Staff Management groups perform similar work, they have developed different processes and supporting systems, such as spreadsheets or paper files. The separate accountability does not encourage organizing work in a consistent and efficient manner. The Agency’s former business model supported the establishment of separate support functions in each of the business units.

### Human Resources

The Agency has approximately 3100 full-time employees. Seventy-seven of these employees work directly within the HR organization. In addition, this HR organization utilizes approximately six full-time contractors.

According to 2004 benchmark statistics, the median HR staff ratio across all employers is unchanged from 2003 remaining steady at 1.0 HR employee per 100 workers. This staff ratio typically declines as the workforce increases (i.e., where organizations with fewer than





250 workers have a ratio of 1.7 HR staff members per 100 employees serviced, it drops to .6 to 100 among companies with 2,500 or more employees.

BPA's current HR staff ratio (not including contractors nor staff management employees) is approximately 2.4 HR staff members per 100 workers resulting in a workforce that is over twice the size of the industry standard. However, before drawing a comparison of the Agency's HR organization to this statistic, it should be noted that most HR organizations are responsible for compensation and benefit planning – something that the Agency's HR organization is not responsible for. Also, comparisons should consider an additional 19 technical trainers and one organizational development specialist housed within the Transmission Business Line (not included within the scope of our study). And finally, the Agency's HR staff ratio would be greater if Staff Management performing HR duties was included in the comparison. This is somewhat offset by activities performed in HR and Staff Management that are performed in other parts of benchmark organizations such as Library Services and Budget Support.

In comparing BPA's per capita HR expenditure to a current industry benchmark, we see that the Agency is operating well over the median industry standard. (The following analysis does not include staff management data.)

Total HR expenditures	\$ 8,775,147
Agency Headcount	3100
<b>Per capita HR expenditure</b>	<b>\$ 2,831</b>

	Low	25th	Median	75th	High
Employers 2500 & up	\$ 30	\$ 230	\$ 609	\$ 1,085	\$ 4,240
All Employers	\$ 30	\$ 504	\$ 965	\$ 1,739	\$ 9,108
BPA			<b>\$ 2,831</b>		



The data on the following page are indicative of direction and magnitude of change in the Federal government HR function, but don't dictate a final answer for BPA. The table includes data from the Office of Personnel Management (OPM) regarding the number of HR employees at various Federal agencies. The chart depicts HR employees classified in the 200 series as '02XX'. Employees in the 02XX series are those in the HR field with job titles such as:

- Human Resources Specialist
- Human Resources Assistant
- Equal Employment Specialist
- Supervisory Human Resources Specialist

The chart does not include such occupations as:

- Clerk
- Office Manager
- Psychologist
- Organizational Development Specialist
- Policy Analyst
- Occupational Health Nurse

The chart does not include contract employees. Considering all of these exclusions, the information does not provide a direct comparison of BPA's entire HR department to other HR departments in the Federal government. However, the information is collected on a consistent basis across the agencies listed in the chart, and represents one method to evaluate BPA's HR staffing levels relative to other similar Federal agencies. The team used the information to gain a general understanding of HR staffing levels of comparative agencies.

## Benchmarking Data



### Total Federal Employees, Total HR Employees and Ratio of HR Employees to Total Employees By Agency (September 2004)

Source: Central Personnel Data File

Agency	Total Employees	02xx Series Employees	Ratio (02xx/Total)
BONNEVILLE POWER ADMINISTRATION	3,148	65	2.1%
DEPARTMENT OF ENERGY	15,023	293	2.0%
DEPARTMENT OF ENERGY w/o Bonneville Power	11,875	228	1.9%
Large Independent Agencies (1000 or more employees)			
AGENCY FOR INTERNATIONAL DEVELOPMENT	2,238	48	2.1%
ENVIRONMENTAL PROTECTION AGENCY	18,576	250	1.3%
<b>FEDERAL COMMUNICATIONS COMMISSION</b>	<b>1,952</b>	<b>22</b>	<b>1.1%</b>
FEDERAL DEPOSIT INSURANCE CORPORATION	5,292	150	2.8%
COURT SERVICES AND OFFENDR SUPERVSN AGY	1,054	34	3.2%
FEDERAL TRADE COMMISSION	1,073	14	1.3%
GENERAL SERVICES ADMINISTRATION	12,597	227	1.8%
BROADCASTING BOARD OF GOVERNORS	1,830	36	2.0%
GOVERNMENT PRINTING OFFICE	2,396	46	1.9%
NATIONAL SCIENCE FOUNDATION	1,333	39	2.9%
NAT AERONAUTICS AND SPACE ADMINISTRATION	19,278	363	1.9%
NAT ARCHIVES AND RECORDS ADMINISTRATION	2,979	47	1.6%
<b>NUCLEAR REGULATORY COMMISSION</b>	<b>3,224</b>	<b>54</b>	<b>1.7%</b>
RAILROAD RETIREMENT BOARD	1,087	18	1.7%
SMALL BUSINESS ADMINISTRATION	4,152	71	1.7%
<b>SECURITIES AND EXCHANGE COMMISSION</b>	<b>3,797</b>	<b>56</b>	<b>1.5%</b>
<b>SMITHSONIAN INSTITUTION</b>	<b>5,042</b>	<b>61</b>	<b>1.2%</b>
SOCIAL SECURITY ADMINISTRATION	65,258	794	1.2%
<b>Total Large Independent Agencies (1000 or more employees)</b>	<b>153,158</b>	<b>2,330</b>	<b>1.5%</b>

BPA and DOE w/o BPA data were developed by BPA and are as of January 2005. Cabinet level agencies other than DOE are not reflected on this list. The Large Independent Agencies list does not include Office of Personnel Management, the National Labor Relations Board, or the Equal Employment Opportunity Commission because they have a high level of 02XX series employees who carry out the key mission of the agency as opposed to providing support service.

Ger



- BPA's ratio of HR staff to employees served is higher than most of the Agencies listed on the chart, including DOE;
- The information on the chart provides a general sense of the BPA's HR staffing level, but does not imply a particular conclusion; and
- This information is useful for BPA to reference periodically to continue to monitor and compare our progress in achieving efficiencies to the other similar Agencies.

We gathered additional information from four of the large, independent Agencies listed on the chart, whose HR staffing level ratio to employees served is far lower than BPA's. We contacted:

<b>Agency</b>	<b>Ratio</b>
Nuclear Regulatory Commission	1.7%
Securities and Exchange Commission	1.5%
Smithsonian Institution	1.2%
Federal Communications Commission	1.1%

These four Agencies are similar to BPA with respect to the independent, headquarter-like nature of their structure, type of operations and employees. We talked to individuals at each of the agencies to better understand how they have achieved such low ratios. General observations were:

- They have a centralized HR department,
- They are highly automated,
- They are seeking to further reduce the size and cost of their HR departments,
- EEO is a separate function outside of HR,
- They have contractors, but do not outsource functions,
- Most are actively exploring electronic official personnel file (E-OPF), and
- One Agency no longer accepts hard copy applications and another is transitioning to that practice.

Based on what we learned from NRC, SEC, the Smithsonian and FCC, we completed a list of differences or gaps we will need to address in order to move toward achieving like HR staffing to employees served ratios.



### Gap Summary:

- The current internal service model at BPA has fostered an environment where the end user expects the service provider to develop highly customized, and often times, manual products causing total delivery costs to increase.
- Successful implementation of future state recommendations will require clarifying and redefining the role and expectations of executives, managers, and other positions.
- Lack of clear internal direction regarding implementation of Enterprise Resource Planning applications and lack of computer skills has led to inconsistent use of automated tools.
- Unclear or missing process management roles and responsibilities.
- Current Human Resources staff have developed their current skills and abilities by adapting to the current service model. Re-education around developing strategic services will be required in order to move towards process- and business-centric models.
- Current shift in HR leadership (along with recommendation for reorganization) leaves the HR department vulnerable in attempting to meet future goals. There is an urgent need to re-define not only the roles and responsibilities of future managers and leaders, but also the required skill sets necessary to manage and lead the HR organization.
- Some line managers will have to assume responsibility for activities currently delegated to staff managers and HR that are correctly in their managerial purview to perform.
- Automated solutions will require dedication to efficiency and user-friendliness in order to achieve success.

### Prioritization:

The swift implementation of the future state recommendations, as described in Sections 7a and 8 of the report, will better position the HR and Staff Management groups to achieve the targets we establish for the HR function. Some of the first order priorities include:

- Consolidation of the staff performing administrative transaction activities;
- Identify owners of key HR processes who are on point to begin implementing recommended process changes, including standardizing processes Agency-wide;
- Begin automating processes;
- Describe, and thus align, expectations of the role of performance managers and key support staff in utilizing HR processes and systems; and
- Review the list of current HR and administrative products and services and determine whether to continue providing them in the future, or whether they should be provided in a different manner.

## 3. Project Team



The HR/Staff Management project team, championed by its executive sponsor, was led by BPA and KEMA project team leaders with supporting participation of 13 managers and supervisors from throughout the HR and Staff Management community. As the project progressed through the methodology, individuals and teams of individuals from the project team developed current state assessments and analyzed the processes and functions. Team members offered suggestions in processes and other issues in the HR and Staff Management functions. A staff member assisted in gathering benchmark data.

In addition, we enlisted a performance manager sounding board to provide the client perspective regarding HR and Staff Management services. The team consisted of 16 performance managers from throughout the Agency with varying length of experience as managers, length of experience at BPA, and number of direct reports. The sounding board provided input that helped focus the study on specific processes to look for efficiency improvements. *(refer to Appendix 10-1 for complete listing of project participants.)*

## 4. Project Methodology



**Scope:**

To develop a sustainable HR model that reinforces the emerging process-centric culture, and a cost delivery model that appropriately balances personal service with effective service delivery, we needed to ensure that the HR organizational structure would adequately support such models. We, therefore, took into consideration an assessment of not only key processes, but also high-level assessments of the HR functions, the HR organizational structure that the functions operate within, the leadership/management capability within the HR organization, and the current roles of line managers and their staff managers.

**Process:**

The project followed the recommended four-step KEMA Methodology as described in the KEMA proposal:

Project Mobilization	December 1 – December 17, 2004
Current State Assessment	January 4 – February 18, 2005
Process Analysis	February 21 – March 18, 2005
Future State Solution	March 21 – April 22, 2005

*(Refer to Appendix 10-2 for complete project plan – created using Microsoft Project.)*



## **Selection:**

In determining which processes to select for examination and potential re-design, we considered the following criteria:

- Process impacts a large number of people,
- Process contains significant manual and/or duplicative efforts,
- Process is confusing to users,
- Process has significant cost-savings potential through the use of enabling automated systems, and
- Process, through re-design, has the potential of moving the Agency towards both a process-centric and business-centric culture.

## **Data Gathering:**

Internal Interviews and Surveys (refer to Appendix 10-3):

- All HR and Staff Management Employee Survey to understand roles and responsibilities, time spent on current tasks, and recommendations for improvements,
- High-level introductory interviews with project participants and function managers,
- Manager / Supervisor functional survey to understand key services and their level of efficiencies (e.g. manual vs. automated),
- Manager Sounding Board high-level group interview regarding HR/Staff Management Services, and
- Manager Sounding Board web-based survey to assess overall HR services and to pinpoint where services are currently being received.

Benchmarks, Best Practices and other business reports:

- The Office of Personnel Management's Federal Agency Benchmarks (and other guidelines),
- Selected Federal Agency Benchmarks and Best Practices information,
- President's Management Agenda (eGov and Lines of Business (LOB) initiatives),
- HR Department Benchmarks and Analysis, July 2004 (Society of Human Resources Management/The Bureau of National Affairs, Washington, DC),
- The American Society of Training & Development 2004 Benchmark Report,
- Corporate Executive Board Benchmark and Best Practices Studies, and
- Other selected benchmark studies, white papers and relevant business articles.





## 5. Current State Process Discussion

Comparing industry benchmarks against the Agency's HR organization, one can quickly determine how effective the HR organization is with regard to productivity and process management. By definition, the ratio of total employees to HR staff and the ratio of HR operating expenses per employee are process measurements. The fact that the Agency's HR organization operates at two and one-half times the industry-standard and other Federal Agency benchmarks clearly shows the need to understand why HR processes are supporting the need for the current employee base.

Key to a process-centric model is the Agency's ability to standardize its processes, not only within the HR organization, but also agency-wide. The current model of the dispersed implementation of the HR programs creates blurred accountability and unique processes. This is clearly demonstrated in the complex ownership between the HR and the Staff Management organizations with regard to many HR processes. It's also demonstrated in the shared or duplicative administrative tasks that span across the Staff Management organization and the HR organization.

Our early assessments confirmed the complexity of the inefficiencies of the current state processes. Each workgroup and, often times, single employees have independently defined not only what their work products are, but also how they will go about delivering their work products. This method for creating work has been developed at a micro level and has been going on for many, many years. Further, they have developed strong relationships with their clients who (also operating at a micro level) have placed high service expectations, and continue to look to them, for providing those services.

While clients appear to be receiving the services they are requesting, the result of delivering services in this micro-cognizant manner has, according to our HR and Staff Management survey, produced much frustration among the HR and Staff Management employees as they have tried to come to terms with their manual and duplicative efforts.

In keeping with our method for selection of key processes (reference page 19 for selection criteria), the following key processes and administrative transactions were mapped, measured, and analyzed to understand how HR and Staff Management employees approach and process their work.

- Administrative Transactions
- Filling Vacancies / Hiring Process
- Training Registration



- Training Determination and Delivery
- Diversity Planning
- Policy and Procedures
- Conflict Resolution
- Reorganization

In reviewing the selected current state key process maps, one may assume that other processes within the HR and Staff Management organizations have similar qualities and attributes as found in these key processes.



## 6. Key Processes

In an attempt to align processes with possible process owners, we developed an organizational hierarchy that mapped the functions within the HR and Staff Management organizations along with their key services (*Appendix 10-5*). We found that the selected key processes span across the HR and Staff Management organizations with many overlapping services. While there are processes for the work that gets done today, it often lacks clearly identifiable process owners, who do not perform consistently, and because of the independent nature of the business, in both business lines and corporate, duplicative processes are created. Because those responsible view the processes at a direct client level, opportunities to streamline and automate processes are missed.

The eight processes that we mapped and analyzed, while demonstrating the issues above, clearly demonstrate the opportunity to develop an Agency-focused, process-centric model that will serve the entire Agency more efficiently and effectively. In other words, there is significant opportunity to improve the processes to be delivered at lower costs with standardization deliver increased service levels both short-term and long-term.

### 6a-1. Administrative Transactions – Current State

There are three Staff Management organizations. The Staff Management organizations in the business lines report to the Power and Transmission Senior Vice Presidents. The Corporate Staff Management organization reports to the Manager for Corporate and Executive Operations. The Staff Management staff perform the sub-functions listed below. A comprehensive description of the work performed by the Staff Management organizations is included in Appendix 10-7.

- HR and Administrative Strategy Development and Implementation,
- Planning, Analysis and Evaluation,
- Advice,
- Issues Management,
- Project and Initiative Development and Management,
- Communication and Alignment,
- Liaison and Partnerships,
- Coordination/Facilitation, and
- Transaction Process (aka Volume Transactions).



## 6a-2. Administrative Transactions – Process Analysis

The project team began its analysis by reviewing the results produced by the HR and Staff Management All Employee Survey (see appendix 10-3). This tool identified the duplicative activities performed by all three of the Staff Management organizations. Staff Management uses Agency automated systems where they exist, e.g. HRmis, BARS, Time & Labor, Sunflower, etc. Where there is a need to perform other support services, and no Agency system exists, each Staff Management organization has over time created the system and process to meet the need of the clients. Where there are mutual issues and problems, the different Staff Management organizations work together to develop Agency-wide solutions.

Given the substantial amount of detail generated by the survey results, the project team enlisted the efforts of members of the Staff Management organization to work with a BPA team leader to analyze all of the sub-functions performed within the Staff Management organizations. This group reviewed in detail the administrative transactions, one of the nine sub-functions. The matrix below depicts the administrative transactions by the following categories:

- Administrator's Excellence Awards application tracking,
- Coordinate and implement organization-specific time and labor procedures,
- Coordinate and implement organization-specific Sunflower inventory procedures,
- SOC postings – OASIS; organizational chart updates; detail updates,
- Personnel Actions,
- Prepare reorganization packages,
- Support appraisal process,
- Maintain training schedules, enrollments, records, registration, etc.
- Process administrative actions for moves and other,
- Coordinate and process requests and initiate payment for office supplies,
- Coordinate and process payment of miscellaneous items,
- Coordinate and process travel arrangements and payments, and
- Miscellaneous.

### **This information pertains to the chart on the next page**

The information contained in the matrix illustrates the duplicative fashion in which tasks are performed across the business lines and corporate. The chart shows the number of employees performing the various tasks associated with the various types of administrative transactions. In some cases there is an 'X' marked since it was unclear how many employees performed the task. Some of the HR tasks listed on the administrative transactions matrix are included in the HR process analysis and maps covered elsewhere in this report.



### Administrative Transactions Matrix

\* Tasks authorized by CH, versus a step in the request process.

\*\* NOTE: These numbers are not FTE data, but rather show number of employees/staff who do or can assist with any of these functions.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	Total People**
14 - Transmission - Field Office Managers/Maint Asst/Cost Analysts															
13 - Transmission - Secretaries/Clerical															
12 - Transmission - Managers															
11 - Transmission - Volume Transactions															
10 - Transmission - Staff Management															
9 - Power - Secretaries/Clerical															
8 - Power - Managers															
7 - Power - Staff Management															
6 - Corporate - Field Services															
5 - Corporate - Secretaries/Clerical															
4 - Corporate - Managers															
3 - Corporate - Personnel Services															
2 - Corporate - Volume Transactions															
1 - Corporate - Staff Management															
Administrators Excellence Awards application tracking	3		2				1			6					12
Coordinate and implement organization-specific time and labor procedures							2						X	X	2
Time & Labor Approving Official form completion and tracking		1					1			X			X	X	2
Assignment of Timekeepers and Power Users	1						1			X			X	X	2
Coordinate and implement organization-specific Sunflower inventory procedures	1	1	1		X		2		X		2			X	7
SOC postings - OASIS; org chart updates; detail updates	1		X				1			11					13
<b>Personnel Actions</b>															
Initiate/track PAR's	1	2					4			10			X	X	17
Hrmis Recruit	5		X												5
Process Awards in HRmis		2	3*				3			10			X	X	18
Process Awards Certificates		4	1				3			10			X	X	18
Process OSI		2	3*	X			3			10				X	18
Process/track/pay for BL Length of Service Awards		1	1				3			1	1		X	X	7
Process Retirements/Employee Separations		2					3			X	X		X	X	5
Order retirement gifts/certificates/frames		2					3			1	1		X	X	7
Draft retirement letters & finalize for Administrator's signature		2		X			2		X	X		X	X	X	4
Initiate Final Pay clearance		2					3				1			X	6
Initiate and Schedule Employee Exit Interview		2					3			X	1		X	X	6
Process Vacancy Announcements		2	X*	X			3	X		10		X			15
Process Certification/Selection paperwork		2	X*	X			3	X		5		X	X	X	10
Process Retention, Recruitment & Relocation allowance program/paperwork			X*	X			3	X		10		X			13
Update & process Reclassification paperwork for Position Descriptions	3	2	X*	X			3			10		X		18	36
Prepare position descriptions for new positions	3		X*	X			3	X		10		X		X	16
Prepare & obtain signatures for PD coversheets (PD Library)		2	X*				3	X		5				X	10
Prepare Reorg packages	1	2		X			4	X		10		X		X	17
Prepare employee performance appraisal forms		6			X		3			X			X	X	9
Review performance appraisals for completeness and signatures before forwarding to Personnel		1					3			X			X	X	4
Tracking performance appraisals: ensuring performance expectation documents are done for all employees					X		3			X			X	X	3



### Administrative Transactions Matrix (continued)

	14 - Transmission - Field Office Managers/Maint Asst/Cost Analysts														Total People**	
	13 - Transmission - Secretaries/Clerical															
	12 - Transmission - Managers															
	11 - Transmission - Volume Transactions															
	10 - Transmission - Staff Management															
	9 - Power - Secretaries/Clerical															
	8 - Power - Managers															
	7 - Power - Staff Management															
	6 - Corporate - Field Services															
	5 - Corporate - Secretaries/Clerical															
	4 - Corporate - Managers															
	3 - Corporate - Personnel Services															
	2 - Corporate - Volume Transactions															
	1 - Corporate - Staff Management	2	3	4	5	6	7	8	9	10	11	12	13	14	Total People**	
Maintain training schedules, enrollments, records, registration, etc.																0
Training Registration - Internal (Hrmis)		4	1*				1			1	1		X	X		8
Training Registration - External (Hrmis) & payments		3	1*				4			5	1		1	1		16
Prepare training reports/history upon request of clients		2	1*				4			1	1		X	X		9
Verify training completions/exceptions		1	1*				1			1	1		X	X		5
<b>Process Administrative Actions for Moves and Other</b>																
Process IT Move Requests in BARS		2					3				3			X		8
Process Office Facilities Requests in BARS		2				3	3				3			X		11
Process Employee Change Notifications (new hires, terms, etc.) in BARS		2				1	3				3		X	X		9
Process Renewal/Termination Date Changes		2	1*			1	3				3		X	X		10
Non-government Employee Renewal in BARS		2	1*			2	3				3			X		11
HQ/ Ross Visitor Requests in E-forms		2	1*						X	X			X			3
Non-government Employee Terminations in BARS		2				1	3				3			X		9
Process Telephone Request in BARS		2					3				3			X		8
Process Employee Move Request in BARS		2					3				3			X		8
Process Networking Requests in BARS		2					3				3			X		8
Access CARD Key Requests in E-forms		2				3	3			1	3		X	X		12
Building access, specifically the 5th & 6th floors		2				3	4									9
Space Planning in BARS		2				3	3				3					11
Ergonomic Assessment Requests in BARS		2				3	3				3					11
Verify Union Requirements		2				3	3			X	3	X				11
Order Moving Boxes & Supplies		2				3	3				3					11
Verify Cable and Equipment Needs for Moves		2				3	3				3					11
Provide Schedule and Packing Instructions		2				3	1									6
Send workstation Updates to Office Facilities		2				3	3				1					9
Get approval for non-standard needs	1	2				3	3			X	3			X		12
Attend and participate w/team @ Move meetings		2				3	3			X	2			X		10





I1. Effective cost management (with an emphasis on best practices, innovation, simplicity) through our systems and processes.

### **6a-3. Administrative Transactions – Future State**

The project team envisions achieving economies of scale by consolidating and centralizing administrative and HR transaction activities performed by the Staff Management staff into the new Administrative Support group, reporting to the Senior Vice President for Employee & Business Resources. Much of the work performed by HR and Staff Management staff has not been reviewed, and in fact many of the HR related and administrative processes utilized by the Staff Management staff are interconnected. Thus, a first step is to consolidate the Staff Management staff. The consolidated Administrative Support staff will be able to work together as a unified group to identify transaction efficiencies, eliminate duplication, standardize transaction processes and tasks and automate current processes.

The charts below describe the current state and future state of administrative and HR transaction support activities and tasks performed. A plan of action will be needed to implement the changes described in the future state column and the proposed actions described in section 7a of this report.





### Comparison of Current and Future State of Administrative Transaction Activities and Tasks Currently Performed by Staff Management Organizations

The recommendation is to consolidate and centralize staff performing the activities and tasks as well as move activities to Agency managers and key staff to be performed. The consolidation and changing of processes as described in this chart will need to occur in a planned, sequenced manner in order to assure a successful transition. The proposed changes are described in the chart on the following pages and also in Appendix 10-7.

CURRENT HR	FUTURE HR
HR Employee Services is responsible for maintaining all Agency employee Official Personnel Folders (OPFs). In some cases, Staff Management staff have created back-up personnel folders where copies of official personnel records and other informal notes are maintained for managers' reference and use.	Line managers will be responsible for maintaining their own employee notes and information, if they choose. OPFs will continue to be the official folder of information containing employee information. Additional personnel folders will not be created or maintained by line organizations. (Note: The Federal Government will begin automating OPFs in FY 2006.)
Some managers rely on Staff Management in completing the process to fill new or current positions. Some Staff Management staff assist in preparation and review of documents required for the hiring process, i.e., position descriptions, preparing content of vacancy announcements, crediting plans, etc. Staff Managers provide organizational managerial controls by approving and distributing FTE allocations, monitoring FTE use, and changing hiring guidance, when needed.	Managers will interact directly with the HR Staffing group to fill vacancies using online HRmis tools whenever possible to develop position descriptions, the list of required KSAs, etc. Vacancy announcements will be reviewed and approved by the selecting official. Managers will participate in the development of crediting plans used for rating and ranking candidates for vacancies. Organizational managerial controls for managing FTE will be retooled. Analysis and reporting of FTE will be done by the HR group.
The Staff Management staff develop a variety of HR related plans – diversity, staffing, development/training. They have also developed HR related targets, based on Corporate guidance, for inclusion in executive and managerial performance contracts.	Development of HR related strategies and plans for staffing, diversity, and training will be the responsibility of the HR organization, in partnership with the business units. The HR requirements necessary to support the business unit direction are established by the business units. (The business units define the 'what' based on Agency strategy, the HR group defines 'how,' in concert with their client partners.)



**Comparison of Current and Future State of Administrative Transaction Activities and Tasks  
Currently Performed by Staff Management Organizations (Continued)**

CURRENT HR	FUTURE HR
<p>Some of the Staff Management staff complete training registrations for employees. The Staff Managers are responsible for providing a level of managerial control associated with numbers of individuals attending conferences (DOE requirement); training dollars spent (according to cost management guidelines); etc.</p>	<p>The training registration process will be automated. All employees will enter their own training registration via their desktop computer. Email notifications will be sent to managers for on-line approval of the training, including dollars. General guidelines concerning processing requests for attendance at conferences and external training will be established at the Agency level through the HR Training group. Coordination of on-line registration for conferences and external training will be done at the business unit level (this could include coordination of travel arrangements), with prior managerial approval.</p>
<p>Preparation of and coordination of justification for awards, award certificates, distribution of gift cards for recognition, ordering of special items for recognition/celebrations, coordination for organizational participation in the annual Administrator's Award process and ceremony is done by the Staff Management organizations. The Staff Management organizations track both monetary and non-monetary awards for the purpose of tracking results, as described in organizational and Agency targets.</p>	<p>Managers will prepare monetary and non-monetary awards. The computer application will include the appropriate, Agency-wide guidance (some awards require next level managerial approval). Special orders will be completed by the centralized Administrative Support group. Business unit level managerial controls for monitoring award budgets, etc., will be retooled and will remain the responsibility of the business unit.</p>



**Comparison of Current and Future State of Administrative Transaction Activities and Tasks  
Currently Performed by Staff Management Organizations (Continued)**

CURRENT HR	FUTURE HR
<p>Staff Management staff assist managers in developing annual employee performance standards, and subordinate managerial performance standards and contracts. Staff Management staff establish ticklers/tracking systems for the purpose of reminding managers concerning due dates for performance appraisals. They gather final performance appraisals and keep copies for the organizational performance manager and transmit copies to be retained by HR in the employee's OPF. The Staff Managers provide guidance concerning specific business goals and targets for inclusion in managerial performance standards and contracts.</p>	<p>Managers will prepare performance standards for each of their employees, utilizing an automated HR e-Performance tool. Managers will receive electronic reminders when appraisals are due. Organizational administrative assistants will monitor and ensure managers complete mid-point and annual appraisals. The actual appraisal will be documented on-line and maintained in the HR database. Development of business unit goals and targets, collection of and monitoring the unit's results will remain as a responsibility of the business unit.</p>
CURRENT Admin / HR	FUTURE Admin / HR
<p>Staff Management staff coordinate the implementation of new and existing processes and procedures within the business lines and corporate for the purpose of establishing consistency and to ensure compliance ('One Stop'). The processes and procedures are owned by organizations across the agency--IT, Workplace Services, HR, Legal, Security, Safety, Finance, SOC CO, Supply Chain, Property Management (OPMO), Contracts Management (HCA), Front Office (SES+), TBL (OASIS), Strategic Planning (Government level reporting). Examples of processes and procedures include: OASIS postings (as required by FERC); the Sunflower system; Time and Labor system; managerial contracts; etc.</p>	<p>Centralize the coordination role within the Administrative Support group. Further review the managerial controls aspects of these tasks to determine what, if any, activities should remain within the business units as part of their managerial responsibility and accountability. (Note: Further evaluate the impact (risk, synergy, efficiency) of reassigning coordination activities and tasks to the responsible organization (i.e., IT, Legal, Finance, etc.).</p>



**Comparison of Current and Future State of Administrative Transaction Activities and Tasks  
Currently Performed by Staff Management Organizations (Continued)**

<b>CURRENT Admin</b>	<b>FUTURE Admin</b>
<p>Staff Management staff coordinate the completion of various support activities by others, and they complete specific tasks for a wide array of internal processes, in support of individuals and organizations. The activities and tasks performed cross over all support functions (reference list above, i.e., IT, finance, etc.). Examples include: coordinating physical moves; initiating various staff changes, i.e., name changes, phone numbers, internal mailing addresses, org codes, etc.; initiate and complete special supply and item orders (i.e., furniture, whiteboards, etc.); initiate payment for supplies/special items; process payments for wide variety of items; initiate and make travel arrangements; prepare and/or process travel payments (preliminary steps); organizational events, i.e., celebrations, all employee or manager meetings, etc.</p>	<p>Consolidate and centralize the staff performing coordination and completion of the described activities and tasks reporting to the Administrative Support group. Automate many of the steps/tasks performed.</p>



## **6b-1. Filling Vacancies / Hiring Process – Current State**

This process is about acquiring talent for the majority of the Agency's vacant annual positions. The process involves:

- Reviewing position descriptions and classifying jobs according to federal standards,
- Developing selection criteria consistent with qualification standards and requirements of the position,
- Creating and posting job announcements,
- Sourcing candidates,
- Processing application materials,
- Conducting interviews, and
- Extending offers.

Whether vacancies are open to internal candidates or to external candidates, the process follows the same steps.

The Agency's Human Resources Management Information System (HRmis), part of the Peoplesoft Enterprise system, is currently used to:

- Initiate the vacancy requisition,
- Build the position in the database, and
- Retain minimal data about each applicant for the position.

Upon a candidate's acceptance of their employment offer, an action in HRmis closes out the file, initiates the new employee record, and establishes a new-employee start date.

The Position Description (PD) library is a database separate from the HRmis Peoplesoft system. It contains all the Agency's position descriptions and is easily accessible only to the HR and administrative staff. This library serves as a resource to:

- Establish standard position descriptions across the agency for similar positions, and
- Access current positions descriptions electronically for vacant and occupied positions.

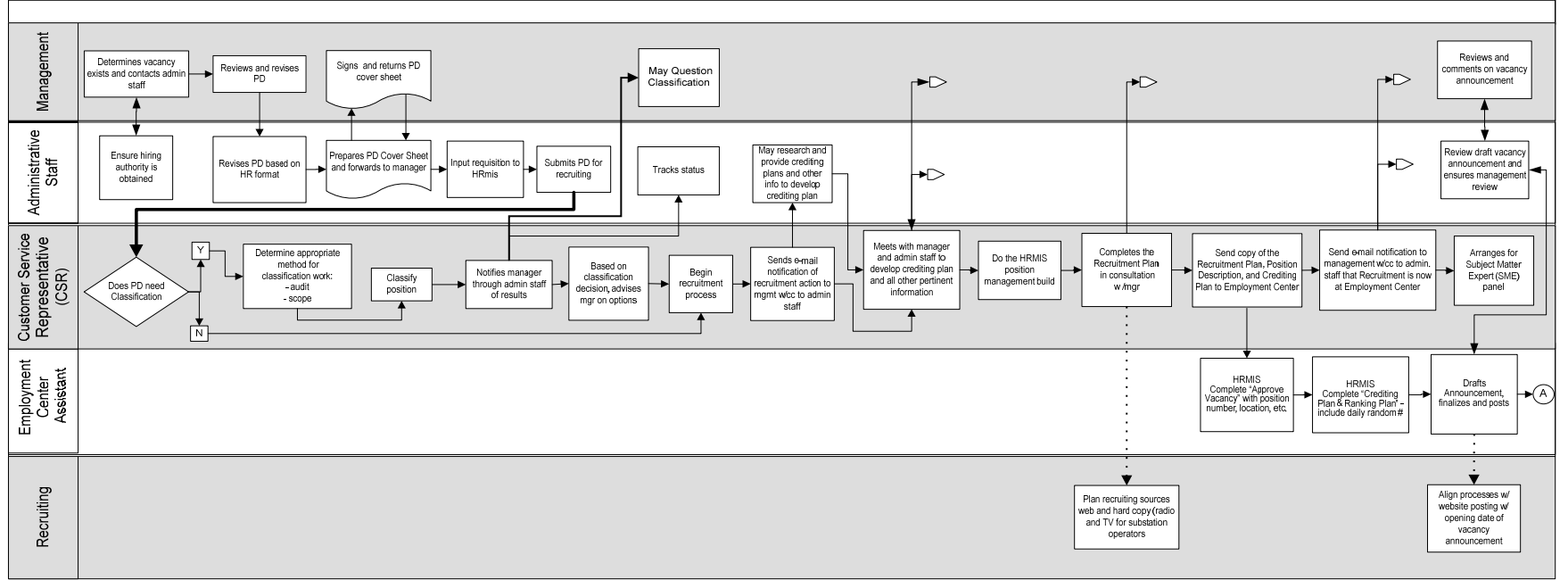
The current state process map:

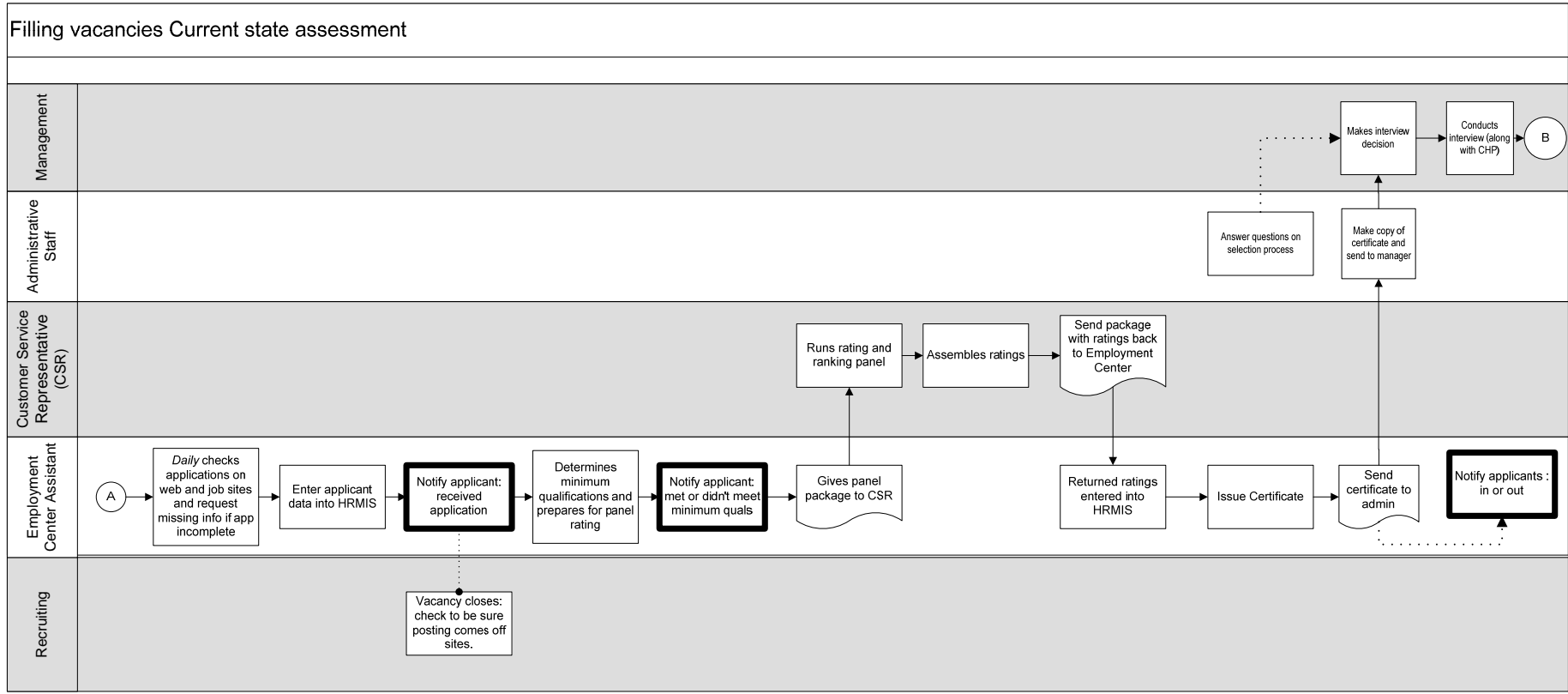
- Begins with the manager's initial hire request made to the Administrative Staff (Staff Management);
- Shows the working relationship of the Administrative Staff with the Acquiring and Positioning staff (Customer Service Rep, Employment Center Assistant, Recruiting), and
- Shows the various steps where the manager returns to the process for position review, approvals, interviews, and finally selection.



		CE - HR, Diversity and EEO												Total People
		1	2	3	4	5	6	7	8	9	10	11	12	
29	87	Recruit/Source job applicants	1	1			4							6
30	204	Produce vacancy announcements and recruiting bulletins					8					1		9
31	47	Post employment information on the internet					7							7
32	20	Develop / conduct outreach initiatives	1				2					1		4
33	296	Determine applicant qualifications					13							13
34	77	Maintain hourly bid list					3							3
36	220	Classify jobs		1			8							9
37	121	Develop and apply crediting plans		1			9							10
38	180	Develop and/or update position descriptions					7		1	1	3	7	4	23
42	240	Provide applicant information for walk-ins or on the phone	1				9	4			2	1		17
53	44	Provide assistance for resume and application development		1	1		6							8

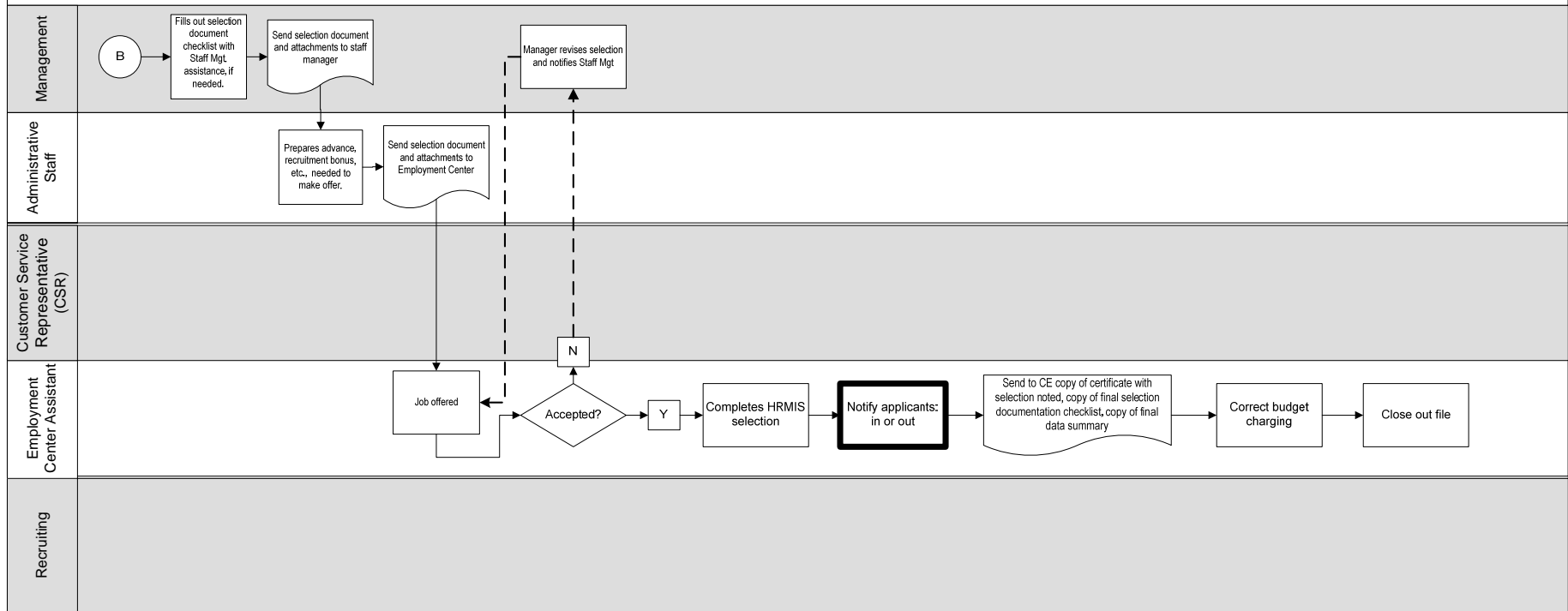
Filling Vacancies - Current state assessment







Filling vacancies Current state assessment







**In summary:**

Administrative Staff (TBL, PBL, Corporate)	HR / Acquiring & Positioning	HR / Acquiring & Positioning
<ul style="list-style-type: none"> <li>• Confirms that the manager has authority to hire,</li> <li>• Finalizes the PD and obtains the approving signature from the manager,</li> <li>• Initiates the request in HRmis,</li> <li>• Tracks the status of the vacancy from start to finish primarily by getting e-mail notification from HR,</li> <li>• Copies selection certificate, forwards to manager, and returns the selection certificate to HR upon completion,</li> <li>• Provides assistance in developing a crediting plan,</li> <li>• Reviews and edits the draft vacancy announcement,</li> <li>• Answers questions on selection process throughout the time that the manager is interviewing candidates, and</li> <li>• Assists the manager in completing the selection document and accompanying information.</li> </ul>	<p><b>Client Service Representative (CSR):</b></p> <ul style="list-style-type: none"> <li>• Classifies the job,</li> <li>• Develops a crediting plan,</li> <li>• Establishes a recruiting plan,</li> <li>• Arranges for a subject matter expert panel, and</li> <li>• Runs the rating and ranking panel.</li> </ul>	<p><b>Employment Center Representative:</b></p> <ul style="list-style-type: none"> <li>• Processes the vacancy and the related applications,</li> <li>• Updates HRmis,</li> <li>• Drafts and posts the vacancy announcement,</li> <li>• Receives applications and determines if the applicant meets minimum qualifications,               <ul style="list-style-type: none"> <li>○ Enters applicant data into HRmis,</li> <li>○ Notifies applicant that the application is received, and that it meets or doesn't meet minimum qualifications,</li> </ul> </li> <li>• Provides the qualified applicant information to the CSR for the rating and ranking and inputs the ratings into HRmis,</li> <li>• Issues the selection certification and notifies applicants if they are or aren't among the highest qualified referred to the manager,</li> <li>• Makes the job offer,</li> <li>• Completes the action in HRmis,</li> <li>• Sends final notification to applicants,</li> <li>• Sends a copy of the selection information to the HR, Diversity and EEO office, and</li> <li>• Ensures that the budget has been charged correctly, and closes the file.</li> </ul>



## 6b-2. Filling Vacancies / Hiring Process – Process Analysis

Through the efforts of HR staff, the Agency has enhanced the HRmis system and added functionality, which has initially streamlined the process of filling vacancies by replacing previously manual transactions with automated transactions. The most recent improvement has been the automated capability to initiate a request to fill a vacancy by the end user. At this time, members of the Staff Management organization are the only individuals outside the HR group who have access to initiate this type of request, but there is an expectation that eventually managers will be allowed to perform this function for themselves. Due to the persistence of HR staff in pursuing incremental automation and standardization practices, the Agency is now poised to reap the rewards from additional system enhancements and process efficiencies.

### OBSERVATIONS

- Although all vacancy notices are available on the external website:
  - HR employees and others duplicate their effort by printing and stocking hard copy announcements in the HR offices and throughout the Agency, and
  - HR employees send out Agency-wide email notifications when new positions are posted on the site.
- The process requires a significant amount of paper processing:
  - Documents require hard copy signature for initiating the vacancy and authorizing the selection,
  - Vacancy announcements are posted in hard copy throughout the Agency even though they are available online,
  - Applications and selection certificates are passed to rating and ranking panels and selecting officials in hard copy,
  - Applicants are not required to submit an e-mail address, so for those applicants who do not submit an e-mail address for contact, notification letters are sent hard copy up to four times for each application, and
  - All applications and documentation are filed in hard copy for up to 2 years.
- Applicants submit applications by hard copy, fax, or e-mail which then requires an Employment Center Assistant to manually input the applicant data into HRmis.



- To keep process participants informed, HR continually sends emails throughout the entire process,
- The Administrative Staff process their tasks somewhat differently depending upon which business unit they support. This, in turn, requires HR to accommodate the different methods of approach. Further, the Staff Management organization occasionally adds organization-specific requirements that may not be consistent Agency wide.
- The Staff Management group initiates the request in HRmis after the manager has signed the PD cover letter. This is a relatively new process and was intended as a transitional step to having managers eventually initiate the request in HRMIS for themselves. The transition is dependent on making HRmis easier to learn and use, or developing a user-friendly interface.
- Administrative Staff serve multiple internal control roles:
  - Ensures that the manager has authority to advertise a vacancy and is consistent with the BL staffing strategy,
  - Confirms that the position description meets standards,
  - Tracks the process through HR,
  - Ensures that hiring conforms to BL recruitment bonus and relocation allowance strategies

However, administrative staff accomplish these roles in different ways. Therefore, their methods can be characterized as highly manual, somewhat confusing. Many of these controls can be accomplished with other methods.

- The cycle time from initiation of recruitment action (after classification) to a ranked list of potential candidates is given to the manager for selection is 9 days, excluding the open vacancy time. The period compares favorably to the OPM acceptable period of 18 days.
- The cycle time from when a manager gets the ranked list of candidates to when an offer is made averages nearly 21 days less than ½ the OPM acceptable period of 45 days.
- There are approximately 6 FTE dedicated to the Customer Service Representative swim lane and approximately 6 FTE dedicated to the Employment Center Assistant swim lane.
- Subject matter experts (SMEs) review qualified applicants for annual positions and rate and rank those applicants. Agency-wide approximately 1 to 2 FTE serve on rating and ranking panels if 100 annual positions are filled in a year. In addition, delays occur in the process when SMEs are busy and can't devote the 8 to 16 hours to review and rank applications in a timely fashion.

Note: The terms staff management and administrative management are used interchangeably in this document.



### **6b-3. Filling Vacancies / Hiring Process – Future State**

The future state recommendation is to:

- Automate this process to its fullest,
- Focus automation on self-enabled and real-time participation,
- Eliminate the need for administrative support from within the current Staff Management organization,
- Eliminate unnecessary process steps (such as submitting certificate and selection notice to HR, Diversity and EEO group, they will be able to monitor information directly online), and
- Standardize the classification and hiring process.

With the filling vacancies process, automation, self-service, and standardization through the PD library, online application capability, and electronic assessment tools are key to the future state solution. The Agency should proceed towards implementing the Peoplesoft Recruit module, as planned, in order to capture the efficiencies expected through automation.

Doing so will allow managers to:

- Initiate the recruitment process for themselves,
- Construct position descriptions for themselves, and
- Check process status 24/7, depending on system availability.

The new systems will allow candidates to:

- Submit their application information directly into HRmis thus eliminating the need for Agency staff to manually input data,
- Check the status of their on-line application 24/7, depending on system availability, which would also eliminate the need to send applicant notification letters (*the Acquiring & Positioning group currently sends out a series of four hard-copy letters or emails to inform candidates on the status of their application. The current process is cumbersome and is subject to significant human error as it attempts to mail manual letters to the candidates in a timely and synchronized manner*).

Finally, it will:



- Eliminate the need for staff support from the business lines and corporate,
- Allow the recruitment staff to focus on higher-level tasks such as validating qualifications, identifying highly qualified, diverse candidates, and supporting managers as they become familiar with the new process, and
- For some positions, allow applicant self-assessment that supports automated rating and ranking, eliminating the need for a rating and ranking panel, eliminating FTE formerly used in rating and ranking task, and reducing fill and cycle time.

SMEs would provide input on the development of the self-assessment factors. For some positions, the tedious work of reviewing each qualified candidate's application and ranking against a crediting plan will be eliminated. However, not all positions lend themselves to self-assessment. Unique positions, which would require development and programming of a new self-assessment questionnaire, may not be cost effective for rating and ranking automation. However, if half the annual positions can be rated and ranked through self-assessment, the agency could save 1 to 2 FTE for every 100 annual positions filled.

BPA should drive toward 100% participation for online applications. The online application process eliminates:

- Data entry of applicant information into HRMIS by BPA staff,
- The four instances of electronic and hard copy applicant notification (applicants have a pass code and query the status of their applications at will),
- Hard copy routing of certificate and applicant materials to admin staff and managers, and
- Redundant vacancy tracking efforts.

In the future state, the vacancy announcement is posted on-line and only on-line. This change:

- Signals a fundamental difference in the way BPA does business now – from high touch to self-sufficiency.
- Eliminates the staff time to produce and stock the vacancy announcements both at HR and throughout the Agency.

BPA could provide computer kiosks at each HR office and in the BPA library for walk-ins or signs could simply direct people to the nearest public library, university career placement office, or other site with free Internet access.

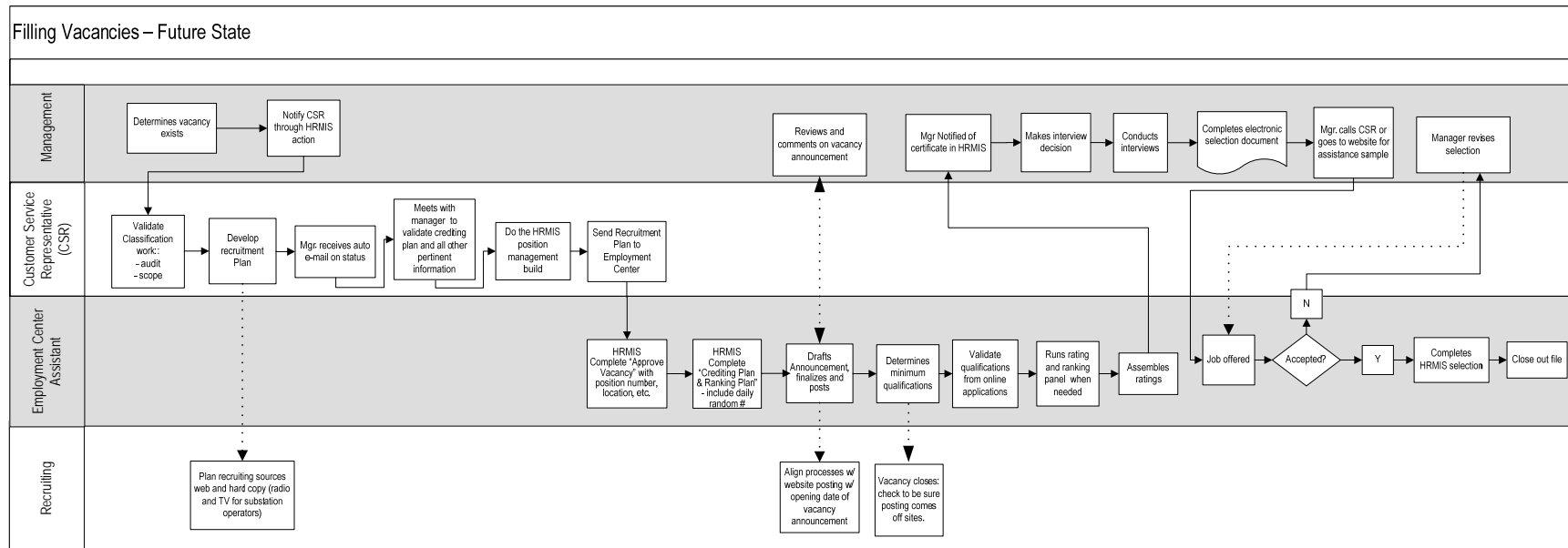
Absent 100% participation with the online application process, HR will need to maintain redundant systems to collect and manage hard copy applications. Full efficiency and freedom from manual processes will not occur until all applications are collected electronically. There are numerous examples of companies converting to online-only application processes. For a Federal example, the U. S. Geological Survey and Nuclear Regulatory Commission have converted to 100% online applications.



The cycle time from the time that a recruitment action is initiated (after classification) to the point that a ranked list of potential candidates is given to the manager for selection excluding the open vacancy time should reduce by 2 days when the rating and ranking panel is eliminated. Eliminating the rating and ranking panel from the cycle time saves approximately 3 days, however, the process requires quality assurance time adding approximately 1 day to the process for a net decrease of 2 days. The period compares to the OPM acceptable period of 18 days.

The cycle time from when a manager is notified to access the HRmis ranked list of candidates to when an offer is made may go down by approximately 1 day, primarily due to automation. The manager will have access to the list of candidates online and make the selection online. The future state does not anticipate any additional changes to the interviewing and selection process.

This future state filling vacancies process should result in reduced staffing needs in the Acquiring and Positioning group.





## **6c-1. Training Registration Process – Current State**

Training, whether it is offered for one individual or for a group, is conducted either internally or externally. The internal offerings are those prepared and/or presented by the Agency's training staff, contractors, or guest speakers. All other training is considered external training and usually includes some degree of travel to get to the training site. Some examples of external training would be:

- An employee taking a class offered by an accredited school or other institution,
- A group of line managers attending a management training conference offered by an outside vendor.

The Agency's Human Resources Management Information System (HRmis) allows training classes to be catalogued in the system so that once an employee completes her or his training, a completion record is established which then feeds into a history file. Once in the system, on-line employee training history reports (or other training reports) can be easily produced.

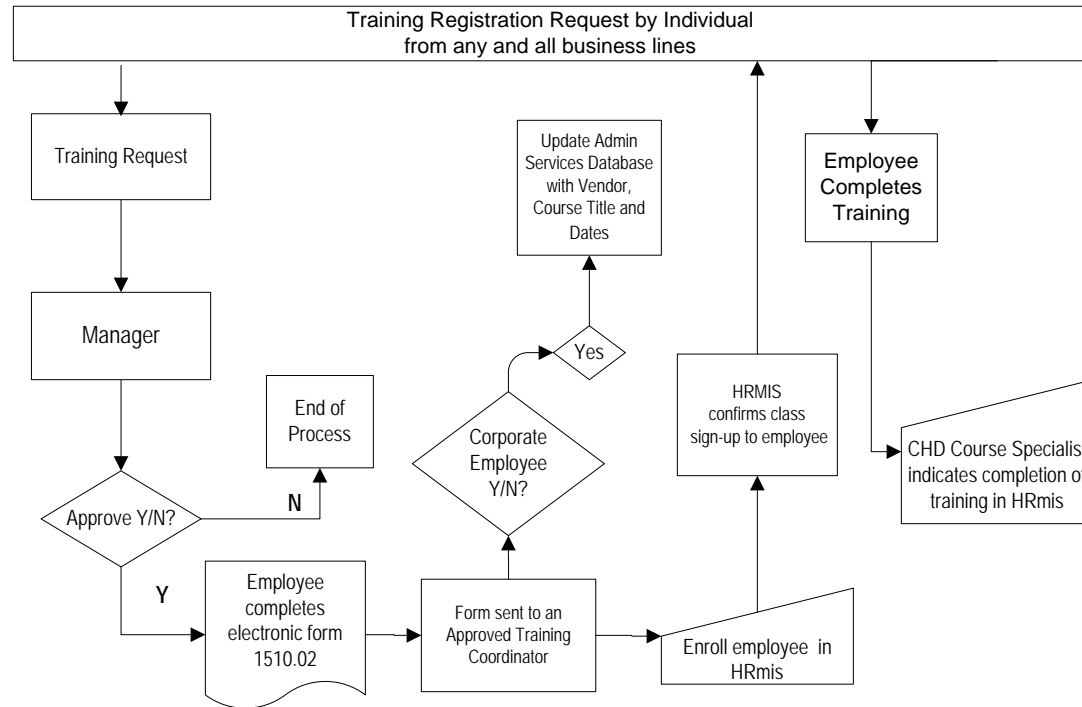
The training registration process accounts for:

- How employees get approval to attend training classes,
- How employees get registered for training,
- How the training information gets into HRmis,

Even though the Agency has an automated system that tracks the training that employees receive, the steps required for approval, registration, and input into HRmis are manual. And, like other processes that occur within the Human Resources and Staff Management organizations, these steps are not performed consistently across the business lines, particularly when the training is external.



### Internal Training Registration Process – Current State

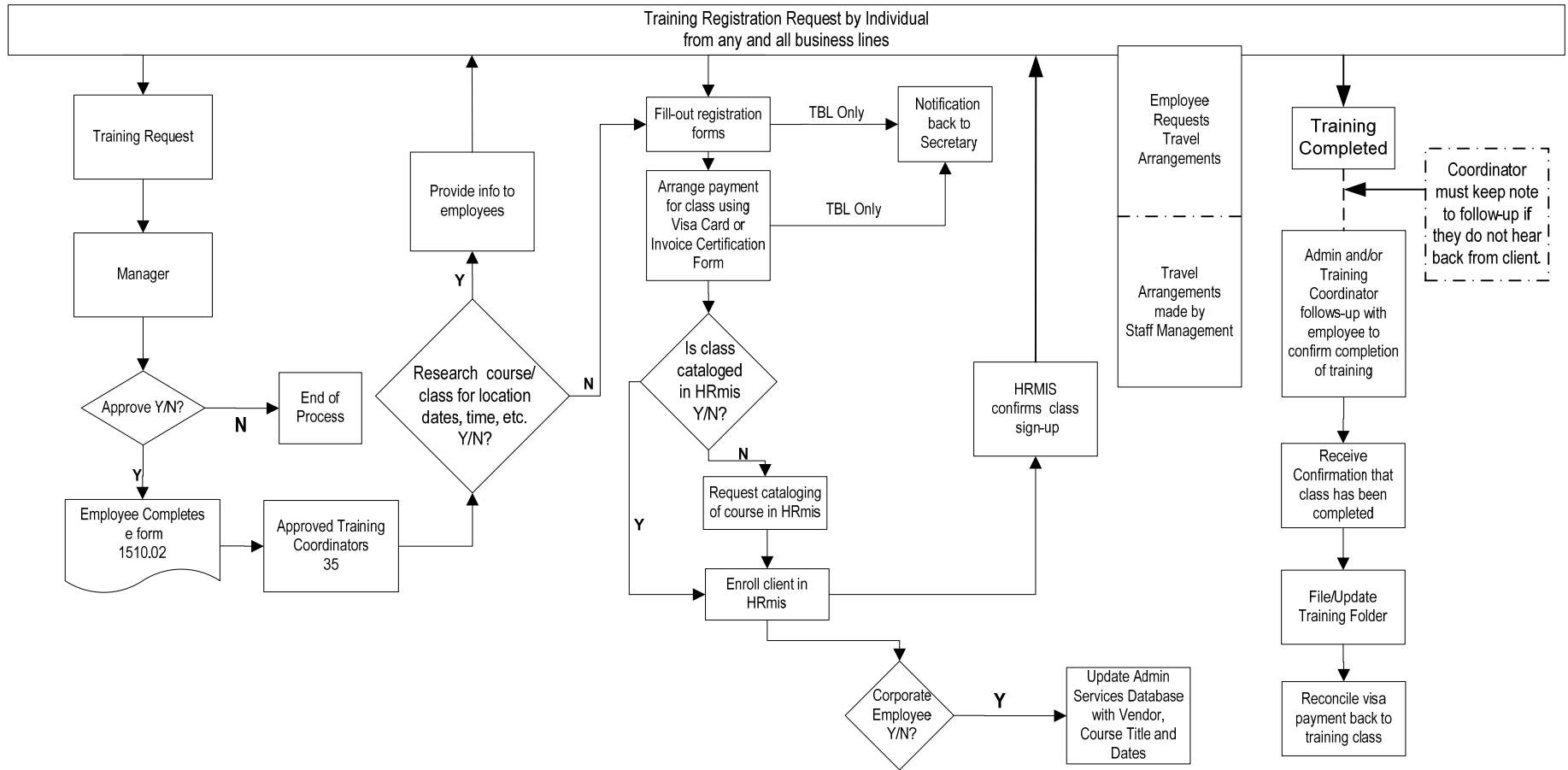


Classes that are offered internally have been entered into HRmis prior to employees taking the classes. This process map shows the employee, after getting approval from his immediate supervisor, completing a training registration form. The employee then sends the form to one of the designated Agency training coordinators\*\* who then enrolls the employee through HRmis. The system sends a confirmation to the employee. Upon completion of the class, the training course specialist ensures that completion is entered into HRmis.

*\*\* Often, an employee will send the form to their Staff Management group who then forwards it to a designated training coordinator.*



### External Training Registration Process\_Current State





The additional steps in the External Training Registration process are:

- Searching for classes (when needed),
- Notifying employees of options regarding times and locations,
- Contacting external training vendor to sign-up employee in class,
- Keeping the employee informed of status of class,
- Making payment for class either with Visa card or through purchasing,
- Following-up with employee to validate training was completed and ensuring receipt of confirmation (e.g. pass/fail) and entering in HRmis, and
- Reconciling Visa statement or other payment verification/reconciliation process.

There is one other scenario worth mentioning. Occasionally, an employee obtaining approval for external training does self-enrollment and attends the class before notifying the training coordinator. Because the class has not been catalogued into HRmis, the employee' training history has not been updated to reflect the completion of training. Eventually the employee notifies the training coordinator regarding the completion of training, and then the training coordinator (after the fact), works through the process from beginning to end.

### ***6c-2. Training Registration Process – Process Analysis***

In analyzing both the internal and external training registration process maps, we observed:

- Although processes appear somewhat standardized, the business lines and Corporate have their unique ways of processing and tracking the registrations,
- The processes are manual; the registration form is available through an MS Word doc and can be sent via e-mail, but the inputs and outputs are manual, and
- HRmis is only being used to: 1) catalog training classes/courses, 2) generate some training reports, and 3) maintain employee records.

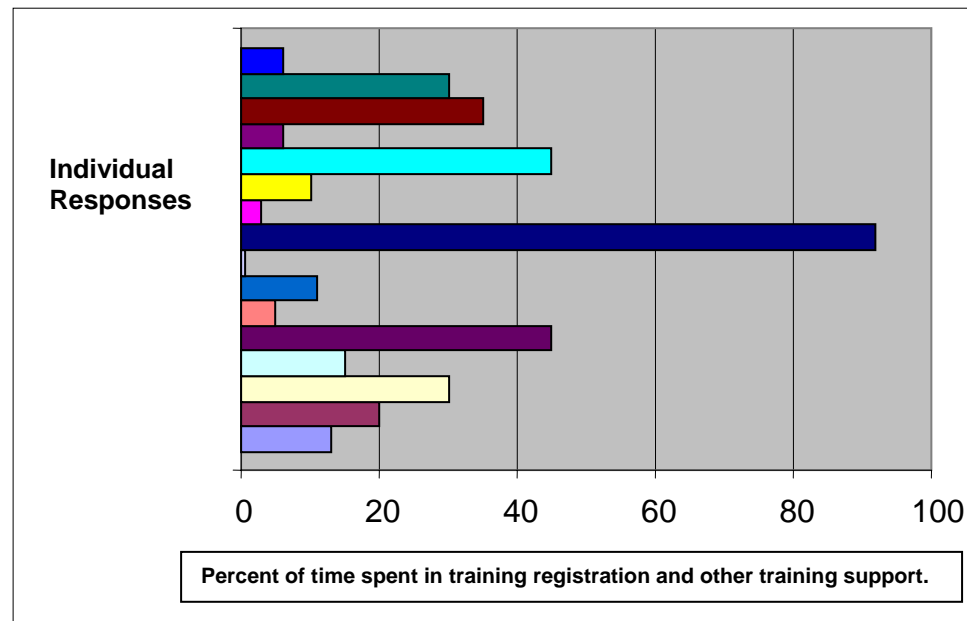
Because the process is manual, it requires significant administrative support. Employees accustomed to getting services and support through their Staff Management organizations often ask them to do the registering. However, the process requires a designated training coordinator to input the data into the HRmis training module.



We noted (through reviewing the HR and Staff Management All Employee Survey results) that approximately 550 administrative hours per month are spent supporting the training registration process. However, that only takes into consideration those within the scope of our project – and, not the training coordinators.

There are 32 administrative specialists who, having received training on how to input data into the HRmis training model, have been designated as training coordinators. Some of them are found in the staff management organization; others are not. However, their cumulative work effort is significant. The Learning Environment, responsible for their training, surveyed the training coordinators to see how much time they spend in training registration and other training support activities. Sixteen of the thirty-two training coordinators responded.

### Survey of Training Coordinators, March 2004 Respondents: 16 of 32 Training Coordinators





Although the data is not inclusive, given the information from the two surveys mentioned above and applying estimates to those who have not responded, we have observed that the labor cost for the training registration process likely exceeds well over one million dollars a year. Further, the current “high-touch” process model takes time as it makes its way back and forth between the employee, the staff management organization, and the training coordinator.

The Agency currently has the technology available (through the HRmis training module) to automate 80-95% of the process, but has not implemented it.

In interviewing several staff members to understand why this process has not been automated, it is our understanding that there has been disagreement regarding automating the process’s approval step. There is concern, when the automated training request (via email) goes to the employee’s immediate supervisor/manager, that person will not respond promptly and, as a result, create a bottleneck in the process.

Finally, it is our understanding that to automate this process would probably take 2 to 3 months of work by the Agency’s IT group. What they require (besides notification to place it along other requested IT support projects) is that the process be well defined.

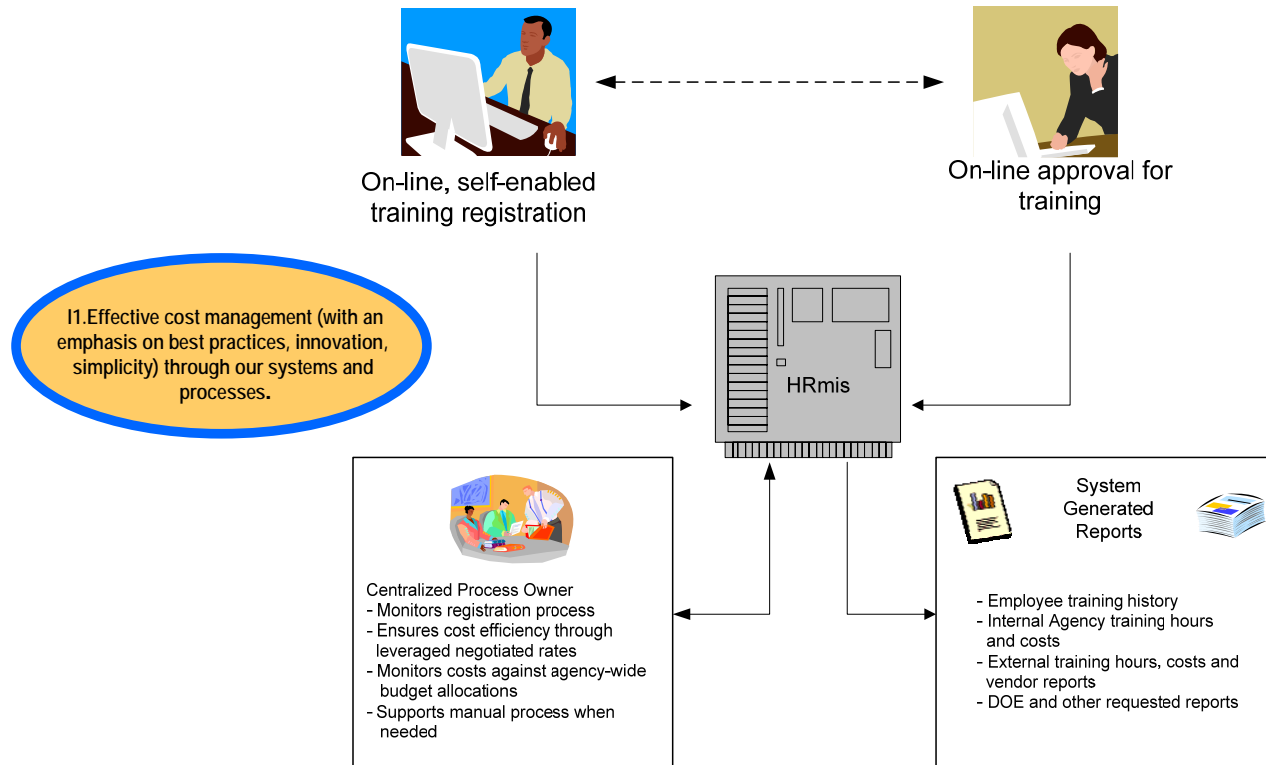


### **6c-3. Training Registration Process – Future State**

The Training Registration Process today, (like many other HR and Staff Management processes), is dependent upon the manual efforts of the support staff (i.e. training coordinators and staff management). The process is also decentralized and fragmented since those supporting it are located throughout the business lines and Corporate.

The future state recommendations are:

- Standard, automate, and centralize the training registration process within the Human Resource training function. This will ensure accurate Agency-wide reporting of training hours/costs and accurate automated reports generated from a single source (HRmis) providing both internal reports as well as external reports (such as required by DOE).
- Employees, through self-enabling automation, register for training on-line. An automated process supports:
  - Registration available on-line (24/7) when the system is available through the employee's desktop, or via BPA's intranet system (RAS);
  - Centralized coordinator (whose service and performance is managed by centralized training function), supporting the registration process for all employees (including those without access to computers); and
  - Centralized reporting capability that provides real-time data on training hours and costs by business line and Agency wide.
- Approval by management included within the automated process:
  - Ensures management is participating in the employee development process; and
  - Employee, seeing delay in approval step, will contact their manager to ensure the step is not overlooked (check and balance system).
- The employee coordinates all external training through the Human Resources training function. This will ensure:
  - Consistent tracking and monitoring of costs against Agency-wide approved budget allocations; and
  - Cost efficiency through leveraged centralized negotiated management of targeted vendor costs and/or rates.



**Training Registration – Future State**



## **6d-1. Training Determination and Delivery Process – Current State**

This process was selected as a key process because it not only satisfied the majority of the key process selection criteria, but also because this process is one of universal concern across all organizations, both public and private sector because of the difficulty in controlling costs / measuring the return on investment (ROI). Further, the training function has significant potential for offering strategic deliverables that can add value to the bottom line. This only happens, however, when:

- Deliverables are pre-assessed and strategically aligned,
- Deliverables are measured for effectiveness and can demonstrate ROI, and
- Deliverables use of a combination of delivery methods in order to be effective while cost efficient.

The current state shows that the Agency's training needs are basically driven by:

- Various assessment tools, and
- People/organizations (both internal and external).

The current state indicates that the drivers are not necessarily always coming through the Learning Environment for control, direction, and/or support. Rather, some training needs are determined as well as provided by the business lines and Corporate who either develop programs in-house or contract with outside sources foregoing any assistance by the Learning Environment.

The current state also points to the drivers directly initiating training, meaning:

- The project team could not identify a pre-assessment process,
- The project team could not identify an Agency-wide strategic employee development plan that the key drivers filter through before being finalized for approval. (In other words, where the Agency has identified its strategic training needs against its critical skill gaps, the project team could not ensure that the VP contracts, for example, were always aligned with Agency strategic needs).

Training is offered in several formats such as classroom settings, web-based tools, and other formats (such as conferences, etc.).

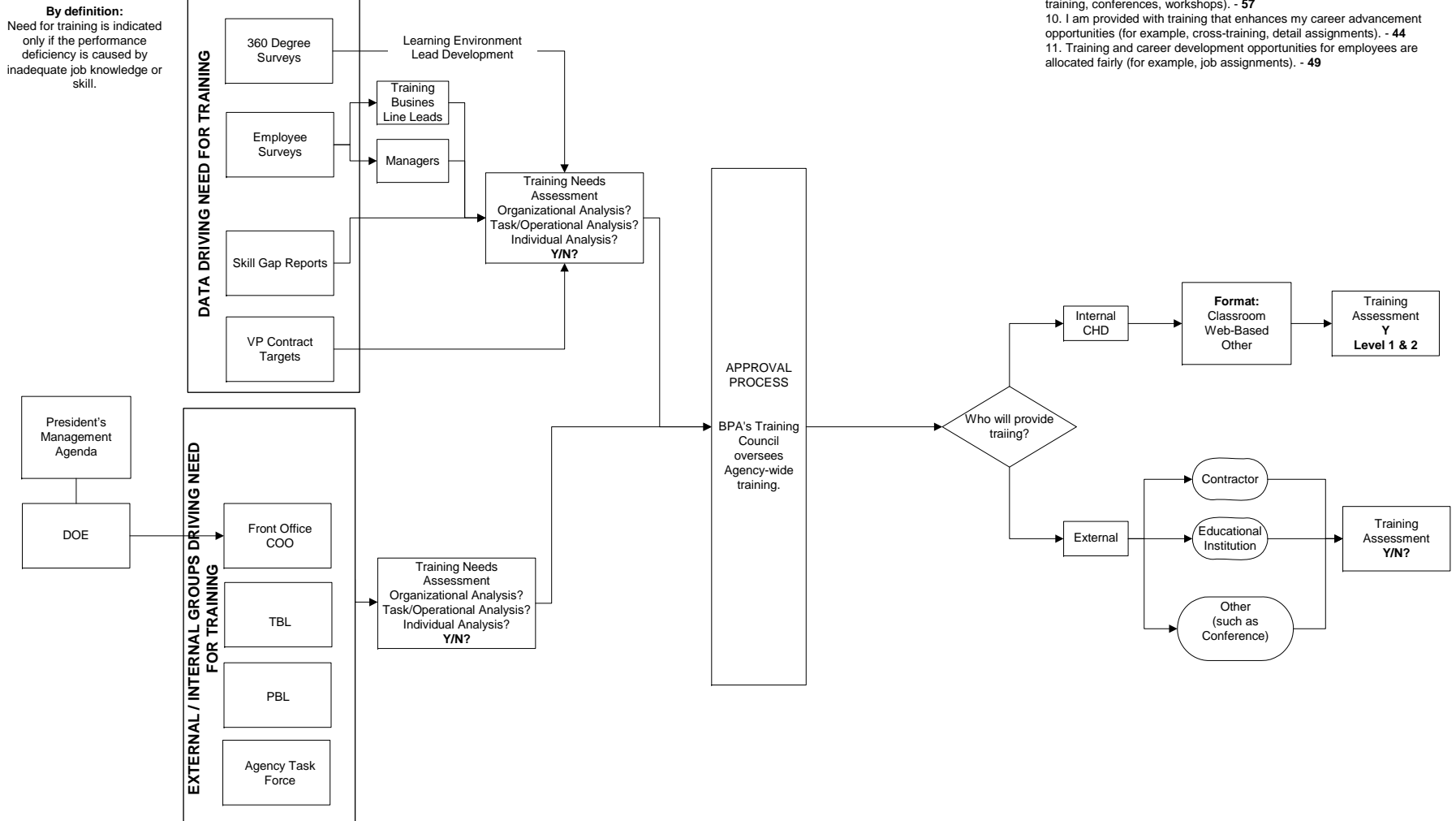


### Training Determination and Delivery - CURRENT STATE

CHD = Learning Environment

**Employee Survey Question#**

- 9. I receive the training I need to perform my job (for example, on-the-job training, conferences, workshops). - 57
- 10. I am provided with training that enhances my career advancement opportunities (for example, cross-training, detail assignments). - 44
- 11. Training and career development opportunities for employees are allocated fairly (for example, job assignments). - 49







## **6d-2. Training Determination and Delivery Process – Process Analysis**

The analysis focused on three key areas:

1. Ability to control spending in consideration of Agency-wide strategic goals and objectives,
2. Ability to assess return on investment, and
3. Ability to deliver in a cost-efficient, yet effective manner.

### **Ability to control spending in consideration of Agency-wide strategic goals and objectives**

The Learning Environment, while thought of as perhaps the primary deliverer of the Agency's training programs, only delivers approximately one-third of all training (based on cost) throughout the Agency. Further, its span of control and budget responsibility is limited to the training that it offers. Additional training development and implementation (along with associated expenditures) is independently processed through the business lines and through Corporate operations (such as IT and Safety). Because of the decentralization of planning and implementation, the Agency is unable to effectively leverage/broker training services and contractor rates. Further, because there is no single point of training needs assessment Agency-wide, the Agency runs the risk of spending dollars on training initiatives that are either not strategically aligned, or could have been delivered across the Agency at more competitive market rates.



### Ability to assess return on investment

The Learning Environment utilizes the Kirkpatrick Four-Level assessment tool:

LEVEL ONE	<b>Reaction:</b> Measures participant's opinions about the course
LEVEL TWO	<b>Learning:</b> Measures how well participants have mastered the course objectives
LEVEL THREE	<b>Behavior:</b> Assess practical value of training (i.e. are new skills being applied to the job)
LEVEL FOUR	<b>Results:</b> Measures performance improvement, quality improvements, and cost savings to the organization (Return on Investment- ROI)

Upon completion of training, there is a training assessment. The Learning Environment is currently assessing at Level One and Two, and producing some Level Three evaluations.

*NOTE: Level Four is difficult to achieve for most organizations since the data is often not available to perform such evaluations..*

The project team, while not being able to confirm, doubts that systematic post assessment is being conducted against training that is developed and/or implemented by the business lines and Corporate.

### Ability to deliver in a cost-efficient, yet effective manner

The following is a broad look at the training initiators along with some of the training offerings.



Initiators of Training	Critical Skill Gaps (report to DOE)
<ul style="list-style-type: none"> <li>--- VP Contracts and identified targets</li> <li>--- HPO Strategy</li> <li>--- Agency Balanced Scorecard Targets</li> <li>--- External Directives</li> <li>--- Specific Client Requirements</li> </ul>	<ol style="list-style-type: none"> <li>1. Business Management &amp; Leadership</li> <li>2. Contract Management and Certification</li> <li>3. IT Project Management Certification</li> <li>4. Financial Acumen and Business Risk Management</li> <li>5. Electric Utility and Public Policy Analysis</li> <li>6. High Voltage Electric Utility Power and Transmission Scheduling</li> <li>7. Substation Operations</li> <li>8. Transmission System Electrical &amp; Electronic Systems Engineering</li> <li>9. High Voltage Transmission Electrician</li> <li>10. High Voltage Transmission Lineman</li> <li>11. Accounting and Financial Management</li> </ol>

Required Training	
FERC Standards of Conduct	Cyber Security Awareness
Security Refresher	New Employee Orientation
Introduction to BPA's Customers	EEO Diversity
Sexual Harassment Prevention	Transition to Management
Recognition Training	Coaching Inside Out
Leading Change	Managing & Measuring Work
Building Effective Teams	

Additional Training Services :
Myers Briggs
Thomas Kilmann Conflict Model
Stress Management Training
Anger Management Training
Listening Skills Training
Time Management Training
Meeting Management Training
Customer Service Training
Coaching
Performance Consultation
Instructional Design



In perusing the offerings, the project team noted that considerable effort is placed on classroom instruction. Out of the required training modules, for example, 50% were classroom, 21% were web-based, and 29% were offered in both formats (classroom or web-based); also 4 courses applied only to supervisors and above.

While it appears that the Agency does make significant use of contractors and other external training platforms, the majority of training is either developed or delivered in-house. According to a recent international 2004 study, seventy-nine percent of surveyed participants indicated that they out sourced some or all of the training delivery; sixty-eight percent out sourced some or all of their training content development; and, almost forty-five percent out sourced some or all of their curriculum development.

### Percentage Outsourced

	None	Small portion	Large portion	All
Curriculum development	54%	28%	10%	5%
Training content development	30%	45%	17%	6%
Training delivery	20%	44%	26%	9%
Training administration	63%	24%	7%	5%
Training technologies	38%	42%	14%	5%
Training facilities	46%	34%	12%	6%



### **6d-3. Training Determination and Delivery Process – Future State**

Classroom training is costly. It requires facilities, teachers, and a significant high-impacted loss of production due to a sizeable group of people leaving their desks to attend training.

Decentralized training budgets are risky unless there is an effective check and balance system along with a centralized approach in brokering training services.

The Agency's decentralized training programs are not making use of each others' strengths.

#### **Future state recommendation**

- Focus internal training and development on strategic objectives only. (In the private sector this translates into designing and delivering internally only the programs that will give the company strategic advantage against the competition. For the Agency it means designing and delivering programs that will ensure a workforce that is capable of delivering success in each of its four "pillars" and key strategic objectives [reference BPA's Strategy Map].)
- Create an environment for independent learning by making training available, intuitive, and informative in a web-based environment, thereby reducing the need for classroom trainers and space, and increasing employee productivity,
- Centralize the training determination and delivery process; have the Learning Environment broker as many courses as possible to external preferred service providers, and
- Ensure the Learning Environment keeps the client contact role to identify needs and source the suppliers.



## 6e-1. Agency Diversity Process – Current State

The Agency, by evidence of its current diversity initiatives, understands the importance of recognizing a diverse workforce. So much so, that considerable employee time is spent in the development and implementation of diversity statements and programs.

However, though there is a segment of the Human Resources organization that is designated as the Diversity Office, the Agency's diversity programs are currently developed and implemented within the business lines and Corporate.

Power Business Line	Transmission Business Line	Corporate
<p style="text-align: center;">VISION</p> <p>The Power Business Line is an inclusive organization representing the community at large where each person understands, respects and values the unique qualities and styles that every individual brings to the workplace. In PBL, people are treated as and consider themselves integral parts of the PBL team.</p> <p>GOALS:</p> <ul style="list-style-type: none"> <li>• Improve the intercultural competence across the PBL organization.</li> <li>• Achieve and maintain a diverse workforce that includes a proportionate representation of the external workforce in all grade levels.</li> <li>• Maintain an infrastructure to support the vision and the objectives in the plan</li> </ul>	<p style="text-align: center;">VISION</p> <p>To create an environment that demonstrates commitment to diversity as a strategic business objective. Diversity = Opportunity</p> <p>GOALS:</p> <ul style="list-style-type: none"> <li>• Workforce Diversity - Achieve a diverse workforce that will reflect the workforce of the region and the nation. Show results towards increasing representation of underrepresented groups.</li> <li>• Workplace Diversity - Raise awareness that Diversity is valued and why it is valued.</li> <li>• Motivation and Alignment - All employees are treated fairly and are utilized to their full potential</li> <li>• Leadership - Institute visible leadership - management that engages workforce and recognizes and celebrates success towards meeting diversity goals.</li> </ul>	<p>Corporate (which consists of all organizations within BPA that are not part of the Transmission and Power Business Lines) is fully committed to equal employment opportunity and fair and equitable treatment of all employees and applicants. Working within the established systems at BPA, our goal is to achieve equal opportunity for all qualified persons</p> <p>We will promote and manage diversity by:</p> <ol style="list-style-type: none"> <li>1. Establishing effective teamwork.</li> <li>2. Treating others with respect.</li> <li>3. Valuing and supporting each individual's contributions.</li> <li>4. Making selections for training, work assignments and promotions based on applicant ability.</li> <li>5. Providing opportunities for success of minorities, women and the physically challenged while assuring fairness and equity in the workplace.</li> </ol>



Because the diversity programs are developed within the Agency in this manner, one can see the differences in their approach regarding this subject.

In addition to the above statements and initiatives, the Agency has other avenues for promoting diversity through its:

- Hispanic Diversity Initiative Program,
- Special Emphasis and Minority Recognition Programs, and
- Pluralism Council.

Despite the effort put into these programs, what is not seen is:

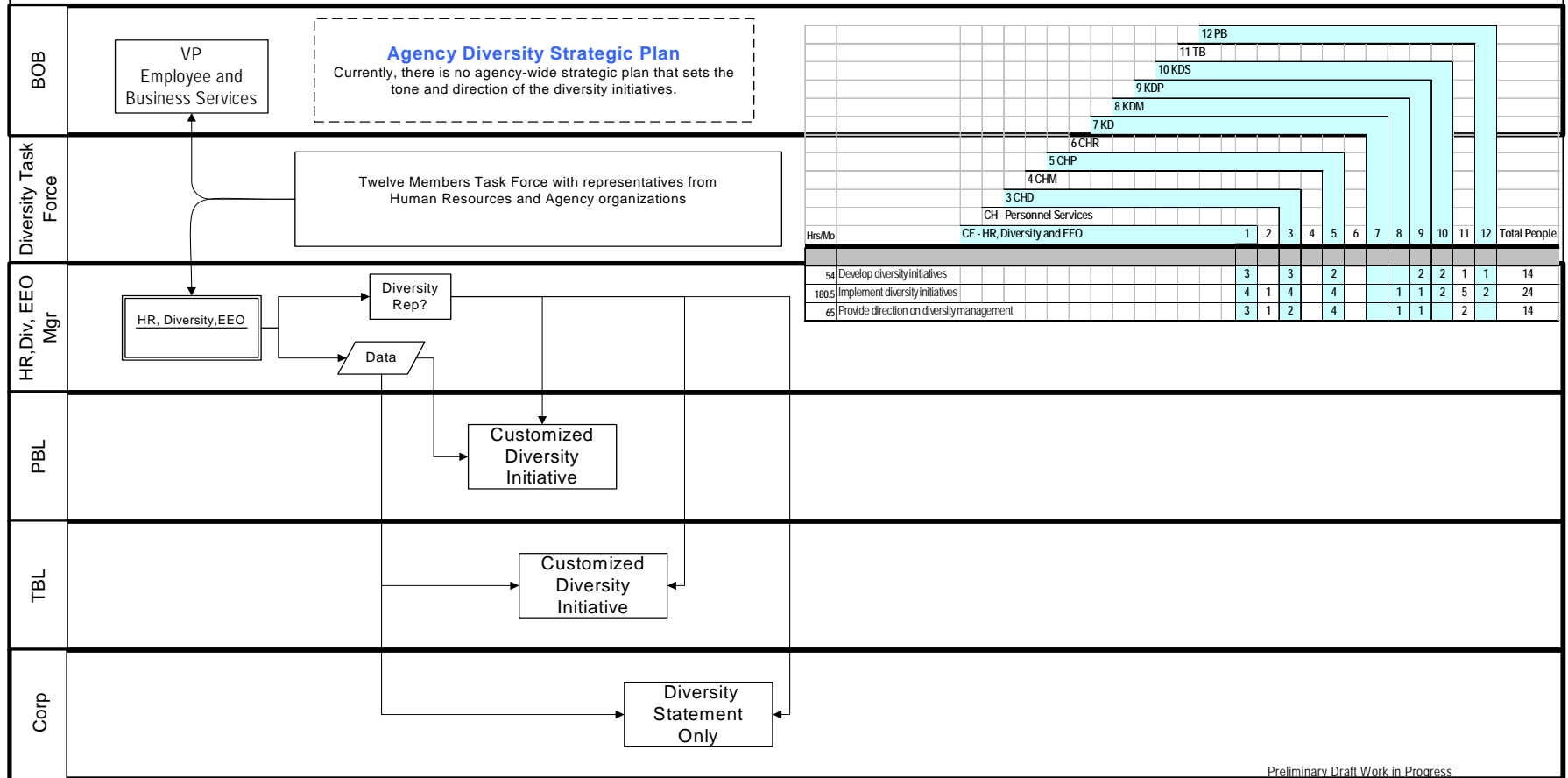
- Agency-wide diversity statement/vision with a single-focused direction that is communicated internally as well as externally,
- Development of Agency-wide strategic diversity goals and initiatives,
- Agency-wide diversity programs that are implemented strategically and consistently across the Agency,
- Designated Agency-wide process owner(s), and
- Executive leadership who guide the strategy and direction.

The Agency, through its Diversity Task Force, drafted an Agency-wide diversity plan that would have a single focus and direction, but the plan has not achieved executive endorsement at the time of this report.

The following Current State Diversity Implementation Process shows how diversity programs are being created within the Agency today.



**Diversity Implementation Process - CURRENT STATE**



Preliminary Draft Work in Progress  
Pre-Decisional and for BPA Internal Deliberations Only





## 6e-2. Agency Diversity Process – Process Analysis

The nation's workforce is diverse and companies, in order to compete in today's marketplace, invest significant time and money in order to ensure the recruitment, retention and development of a diverse, qualified workforce. Further, reports have shown that qualified and interested candidates are attracted to employers who are able to show that they are committed to developing and promoting a wider array of people. Knowing that a large portion of hits to a company's website come from prospective employment candidates, these companies ensure that their commitment to diversity is stated visibly on their websites.

Understanding the importance of a diverse and productive workforce, we began our early observations in looking for the Agency's diversity statement. Our observations, however, noted that the Agency appeared silent on this topic.

Key drivers that prompted us to consider the Agency Diversity Process as a key process were:

- Survey results from the HR/Staff Management All Employee Survey that showed:
  - 14 employees spend approximately 54 hours monthly developing diversity initiatives,
  - 24 employees spend approximately 180 hours monthly implementing diversity initiatives,
  - 14 employees spend approximately 65 hours monthly providing direction on diversity initiatives, and
  - The time spent on diversity activities is split 50/50 between the HR organization and the Staff Management organization.
- Interviews from frustrated employees pointing to conflicting diversity initiatives that are seen running in parallel across business lines with different focus and direction,
- Diversity statements and initiatives developed out of the Staff Management organization rather than the Human Resources organization,
- Diversity plans around recruitment found within the Staff Management organization, rather than the Human Resources organization.
- Manager Sounding Board members who, in voicing their HR/Staff Management concerns, rated the following as one of their top five: *"Confusion on diversity direction exists across agency."*



We also considered this a key process because:

- It has the potential of touching not only every employee within the Agency, but also future employees. Therefore, this process requires well-crafted and communicated direction as well as controls and measurable targets to ensure consistent and effective standards and outcomes, and
- It requires a communicated vision and commitment from top leadership to ensure its success.

A recent GAO (US Government Accountability Office) study pointed to nine leading practices in the field of diversity management:

- *Top leadership commitment*—a vision of diversity demonstrated and communicated throughout an organization by top-level management,
- *Diversity as part of an organization's strategic plan*—a diversity strategy and plan that are developed and aligned with the organization's strategic plan,
- *Diversity linked to performance*—the understanding that a more diverse and inclusive work environment can yield greater productivity and help improve individual and organizational performance,
- *Measurement*—a set of quantitative and qualitative measures of the impact of various aspects of an overall diversity program,
- *Accountability*—the means to ensure that leaders are responsible for diversity by linking their performance assessment and compensation to the progress of diversity initiatives,
- *Succession planning*—an ongoing, strategic process for identifying and developing a diverse pool of talent for an organization's potential future leaders,
- *Recruitment*—the process of attracting a supply of qualified, diverse applicants for employment, and
- *Employee involvement*—the contribution of employees in driving diversity throughout an organization.

Through review of the current state process map, our analysis showed:

- Where best practices point to a strategic diversity process that begins at the front office, the Agency's current diversity initiatives are being driven from the bottom with some direction and support coming from the HR, Diversity and EEO group,
- Differences in approach and some ad hoc initiatives being produced throughout the Agency,
- Diversity work plans that list tasks, but come short in developing measurable targets,
- A frustrated diversity task force that has been unable to deliver a single-focused Agency diversity plan, and
- Surveys and interviews indicating a high level of frustration regarding the lack of Agency-wide diversity direction.



The analysis also pointed to key statements that will impact the Agency in the future:

- The Agency's workforce in the near future will change by 20-30% as employees leave for retirement,
- The external labor pool is changing due to the growing number of women, people of color, and immigrants,
- Forty percent of all hits to the Agency's website are prospective employment candidates,
- An environment where all employees feel included and valued yields greater commitment and motivation. It also means fewer resources spent on training, turnover, and grievances, and
- Diversity initiatives, starting with the statement and commitment from the top, should be delivered in a strategic manner throughout the organization that sets targets and measures results.

In identifying best practices regarding diversity programs, we looked at diversity statements and strategic direction developed by recognized industry leaders:

- **Exelon** ([http://www.exeloncorp.com/corporate/diversity/div\\_overview\\_msg.shtml](http://www.exeloncorp.com/corporate/diversity/div_overview_msg.shtml))
- **Reliant** (<http://www.reliant.com/en/corporate/1,1003,CID209396,00.html?3id=209396&2id=227059&1id=227037>)
- **Duke Energy** (<http://www.duke-energy.com/company/diversity/overview/>)
- **American Electric Power** (<http://www.aep.com/about/diversity/default.htm>)

Below, as a best practice example, is the diversity mission statement and strategy along with the diversity initiatives of American Electric Power (rated #148 in Fortune's 2005 Top 500 Companies and #2 in Fortune's 2005 Energy Category). In looking at the example, things to note are:

- A clear, concise one-sentence diversity statement,
- Clear strategic direction given in five statements,
- Initiatives that include everyone – not just a minority few, and
- Work / life policies and programs that ring very similar to BPA's!

The Agency, in its ability to deliver a diversity statement and direction from the front office that then translates into the strategic diversity initiatives, that also communicates broadly to the external labor pool, will see itself strategically positioned and prepared for the challenges ahead.

## American Electric Power's Diversity Statement



P1: Leaders set clear direction and are accountable for results

P2: BPA invests in a talented workforce to achieve strategic results.

P4: BPA's positive work environment enables its people to do their best work.

**Diversity Mission Statement and Strategy**  
 AEP is committed to providing and fostering an inclusive business environment that leverages the unique talents, perspectives and experiences of each employee.  
**We will accomplish this by:**

- Leveraging the diversity of our employees and the strength of our brand to increase business opportunities and partnerships with key external markets, communities and suppliers
- Focusing on the recruitment, development and retention of diverse talent
- Creating a work environment that enables all employees to reach their full potential
- Integrating diversity education into the existing education curricula of all employees and leaders, and
- Maintaining a vendor/supplier base to help position us to meet the unique needs of a diverse customer base.

**Diversity Initiatives**

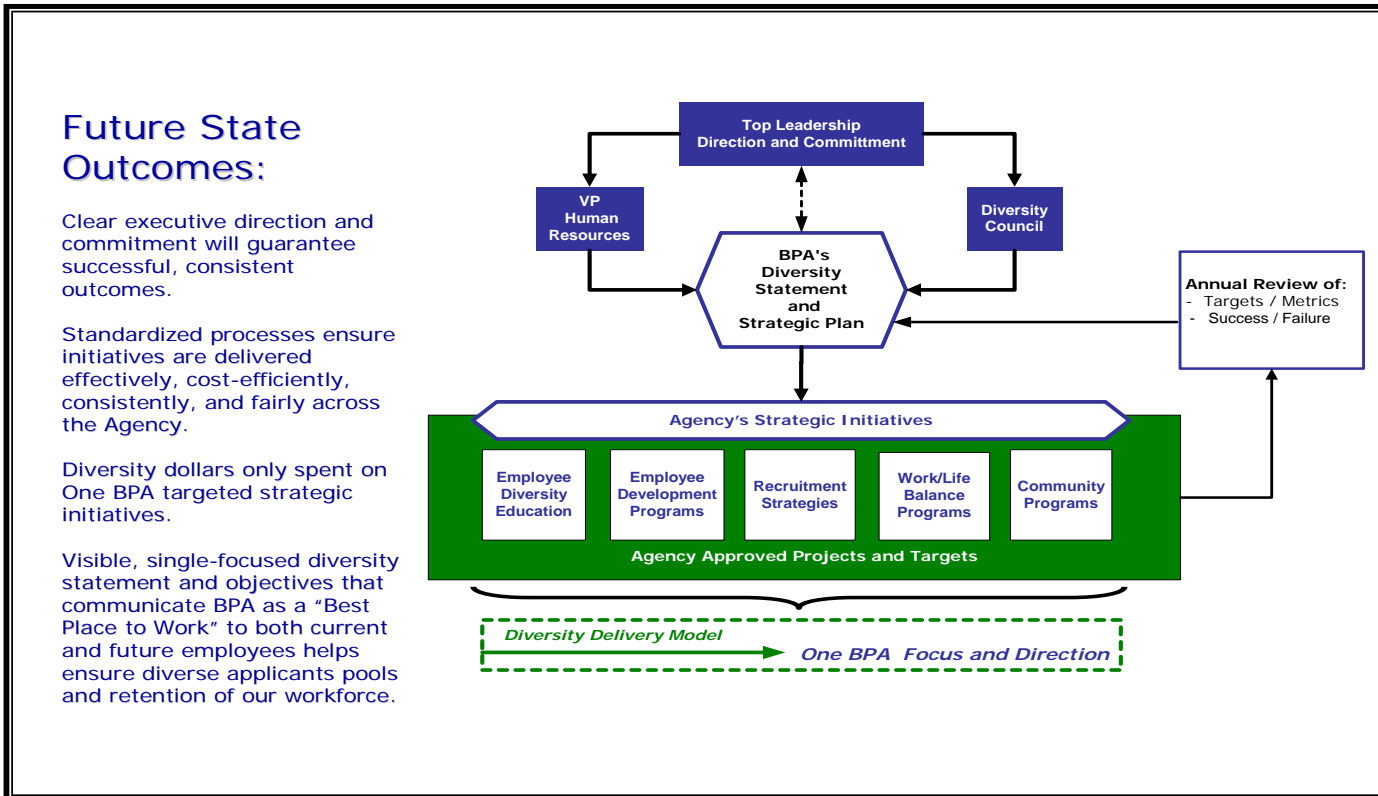
- Diversity Council
- Diversity Education
- Special Events
- Diversity Website

**Work / Life and Diversity**  
 Work/life policies and programs are those that help employees balance their personal lives with their job responsibilities. ...Certain ones have been identified as key in attracting and retaining a diverse workforce.

- Adoption Assistance
- Casual Business Attire
- Child Care Assistance
- Educational Assistance
- Employee Activities
- Financial Planning
- Flex Time
- LifeCare.com
- Wellness Programs

This information is strategically placed on AEP's website  
[www.aep.com/about/default.htm](http://www.aep.com/about/default.htm)

### 6e-3. Agency Diversity Process – Future State

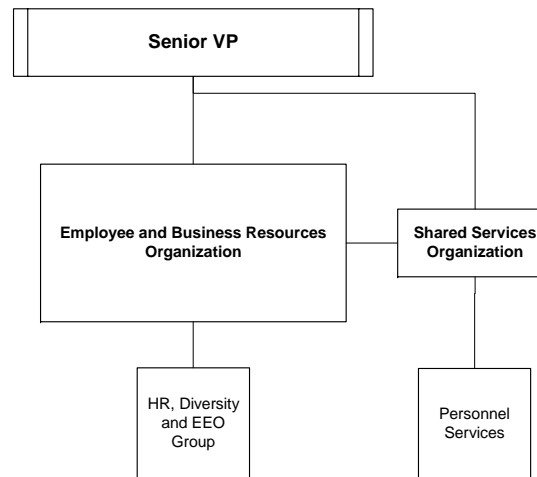




## 6f-1. HR Policy and Procedures Process – Current State

The Agency purposely structured its HR organization into two parts:

- HR, Diversity and EEO (created to be the policy and governance body),
- Personnel services (housed within Shared Services) to deliver core HR services.

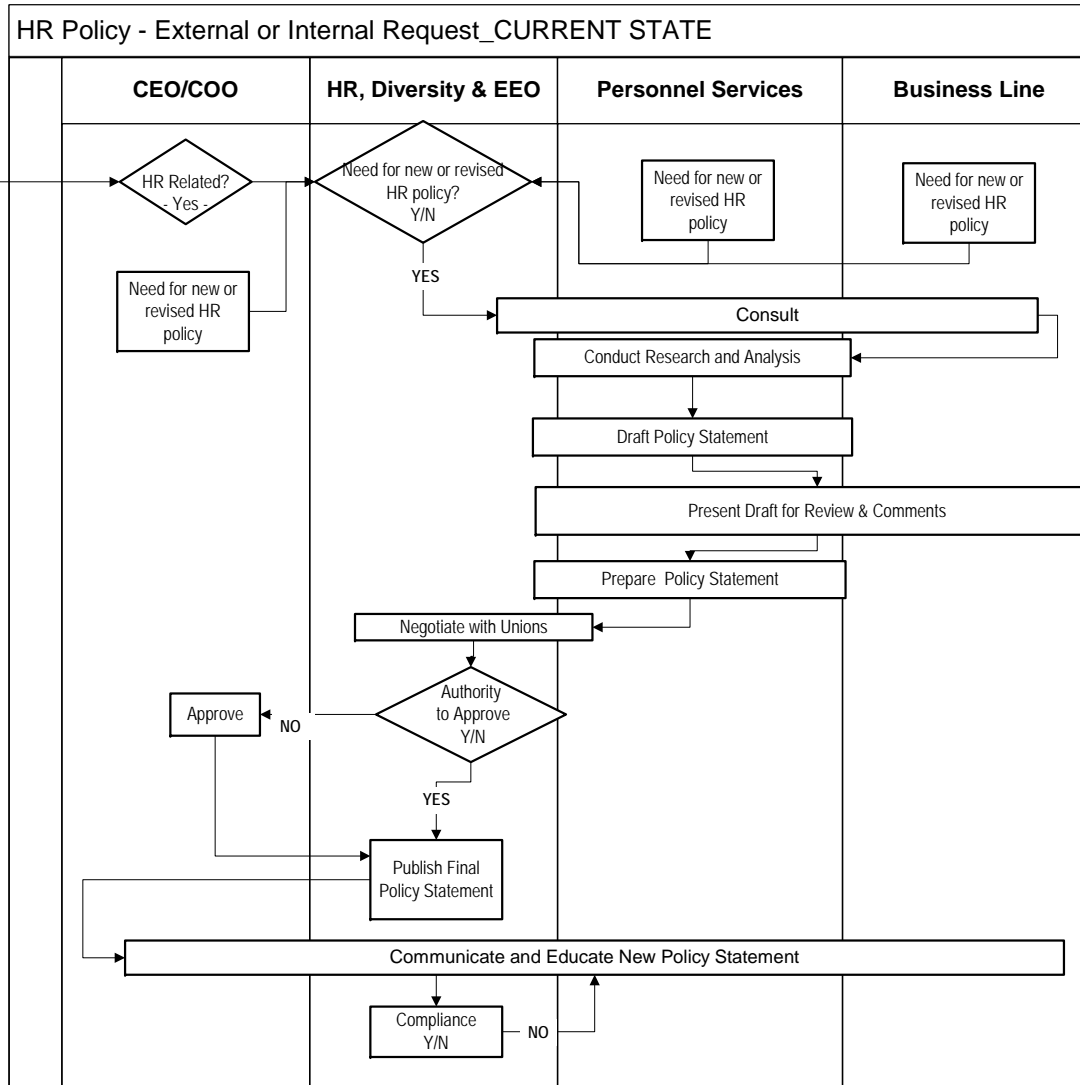


Because the development or oversight of policy and procedures is considered a governance role, the HR, Diversity and EEO group is responsible for overseeing all aspects of HR policy (whether it be new policy or current policy).

Below is the Current State HR Policy Process map.

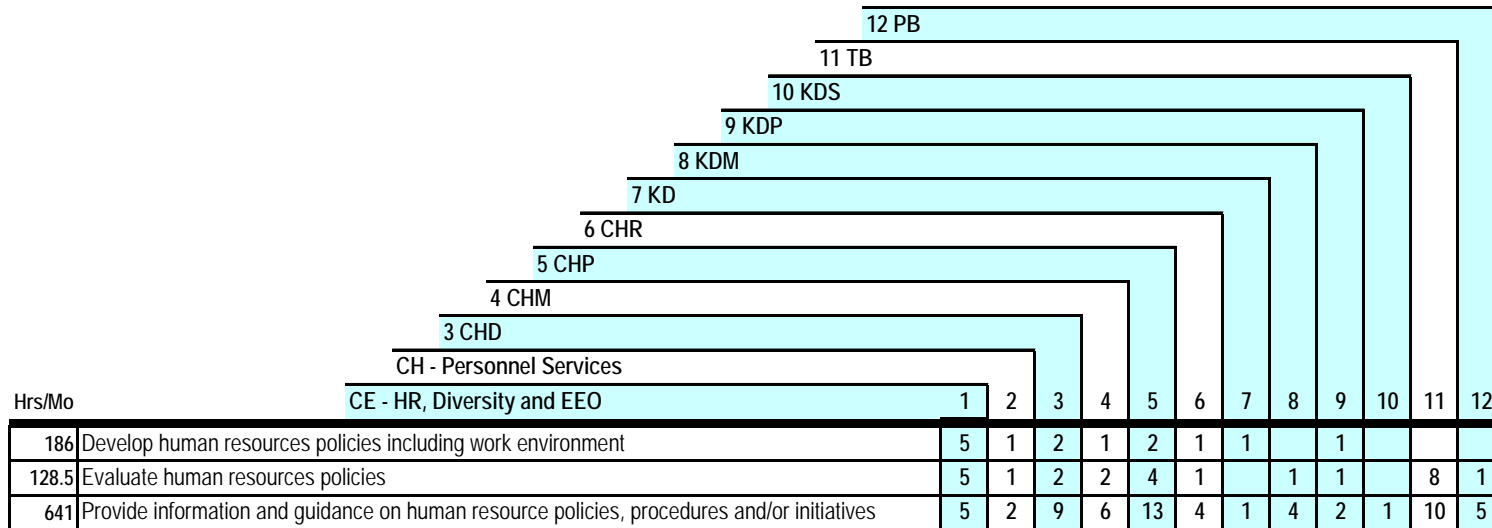


New or revised law, regulation, policy, including EEO, or commercial necessity





## 6f-2. HR Policy and Procedures Process – Process Analysis



The process was selected for consideration because:

- The bureaucratic nature of the Agency, like large organizations, creates a culture that is heavily steeped in policy and procedures that touch everyone within the Agency,
- The project team, in looking for cost efficiencies, was curious to know why the Agency required a separate department outside of its Personnel Department to handle HR policy overview, and
- The project team wanted to understand how much of the policy work was being done within the HR, Diversity and EEO versus other groups within the Agency.





Through the HR/Staff Management All Employee Survey, results showed:

- More hourly work around the HR policy process being done outside of HR, Diversity and EEO organization,
- More hourly time spent in guidance and support of HR policies being done outside of HR, Diversity and EEO, and
- Considering all HR policy related activities, 15% of effort is within HR, Diversity and EEO, 50% of effort is within Personnel Services, and 35% is within the business lines and Corporate.

This survey also asked participants to identify the top five activities that required most of their time at work. Of those responding from the HR, Diversity and EEO group, only one person indicated that it was their number one activity.

The project team also conducted interviews with those within the HR, Diversity and EEO group and the Personnel Services group to gain better understanding of individual responsibilities for policy development; and to look for input regarding the effectiveness of the current processes. In doing so, the project group found:

- Concern regarding the lack of clarity of roles and responsibilities for development of HR policy between the HR providers, the Personnel Services group, and the governance staff in the HR, Diversity and EEO group. This lack of clarity has resulted in:
  - lack of priorities,
  - inefficiency in the development and communication of new and revised policies,
  - perceived skill gaps,
  - published policies that have sometimes not been cleared through the appropriate experts,
  - at times, lack of alignment regarding interpretation of policy, which results in different interpretations given to manager clients, and
  - lack of clear direction or the existence of some policies, i.e., diversity management guidance – which has resulted in different application and interpretation of policies among the business units.



### **6f-3. HR Policy and Procedures Process – Future State**

***“HR policy direction appears sporadic and fragmented; sometimes it even comes from the COO. We get it in all different ways and formats. Also, when a major subject gets raised; we wait for some direction and never know who it will come from, and when and if we will get direction.”***

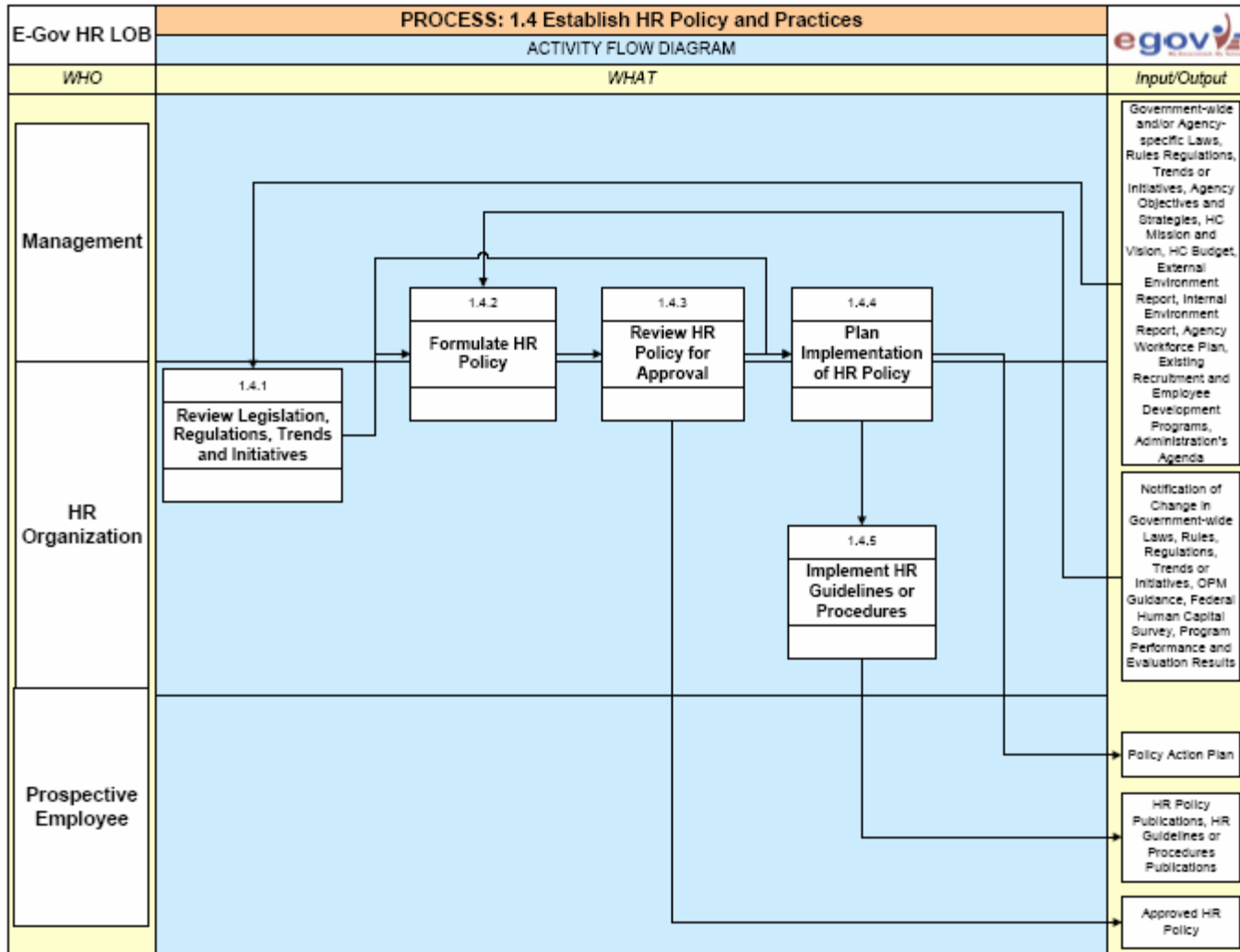
***“The lack of a substantive HR policy group is having negative impacts in many areas such as workforce planning, establishing a strategic integrated direction for policies/programs. Focusing on policy or program development without the right skill set is not productive.”***

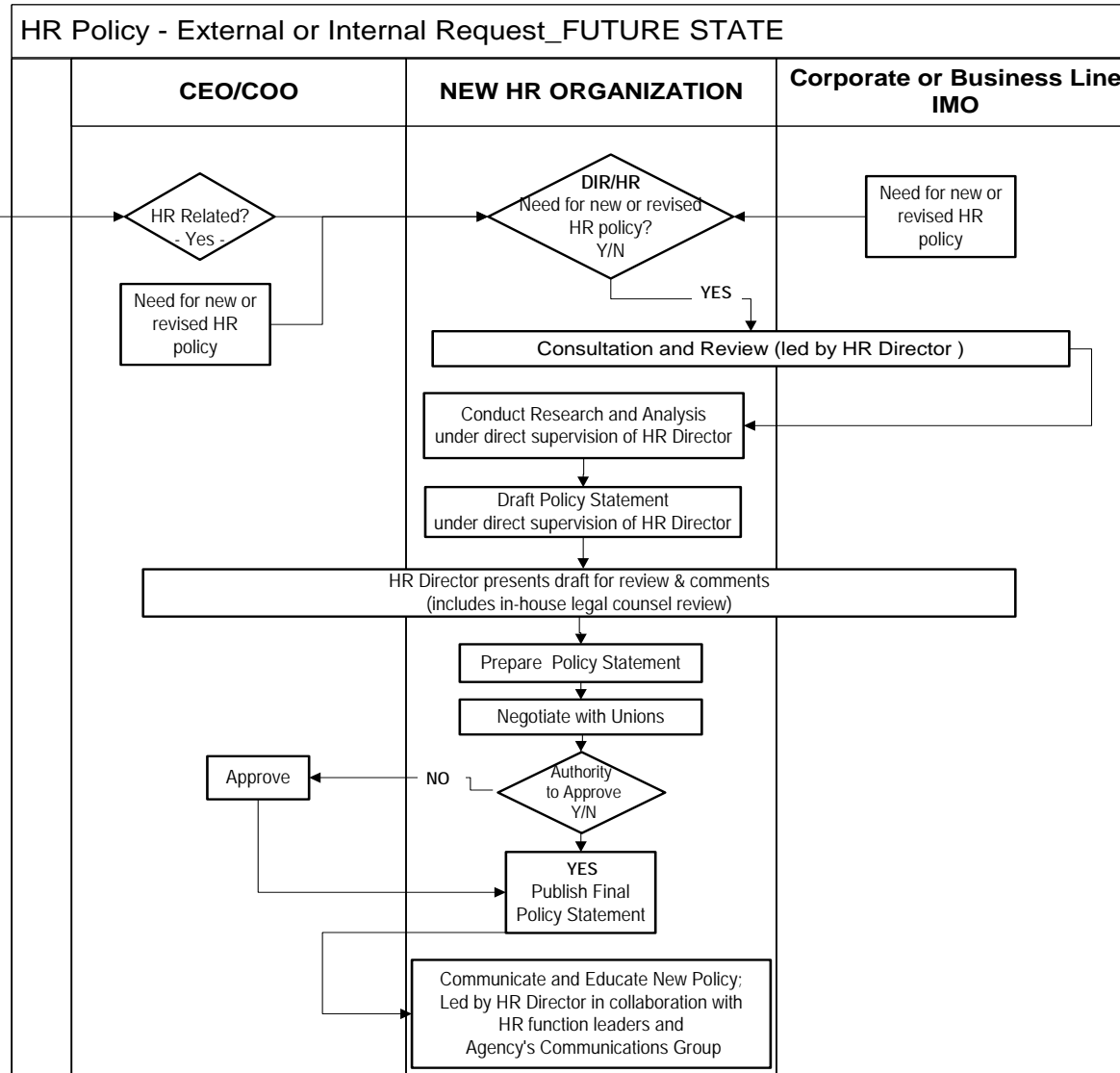
The future state solution recommends:

- Consolidating the HR Policy and Procedures Process into a centralized HR organizational structure,
- Including steps within the future state process that ensures 1) policy review by General Counsel as needed, and 2) collaboration with the Agency’s Communications group to effectively rollout new or revised policies and/or procedures throughout the Agency, and
- Clarity regarding the business units’ role in implementation of the HR policy.

Below are two process maps:

- The Office of Personnel Management (OPM) has supplied the first process maps as it works towards supporting the Federal agencies’ human resources line of business. OPM’s process map shows suggested inputs and outputs. It also shows the collaborative effort between the HR organization and its client/customer.
- The Future State HR Policy Process Map as recommended by the project team. The process map gives more definition around those involved with the process (such as the Director of Human Resources) and also gives direction regarding the review and approval steps.







### 6g-1. Conflict Management Process – Current State

The Agency currently has many avenues available for employees to take in order to resolve their conflict. Below, is a chart showing the avenues available to resolve conflict issues within the Agency.

		Employee	Management
<b>Business Lines/Corporate</b>	Management	★	
	Staff Management	★	
<b>HR, Diversity &amp; EEO</b>	Ombudsman	★	
	EEO office	★	
	Labor Relations		★
<b>Personnel Services</b>	Maint. a Support. & Eff. Work Env.		★
	The Learning Environment		★
	Other HR Staff	★	★
<b>Other Internal Source</b>	BPA Legal Staff		★
<b>External Sources</b>	Unions	★	
	DOE	★	

Process mapping the current state was not possible since multiple processes are available to users who employ them in idiosyncratic ways.



## **6g-2. Conflict Management Process – Analysis**

This process was selected for analysis because:

- It met three of the five criteria for selection of key processes, those being –
  - Process impacts a large group of people,
  - Process contains significant manual and/or duplicative efforts, and
  - Process is confusing to users.
- Agency employee surveys had indicated that almost half of all respondents felt disputes/conflicts were not resolved fairly, and
- Upcoming Agency initiatives (such as “One BPA” and “EPIP Implementation Projects”) have the potential for escalating tensions and thereby the number of conflict incidences.

The process analysis shows that:

- Conflict Management is not one process but many related processes which are documented in the BPA Management Assistance Services Handbook and elsewhere in various policies, brochures, etc. A review of the policies shows that they are sound and comprehensive but not user friendly.
- Solution shopping is employed by users of the processes.
- Lack of user friendliness results in user confusion, misdirection, and a lot of individual support and guidance by HR staff.
- Policy review also shows that the Agency has a desire to go well beyond the requirements of the law to create a positive work environment. This is a management decision that carries with it both benefits and costs. The cost is easier to calculate than the benefits.
- An unintended consequence of the Agency's desire to create a positive work environment is a sense of entitlement in some employees and a sense of disempowerment in some managers.



- A lot of good people are currently doing a lot of good work. This fact was initially puzzling. How could the Agency have a robust effort that employs a full range of competent professionals who do their best every day and yet the employee survey scores for conflict management remain unsatisfactory? The answer to this puzzle is fivefold:
  - The measures used may be flawed. For example asking employees if a conflict was handled fairly will result in a negative response if the employee responding engaged in a dispute and did not get the answer he or she desired even though the dispute resolution process was more than fair. The confidential nature of conflict resolution places no restriction on what an employee can make public but severely restricts what management can say. It is likely that a workgroup will hear only one side of a story and draw the conclusion that the resolution was unfair. The measures in use are relative measures not absolute or normative measures. A “bad” relative score could be a neutral or “good” score when viewed in terms of normative data.
  - The resolution of conflict can be well within the bounds of law and policy and yet not satisfy the sense of entitlement mentioned above.
  - Managers are the single most important determinant of success with conflict management. The entire professional staff involved with conflict can do their best work and still fail if managers are not fully trained, empowered, and motivated to manage conflict. (Manager as used here includes all who have a people reporting to them from the Administrator to team leads.)
  - Most conflict can be resolved quickly and painlessly when it is addressed promptly and informally. If allowed to escalate or fester, formal, difficult and expensive solutions often come into play.
  - Conflict resolution requires good follow-up and follow through.



## 6g-3. Conflict Management Processes – Future State

### Recommendations

- Compile all policies and other supporting documents that are designed to help employees handle conflict in one place electronically and devise an electronic “Wizard” that will guide employees to the correct resource for the problem they are experiencing. Place emphasis on prompt resolution closest to the source and appropriate engagement of the immediate supervisor.
- Compile all policies and other supporting documents that are designed to help managers handle conflict in one place. (The Management Assistance Services Handbook is a major step in this direction). Devise an electronic “Wizard” that will guide the manager through these materials in a user-friendly fashion.
- Develop conflict management training that includes:
  - A complete interpersonal skill set and intellectual framework for productively managing conflict in all directions (with seniors, peers, and subordinates in the organization),
  - A thorough grounding in Agency policy using practical examples from case studies of common conflicts found in the agency,
  - Clear direction regarding the kinds of conflict that should be dealt with by managers and the kind of conflict that should be referred such as medical, union, EEO, etc., and
  - The support resources available and their appropriate use.
- Monitor the effectiveness of the Conflict Management training utilizing Kirpatrick level three measures. Level three evaluation involves a determination of whether the trainee is effectively using the new knowledge and skill on the job. This type of measurement allows for the possibility of level four measures (results) by comparing the conflict cases emerging from people trained with a control group of people not trained. This sort of analysis could permit the analysis to extend to ROI calculations.





## Recommendations cont.

- Create a motivational framework in which managers will have an incentive to address conflict.
  - One of the greatest challenges for a manager in the future state will be performance management. As organizations are correctly sized, every person will have to perform adequately or the organization's ability to deliver will be impaired. A future state manager who does not manage performance problems will be a performance problem. When managers actively pursue performance problems there will be predictable outcomes:
    - Initially mistakes will be made. Even good training will not preclude novice errors. Support and encouragement from above is essential to sustaining the effort.
    - Some poor performers will use every tool at their disposal to discredit the manager. All of the complaint channels will be employed and some performance indicators will dip initially. The dip will be followed by a rise as the vast majority of employees who are good performers discover that the Agency is serious about correcting poor performance. Management at all levels will require fortitude to weather the initial negative reaction.
    - Once a problem employee is engaged by the system there will be temptations to pursue a quick fix instead of seeing the problem through. Many problem employees can be "managed in" with time and effort. Those who cannot or will not must be "managed out."
    - Even when everything is done correctly there will be instances in which the Agency will not prevail. These will be offered as proof that nothing can be done by those who prefer to avoid conflict. This error in thinking must be countered.
  - Give significant weight to a person's ability to productively manage conflict when hiring or promoting.
  - Emphasize interpersonal skills and conflict management in performance appraisals.
  - Managers at the highest levels should take opportunities to model a willingness to engage conflict in a positive and productive way.
- Conduct meetings quarterly with all of the professionals engaged in providing conflict management services for the purposes of evaluating progress, maintaining common standards and approaches, and generating continuous improvement.



### **Conflict Management Future State Cost**

The primary implementation costs will be the development and implementation of conflict training and the consolidation of policies and procedures and development of a user-friendly interface.

### **Benefits**

Making policy user friendly will be essential in any efficient HR future state scenario. Managers and employees must be able to readily access policies in a simple, user-friendly way if the benefits of self service are to be realized.

Enhanced performance management requires skilled, knowledgeable, and motivated managers. Enhanced performance management is a critical success factor in the attainment and maintenance of a more efficient Agency.



## 6h-1. Reorganization Process – Current State

### Purpose of the Process:

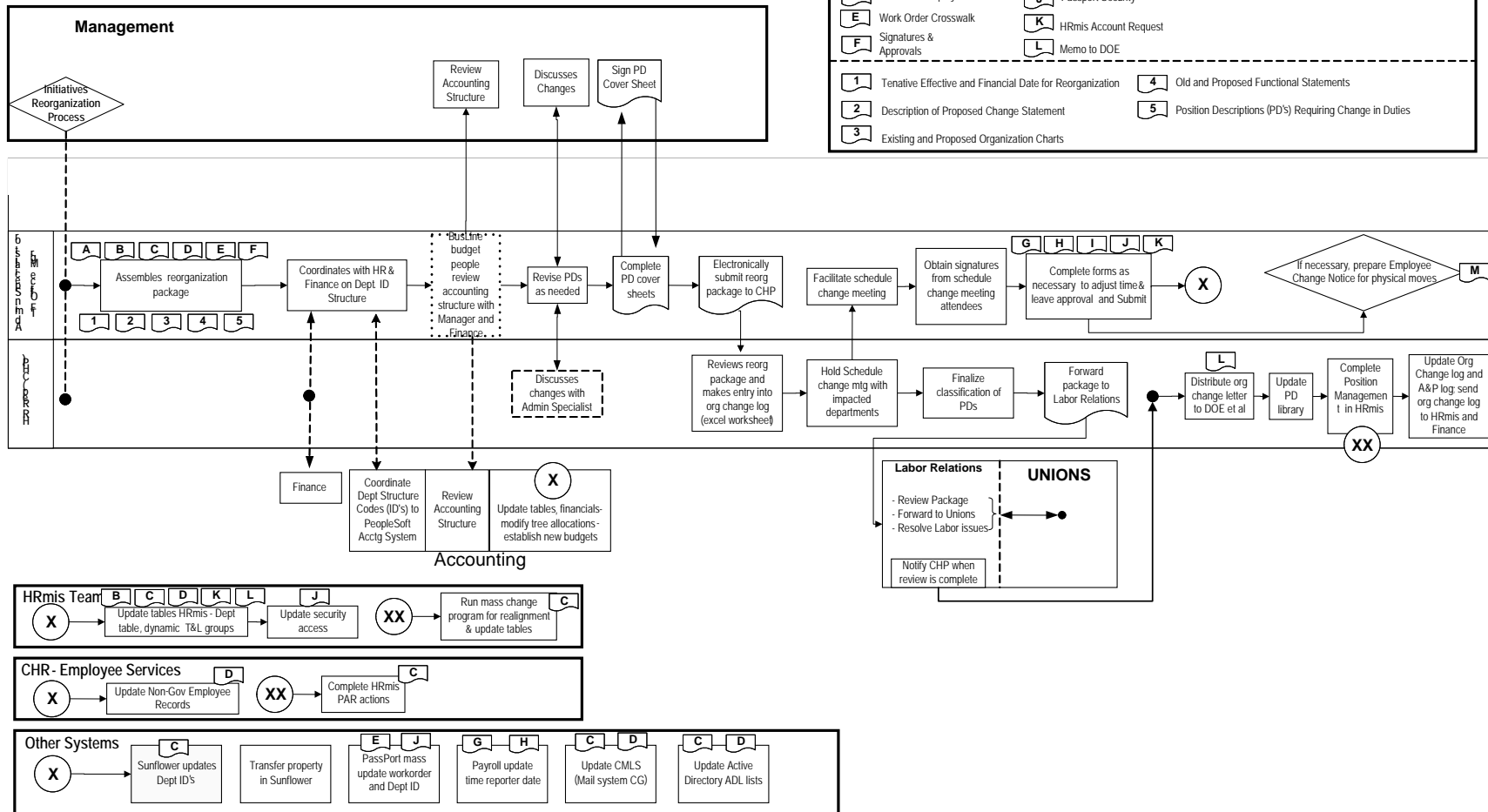
The process governs how organization changes, reorganizations, realignment and reassignments are handled in the Agency. This process does not include the staffing process, the position description development process, or the position classification or reclassification process. These other processes are often used in conjunction with the reorganization process but are separate from it.

The reorganization process:

- Is a preparatory process that ensures people and systems are re-aligned and that required communications are conducted; it does not include the actual moving of employees and their equipment from one area to another;
- Spans across the HR and Staff Management organizations. Its point of entry is the Staff Management organization in response to management's request for a reorganization;
- Spans across other internal operational functions;
- Is labor intensive. According to the current Agency procedural manual, this activity requires 3 months of lead-time. Procedures along with roles and responsibilities are outlined in a thirty-six page Personnel Letter (250-4);
- Survey of HR and Staff Management employees indicates that 25 respondents typically put in over 100 hours per month cumulatively towards this activity. This level of activity is indicative of current status. The "One BPA" and EPIP initiatives will drive an overall increase in hours spent on this activity and will most likely (using the current state process) require far more than 3 months of lead-time;
- Is manual. The process map, with its eight swim lanes, indicates the back-and-forth of manual information, the use of 13 forms (Word and Excel documents), and a process owner (HR/Acquiring and Positioning Group) that does not get involved until towards the end of the process. Further, the process owner was selected by default as a result of the elimination of the Management Analysis Group. The process map documents well over 50 steps or tasks required to complete this process; and
- Though the process map implies a series of events occurring in chronological order, our interviews with those involved in the process indicate that the steps seldom occur in a consistent manner. Interviews also indicate that those working at the end of the process seldom know the actual start date of the reorganization process, leaving them unprepared and with inadequate time to perform their piece of the process.



Reorganization Process\_CURRENT STATE



**Reorganization Package**

**Forms**

<b>A</b> Organization Change Checklist	<b>G</b> Time & Labor Approval	<b>M</b> Employee / Contractor Change Notification
<b>B</b> Organization Code Crosswalk	<b>H</b> Assignment of Time Keeper/ Power User	
<b>C</b> Employee Crosswalk	<b>I</b> Schedule Change Worksheet	
<b>D</b> Non-Gov't Employee Crosswalk	<b>J</b> Passport Security	
<b>E</b> Work Order Crosswalk	<b>K</b> HRmis Account Request	
<b>F</b> Signatures & Approvals	<b>L</b> Memo to DOE	

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<b>1</b> Tentative Effective and Financial Date for Reorganization	<b>4</b> Old and Proposed Functional Statements
<b>2</b> Description of Proposed Change Statement	<b>5</b> Position Descriptions (PD's) Requiring Change in Duties
<b>3</b> Existing and Proposed Organization Charts	



## **6h-2. Reorganization Process – Process Analysis**

The current process is well documented in Personnel Letter 250-4 (Revised). This personnel letter provides the process, policy, procedure, roles, and responsibilities needed to ensure that all impacted departments including HR, Finance, and IT comply with all applicable laws, regulations, and policies and that all important actions have been accomplished. The personnel letter also provides copies of the 13 forms involved and instructions for their use. For all of these reasons the process is effective, meaning that it produces a predictable result that conforms with standards.

The process is, however, highly inefficient:

- Cycle time for the process is 3 months. Approvals occupy some of this time and some of the approval delays are difficult to reduce. The bargaining unit for example has a 21-day window for comments,
- Currently HR and Staff Management devote a 100 hours a month to this process. The time needed from users is substantial but it has not been calculated as part of this study. As the number of reorganizations increase this number will increase dramatically,
- The process is almost entirely manual and paper based and involves a lot of hand-offs. Thirteen paper forms are involved and they require the entry of the same data multiple times,
- The current process has well over 50 steps, intended to be linear and sequential, but in practice they seldom are, and
- The current process requires in-person meetings that are difficult to schedule and time consuming to attend.

## **6h-3. Reorganization Process – Future State**

The Agency currently owns and maintains several electronic tools that allow for asynchronous workgroup collaboration. The potential of those tools has not been exploited. Many efficiencies Agency-wide are possible through full use of these tools. In the future state the administrative transactions organization will be a leading user of these tools.



Design parameters for the future state:

- The future state process must retain the desired outcomes of the current state. It must ensure compliance and that all necessary actions are taken,
- The future state process shifts from same time/same place synchronous communication (meetings) to any time any place electronic collaboration,
- The future state shifts from multiple-entry, single-use documents to single-entry multiple-use electronic forms and web tools,
- The future shifts from paper that can only be in one location to electronic data that is available simultaneously to all users,
- The future shifts from manual to automated wherever practical. Tools the Agency currently owns are capable of automating some tasks without the need for programming, and
- The future state process must reduce the labor required to complete the process by at least half and the cycle time by two thirds. Quality must remain high.

### **Process Map Future State**

Mapping the future state without first selecting the electronic tool(s) is impossible. In the future state the process will allow all users of the process to access the tool(s) and interact with them to perform their part of the process. The status of the reorganization will be tracked in the tool, and reminders to users creating delays may be sent automatically. The approval process will be electronic as well if possible.

### **High-level implementation plan:**

1. Form a task force consisting of key individuals from HR, IT, Finance, and Staff Management. These should be people familiar with the current state process, HRmis, and the full capabilities of the tools the Agency already owns.
2. Team members should be excused from other responsibilities for the duration of this task force. If suitable resources are not available in the Agency or if these resources cannot free up sufficient time, contractors with the necessary skills should be employed.
3. The team is chartered to design and pilot a future state process that meets the criteria above using tools the Agency already owns without significant programming. The revised process should be piloted and a roll-out plan should be developed and implemented.



4. If a superior solution is possible through the use of programming or new software, it should be proposed and allowed to compete with other opportunities after the non-programming, no-new-software solution is operating.

### **Cost**

The project employs tools the Agency already owns but additional licenses may be needed. Team members may require advanced training or a contractor may be needed to provide skills the team lacks.

### **Benefits**

The time saved by the users of the process will be substantial but this number is hard to quantify. Reduced cycle time will make the Agency more agile in the future.

Because of the sheer volume of manual tasks that span across the Agency in working through the current reorganization process, the task force, in its ability to work quickly to develop a more cost efficient and effective future process, will be able to share its “lessons learned” that will help move the organization towards a more process-centric and flexible culture. Further, once an organization successfully begins to move out of a manual environment into a supportive automated environment, it is common to see an exponential rate of achieving other, future successes.



## 7. Functions

### 7a-1. Staff Management – Current State

We began our analysis of the Staff Management organizations by reviewing several surveys that were conducted to understand the current state of the support provided to the Power Business Line (PBL), Transmission Business Line (TBL) and Corporate. The HR/Staff Management All Employee Survey captured current individual roles and responsibilities and approximate monthly hours required to perform current duties. Results of this survey pointed to three key task groupings of work currently being performed by the Staff Manager organization:

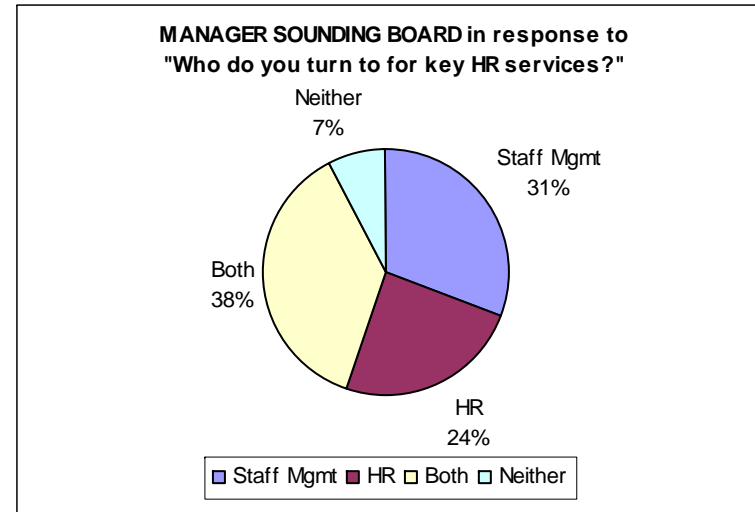
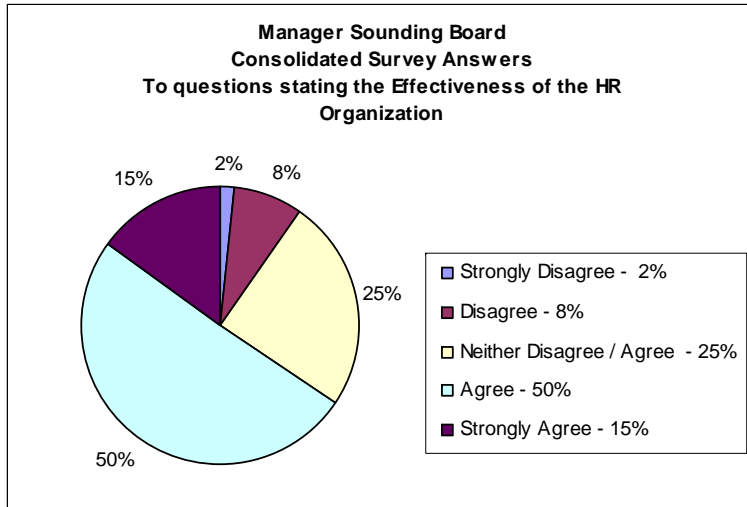
Types of Work	Current FTE	Current % of Total Work
Administrative tasks	14	32%
Human Resources tasks	18	43%
Planning, policy & management tasks	10	25%

*(Survey data results in its entirety can be found in Appendix 10-2.)*

The Manager Sounding Board members were surveyed regarding the effectiveness of HR services. The results of the survey point to the two avenues for obtaining HR services – the HR group and the Staff Management organizations.

- While 65% of respondents view the effectiveness of the HR organization positively, the remaining 35% do not or are indifferent. If the HR organization were operating effectively with its internal clients, we would have expected to see an 80-85% positive result.
- Respondents, in identifying who they turn to for HR services, indicated that almost 70% of them use their Staff Management organization or a combination of the Human Resources / Staff Management organizations. This analysis, while confirming our initial observation of the “high touch” service model, also points out the possible initial impact to internal customers as the Agency begins making future state solutions around how services are delivered.





Because of the complexity of understanding the role of the Staff Management organizations and how they interface with the HR group, the project leader enlisted the efforts of the Staff Managers to analyze, in detail, the:

- Roles, responsibilities, and duties of the Staff Managers,
- Administrative services performed within the Staff Management organization, and
- Human Resources activities performed within the Staff Management organization.



Through their analysis (see Appendix 10-7 for complete Staff Manager project report), the Staff Management project team was able to:

- Identify future solution recommendations regarding the role of the Staff Manager,
- Identify and analyze (in detail) all the administrative tasks occurring within the Staff Management organization, thus supporting the overall project team that worked through the methodology regarding the “Administrative Transactions” key process map, and
- Identify areas of overlaps between the Staff Management organization and the HR organization.

## ***7a-2. Staff Management – Functional Analysis***

In addition to gathering survey information internally, we reviewed the Staff Management function. Staff Management roles and responsibilities are best described by nine sub-functions.

- HR & Administrative Strategy Development and Implementation
- Planning, Analysis, and Evaluation
- Advice
- Issues Management
- Project/Initiative Development and Management
- Communication and Alignment
- Liaison/Partnerships
- Coordination/Facilitation (covered, in part, in Section 6: Processes)
- Administrative Transactions (covered in Section 6: Processes)

The majority of the Staff Management staff are responsible for completion of or the initiation of a wide array of HR and administrative transactions. This work is covered in more detail in Section 6a of the report. Our analysis in this section will concentrate on the work performed by GS-14 level staff and many of the GS-13 staff. We will tie together our recommendations for the future state of the Staff Management function in Section 7a-3.

The roles of the Staff Managers and Senior Administrative Specialists, GS-14 and GS-13, have existed at BPA for over 35 years. As processes have evolved and more automation has been introduced over the years, BPA has consolidated much of the delivery of business-unit specific administrative processes into three Staff Management organizations reporting within the PBL, TBL, and



Corporate. The Staff Management staff continue to provide value-added assistance to managers and employees in the facilitation and completion of transactions when processes or tools have not existed, serving as point of contact to assist the Corporate support functions in completing their work, or in the answering of questions when access to information is not easily obtainable. During the last 10 years, the Staff Managers have served as important members of the business units' management teams, playing a key role in the development and implementation of the business units' HR related plans, i.e., staffing, diversity, HPO, development, and training.

In our external scan we found it difficult to find comparable positions to those assigned to BPA's Staff Management function. In the private sector, most businesses have automated all or the majority of their internal administrative processes. Managers and employees complete personal and business unit HR and other administrative transactions utilizing various systems. Managers, when needed, engage directly with HR or other administrative specialists for very specific, specialized needs. Executive Assistants exist at the higher levels of the organization. Their role is to help senior level executives and managers ensure HR and administrative issues are resolved and coordinated. The organizations' Corporate office creates policies and procedures that everyone follows consistently.

We were able to find several somewhat similar comparisons to the Staff Management function in the Federal government. The Corps of Engineers, Northwestern Division, utilizes Executive Assistants at the GS-13 and GS-12 levels to assist the General and District Colonels to coordinate and facilitate the resolution of business and internal operations issues across the Corps and within the Division. The Northwestern Division is comprised of 6,000 staff in five districts between the Northwest and the Midwest. Some Agencies such as BLM, the Forest Service, and the Corps continue to utilize Administrative Officers, assigned to their line organizations, to coordinate and complete a wide variety of transactions, to perform analysis activities, i.e., tracking/projecting FTE, and to assist in the resolution of issues at the organizational level. The Corps will evaluate the role of Administrative Officers in the future. With the automation of HR processes, the role of Administrative Officers within the Corps is expected to change.

BPA is considering how the Standards of Conduct inform how we organize our business functions. Clarity concerning how the line organizations and corporate will interact regarding internal operational management issues will inform us how to best design our future internal management structure, systems, and processes..

### ***7a-3. Staff Management – Future State***

The Staff Management staff are critical to the implementation of the recommendations in this report and other future ideas for improving and streamlining HR and administrative processes. This group's knowledge of how things get done, how best to improve and implement process changes at the end users' level are critical as we proceed forward. We evaluated various organizational structures to carry out current, day-to-day HR and administrative support activities, while implementing the many process and system



improvements. The changes recommended in this report, as well as others developed over the next 2 years, will transform the way in which we implement HR and administrative programs at BPA. It will be imperative that all knowledgeable and skilled HR and Staff Management staff are aligned as we proceed forward. To this end, the future state recommendation is to combine and assign the Staff Management staff within the Employee and Business Resources (EBR) organization to a newly formed Administrative Support group, and also within the HR organization. Specifically we recommend the reorganizations and reassignments outlined below. We recommend the changes occur by October 1, 2005.

- The Staff Manager positions will be reassigned to serve as Strategic Partners, reporting directly to the Senior VP of EBR. The Strategic Partners will sit under the roof of their assigned business unit clients and serve as a member of the business unit's management team, and play a dual role. The Strategic Partners will represent to EBR and other administrative support functions the business unit's direction, requirements, and priorities. They will represent the business units in the development of various support strategies, plans, and policies. The Strategic Partners will also serve as a point of contact for EBR and other administrative support groups, assisting them by acquiring business unit specific information. The Strategic Partners will play pivotal, key roles in the success of the management of the business units and in the delivery of successful support services across the Agency.
- Staff Management staff who are currently performing HR activities such as diversity outreach, recruitment, training, organizational development and team building (change management), workforce planning, and FTE analysis will be reassigned to the various respective HR organizations.
- The majority of the Senior Administrative Specialists will be assigned to the newly formed Administrative Support group. The group will be led by a manager who will report to the Senior VP of EBR. Some of the Senior Administrative Specialists will be located within the PBL, TBL, and Corporate, and will be responsible for coordinating and facilitating the completion of various HR and administrative transactions (until supporting processes are automated); the transition to automation; issues management/coordination, and coordination of internal assignments for the business unit and as requested, for Corporate groups.
- Approximately 60-70% of the Staff Management staff will be reassigned to the newly formed Administrative Support group. The group will be led by a manager who will report to the Senior VP of EBR. The Administrative Support staff will continue to provide HR and administrative transaction support. This staff will be key to the development of automation of processes and the introduction and implementation of desktop systems.
- A 1-2 person staff support function will continue to be responsible for the completion of a wide array of internal operations activities and will report directly to the COO and the front office.
- The FOIA function will be reassigned to the Corporate Communications group.
- Responsibility for the management of administrative procedures and policies currently housed in the BPA Administrative Manual, will need to be determined during implementation.



## **7b. Acquiring and Positioning (CHP)**

The recruitment / staffing process has the potential of being a significant strategic driver for an organization through:

- Its ability to identify and select the best-qualified candidates to support an organization's ability to compete in today's markets,
- The use of automated systems that give recruiters more time to perform strategically while enabling others to tap into their core services, and
- The use of the organization's Internet/Intranet giving real-time information to both internal and external participants to the recruitment / staffing process.

Further, through the use of automated systems, staffing organizations today are able to produce more results with fewer staff than ever before and still deliver quality service.

As noted in our Organizational Hierarchy Map, services provided by Acquiring and Positioning are:

- Classification
- Internal Staffing and Placement
- New Hire Recruitment
- Student Programs
- Compensation
- Career Services

And, although not core to their services, the Acquiring and Positioning group also oversee parts of management analysis, the reorganization process, and some special emphasis programs.

The beginning project baseline report for this group was as follows:



General Contracts	\$ 77,403
Material & Equipment	\$ 67,570
Personnel Comp and Benefits (16.5 FTE)	\$ 1,510,022
Rent, Utilities & Land	\$ 188
<b>Total Baseline Costs</b>	<b>\$ 1,646,113</b>

Though this function has been making strides towards automating and/or streamlining their services (most recent being the implementation of the Position Description library), our analysis shows that this department is over-staffed relative to benchmarks.

In comparing this department's efficiency capability against other Federal agencies, the table below shows the Agency's department requiring more staff to process applications and fill positions.

**FY 2004**

Agency	Total Employees	Total Recruitment Staff	Applications Processed	Vacancies	New Hires
BPA	3,100	15 (1:206) ***	6,270 (1:418)	324	72 (1:4)
TVA	12,700	8 (1:1587)	25,000 (1:3125)	770	725 (1:90)
Other	6,500	19 (1:342)	21,556 (1:1134)	527	275 (1:14)

\*\*\*Not included in this figure are 3 part-time recruiters and approximately 360 contract hours

The following explains the need for the organization's current FTE:



- Lack of supporting automated systems,
- Apparent lack of annual / semi-annual forecasting plans, leaving the group to maintain a base staffing level to accomplish a workload for hiring that may or may not occur,
- Redundant / duplicative tasks such as posting open internal positions on the intranet and also through paper and email distribution,
- Campus-hire process that spreads itself too broadly over a large campus base in contrast to targeted number of sites,
- Classification process that does not tap into management self-enabling systems,
- High service and manual support to applicants,
- Inflexible crediting system,
- Process tasks dispersed thinly amongst the staff: According to our HR / Staff Management survey:
  - Seven employees within CHP spend an average of 45 hours every month on posting employment information on the Internet,
  - Thirteen employees within CHP spend an average of 295 hours every month on determining applicant qualifications,
  - Nine employees within CHP spend approximately 220 hours every month on job classification, and
  - Approximately 75-100 hours are spent giving applicants information either on the phone or by walking into the office.

## Recommendations

- Develop an Agency-wide staffing plan (with set priorities) clearly tied to the Agency strategic direction that guides and directs the recruitment function towards future staffing needs,
- Develop a projection of hiring needs based on the staffing strategy and a probabilistic assessment of upcoming separations using workforce demographics, historical trends and economic conditions,
- Set hiring priorities according to staffing plan priorities. Staff the acquiring and positioning function for the lowest expected workload. Anticipate peak hiring needs and staff those peaks with short-term contract support,
- Consolidate all BPA job and career related information on the BPA job site in order to present a unified, "One BPA" impression to people interested in careers at BPA. The BPA jobs site should become the primary method of seeking job related information about BPA, and



- Staff members who provide information to walk-ins and on the phone should determine if people are using the website as the first point of contact for information. If applicants aren't using the website, HR staff should refer them to the website to gain information and offer to provide information only if they are unable to find answers on the website. For continuous process improvement staff members should keep track of the issues that are not addressed by the website. With that information, web managers may decide to make changes to format or content of the jobs website.

### **7c. The Learning Environment (CHD)**

As noted in our Organizational Hierarchy Map, services provided by The Learning Environment are:

- Employee Training
- Employee Development
- Manager and Executive Development
- Training Measurement, Tracking and Reporting
- Training Process Management
- Organizational Development

Our beginning baseline report for this group was as follows:

General Contracts	\$ 413,654
Material & Equipment	\$ 34,429
Personnel Comp and Benefits	\$ 1,128,430
<b>Total Baseline Costs</b>	<b>\$ 1,576,513</b>

According to the 2003/2004 training report to DOE (which included training costs from the Learning Environment, IT, technical/student training, etc.) total Agency-wide training costs were approximately \$6.5 million (with technical training at approximately \$3.2 million).





The 2004 American Society for Training and Development industry benchmark average was \$1,190 per employee. The Agency's spend is approximately \$2,100 per employee (or approximately \$1,100 per employee excluding technical training). The word "approximately" needs to be emphasized noting that it is difficult getting accurate data regarding the Agency's total investment into training because the Agency does not appear to have a centralized method for tracking all of its spend. This makes the DOE report (provided by the Learning Environment) cumbersome to produce given the decentralized nature of the training budgets, as well as difficult to fully assess Return on Investment.

#### Current State Observations:

- The number of retirement eligible employees in the Agency now and in the near future creates the probability of a large loss of knowledge, skill, and experience in the next decade,
- Staff reductions will require more people to have a wider range of skills throughout the Agency,
- As noted in the Conflict Management section, there is a need for additional training for managers to increase their skill in dealing with the full range of leadership, people skills, and performance management skills,
- As noted above, spending for training and development is distributed throughout the Agency. As a result it is neither possible to calculate total spending nor is it possible to assess the efficacy of training or the return on investment for training. It is also not possible to determine if the spending is directed at the highest needs of the Agency,
- A large percentage of training is conducted in classroom settings versus self-learn mediums,
- The organizational development group spends a significant amount of time on conflict resolution / intervention. (NOTE: in addition to the OD specialists in The Learning Organization, there is also one full-time OD specialist in the TBL),
- A Competency Based Development Tool (SEDI) that will be implemented, should provide the Agency with a tool that drives a strategic investment in employee development, and
- A significant amount of time is spent implementing a 360-degree feedback developmental process that provides follow-up and subsequent developmental planning on an individualized basis. This development tool, originally rolled-out to the Agency's management group, is now available to approximately 150 employees.

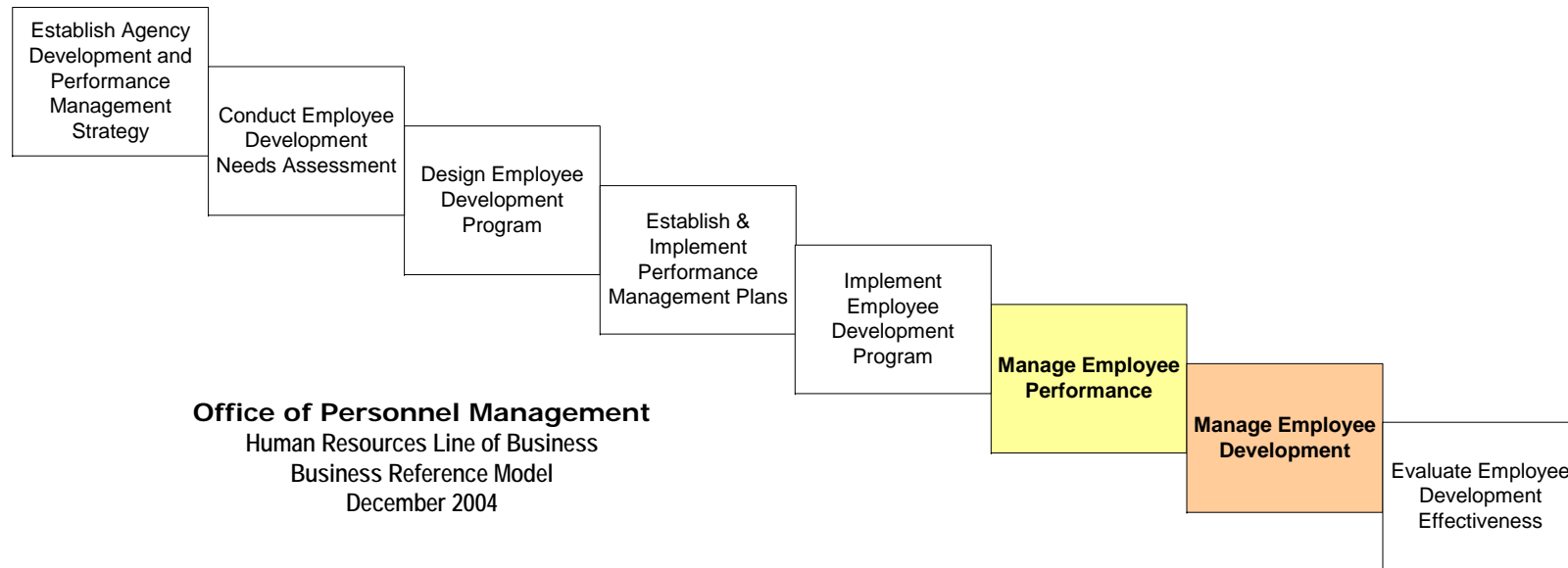
#### Future State:

A thorough analysis of the Learning Environment function was not completed, thus future state recommendations were not developed. With the projected retirements at all levels of the Agency, and the amount and type of change occurring, we would anticipate the nature and amount of training needed to take on greater emphasis. The Senior VP of Employee & Business Resources and the VP of HR need to further assess future training and development needs, gather additional external benchmarks, and then determine how best to configure and staff the future Workforce Development organization. In the near term, the Learning Environment group will be called upon to assist the Agency in the transition to future state structures and work environments as described in various internal (EPIP, One BPA, etc.) and government change initiatives.



OPM's Business Reference Model provides some guidance for the future state. In the area of employee development and performance management, OPM outlines the following as employee development and performance processes that occur within the human resources line of business.

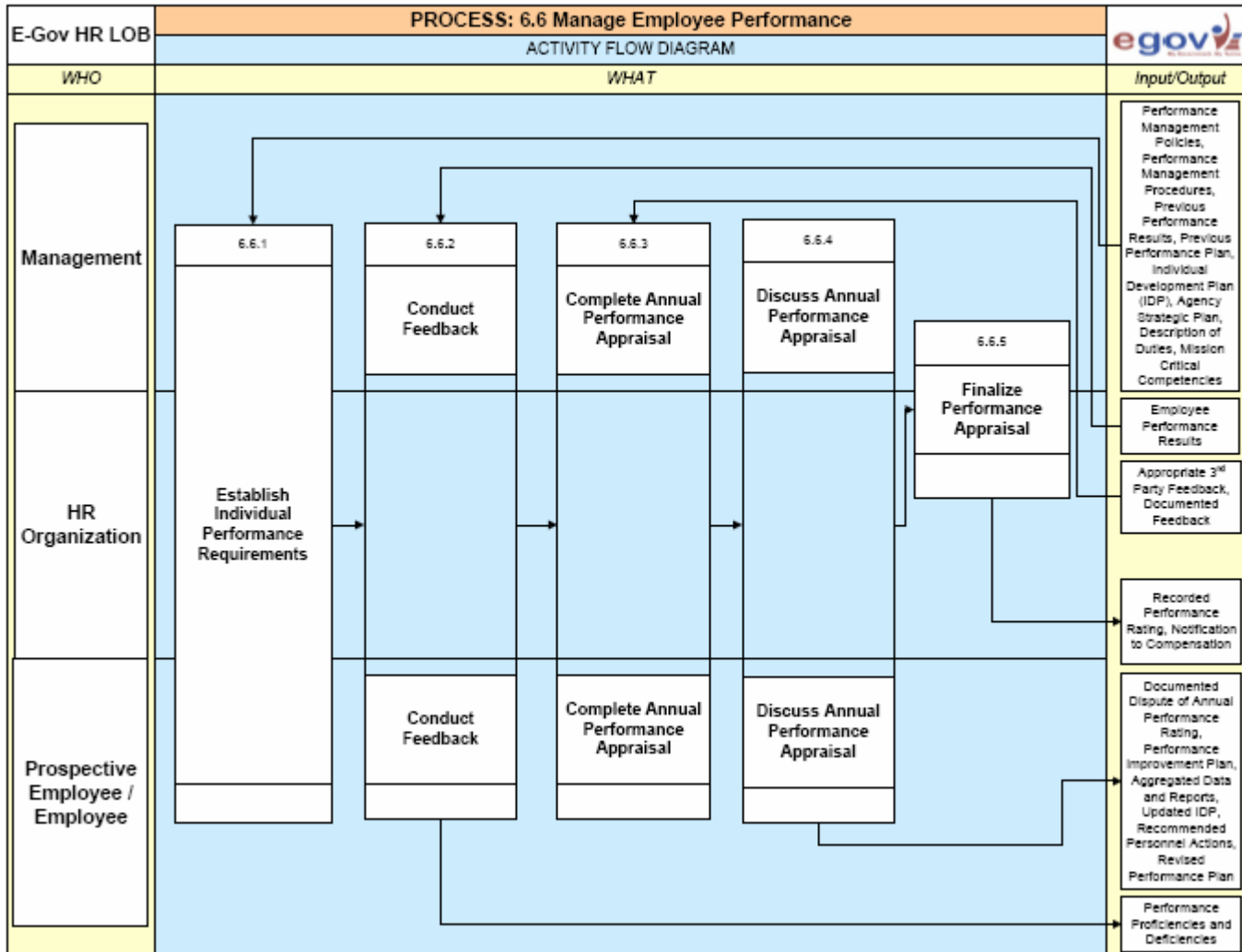
### Employee Development and Performance Management Processes

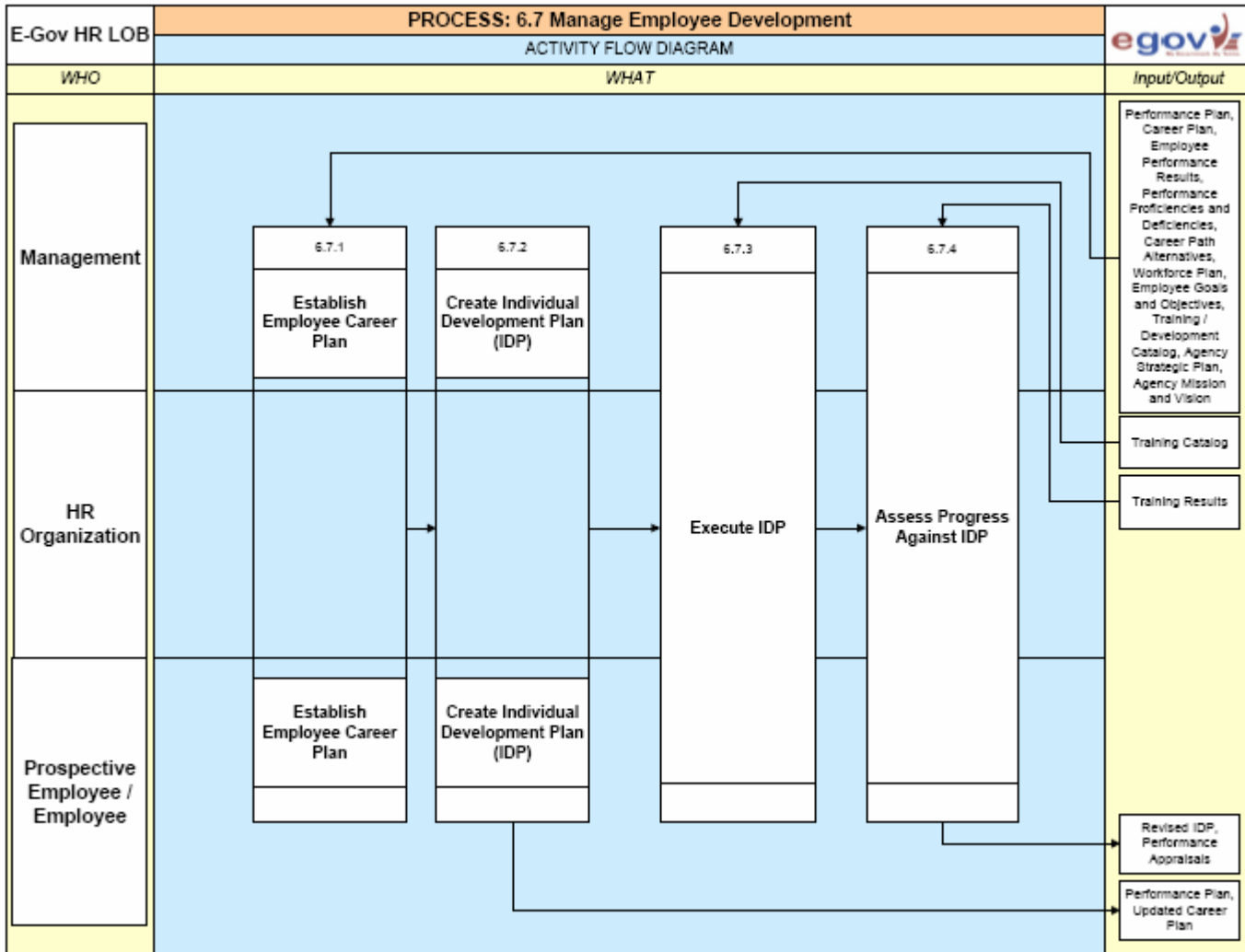


As a recommended tool to follow, particular attention should be noted regarding two of the key processes:

- Manage Employee Performance
- Manage Employee Development

The two process maps appear below, both noting that it is management's responsibility to: 1) give performance feedback, 2) assess performance, and 3) to create employee career and development plans. The Agency's Strategic Employee Development Initiative, when fully implemented, will provide the structure needed to both give strategic focus to employee's development needs and give tools to managers to assess and track skill gap closure efforts.







## 7d. HR, Diversity and EEO (CE)

The beginning baseline report for this group was as follows:

General Contracts	\$ 102,577
Material & Equipment	\$ 2,508
Personnel Comp and Benefits	\$ 1,711, 119
Rents, Utilities, Land	\$ 6,519
<b>Total Baseline Costs</b>	<b>\$ 1,822,723</b>

As noted in the Organizational Hierarchy Map, services provided by HR, Diversity and EEO are:

- HR Policy
- Diversity Programs
- EEO Compliance Resolution
- Labor relations
- HPO Initiatives
- Pluralism Council

The project has discussed the first three services through the process reports:

- HR Policy
- Diversity
- Conflict



## Recommendations:

Based upon the process reports, the future state solution is recommending that this function's current state be repositioned into three groups:

- Repositioning the EEO office outside of the HR organization by following EEOC guidelines (EEO-MD-110) which describe its role, responsibilities, and reporting relationship to the Senior Vice President for Employee and Business Resources, thus strengthening the resolution process for EEO complaints (both informal and formal) and clarifying the avenues for conflict resolution;
- Repositioning labor relations with a matrix reporting relationship to HR and the front office so as to effectively manage future labor negotiations; and
- Repositioning the remaining staff into the new HR organization working within the newly formed Strategy, Policy, Planning & Analysis group.

In addition, the project team noted that the website for the HR, Diversity, and EEO group currently houses significant out-dated information (some, of which has been addressed during the course of the project). Through reorganization of the HR department, information at this site should be re-evaluated and then melded into a re-built, single-focused HR internal website.

Finally, the project team was unable to determine the effectiveness of the current Pluralism group (although interviews indicate that it has lost direction and momentum.) Therefore, it is suggested that this group's purpose and function be re-evaluated when developing an Agency-wide diversity initiative.



## 7e. Maintaining a Supportive and Effective Work Environment (MASEWE) - CHM

The beginning baseline report for this group was as follows:

General Contracts	\$ 701,428
Material & Equipment	\$ 47,985
Personnel Comp and Benefits	\$ 1,020,320
Rents, Utilities, Land	\$ 125
<b>Total Baseline Costs</b>	<b>\$ 1,769,858</b>

As noted in the Organizational Hierarchy Map, services provided by MASEWE are:

- Employee Relations
- Performance Management Policy and Procedures
- Leave Programs
- Fitness and Childcare
- Employee Assistance Program (EAP)
- Recognition Programs
- Reasonable Accommodation

The group's services can be summarized in two categories:

- HR consulting to managers (employee relations, conduct and performance correction, alcohol and drug testing violations, fitness for duty issues, reasonable accommodation requirements, violent and threatening behavior in the workplace, and suitability), and
- HR core services (fitness, employee assistance program, other work/life programs, childcare, eldercare, smoking cessation, health units, etc.).



Of primary concern is that forty percent of this department's staff will potentially be retiring in the next 2 years (which includes its department supervisor). These retirees will be taking with them significant knowledge (HR consulting expertise) that is critical in supporting the Agency's management group with employee performance management issues. Looking at upcoming Agency events (20-30% workforce reduction within 2-3 years, EPIP, and "One BPA" initiatives), there is a need to have a succession and knowledge transfer plan in place as soon as possible.

Further observation is that:

- There is occasional overlap of work occurring between this MASEWE and the Employee Services Group (e.g. working through worker compensation issues), and
- This group has out-sourced much of the supporting employee services and could probably outsource or eliminate more.

The recommendation for this department is:

- That its consulting services be closely coordinated with other management consulting services (such a labor relations) in order to provide focused professional service/consulting to the Agency's management group, and
- That its core employee services be consolidated with other employee-type services where they can be evaluated for the potential cost-efficiency and efficacy of outsourcing.





## 7f. Employee Services (CH and CHR)

The beginning baseline information for this group was:

General Contracts	\$ 70,395
Material & Equipment	\$ 7,013
Personnel Comp and Benefits	\$ 1,037, 905
Rents, Utilities, Land	\$
<b>Total Baseline Costs</b>	<b>\$ 1,115,313</b>

As noted in the Organizational Hierarchy Map, services provided by Employee Services are:

- Personnel action processing,
- Official personnel folder (OPF) maintenance,
- New employee orientation,
- Employee benefits advice and counseling and retirement advice, counseling and estimates,
- Worker's compensation (OWCP), unemployment compensation, and
- Central program office for HR automation and reporting, and non-government employee records.

Employee Services is somewhat of a dichotomy. It houses the group that maintains the overall program perspective for HRmis; yet also conducts many of the manual core HR tasks and other high-touch services (such as retirement annuity estimates and retirement counseling) which are ideal candidates for automation and employee self service. For the most part, these processes are administered by other Federal agencies, Office of Personnel Management (OPM), Department of Labor (DOL), or Thrift Savings Board (TSP). Therefore, it probably does not make sense for BPA to create or adopt automated systems to accomplish this work when most of these processes will be automated by the administrative agency. In addition, the Federal agencies can achieve economies of scale that the Agency cannot achieve with its 3000+ employees.



### **Recommendations:**

Participate in Office of Personnel Management (OPM), Department of Labor (DOL), Thrift Savings Plan (TSP) and other Federal automation initiatives for OPF filing, health benefits changes and registration, TSP changes and registration, workman compensation actions, and self-service retirement calculators. Focus this group on achieving efficiencies through automation, employee self-service, and consolidation with other Federal agencies to achieve economies of scale.

Staff should encourage annuity estimate requestors to use an online estimator determined appropriate for this purpose and linked to BPA's internal website. Many employees will be able to analyze their alternatives without HR specialist assistance. The focus of this group should be to enable employees to achieve self service to the greatest extent possible. BPA needs to determine the appropriate level of support and discontinue providing services for those who are capable of self-service. The U. S. Postal Service maintains in-house benefit counselors for very sensitive situations (like death) and has out sourced or moved other activities to self service.



## 8. Future State Recommendations

### 8a. Human Resources Organization

The business case points to significant consolidation with the migration of services currently found within the Staff Management organization. It further recommends consolidating and streamlining the HR organization's services within a single centralized organizational structure operated by a single and strategically-focused leadership team, lead by the Vice President of Human Resources.

Operating within this business structure, ***the business case recommends an end-state staff level of no less than 40% from the current state through:***

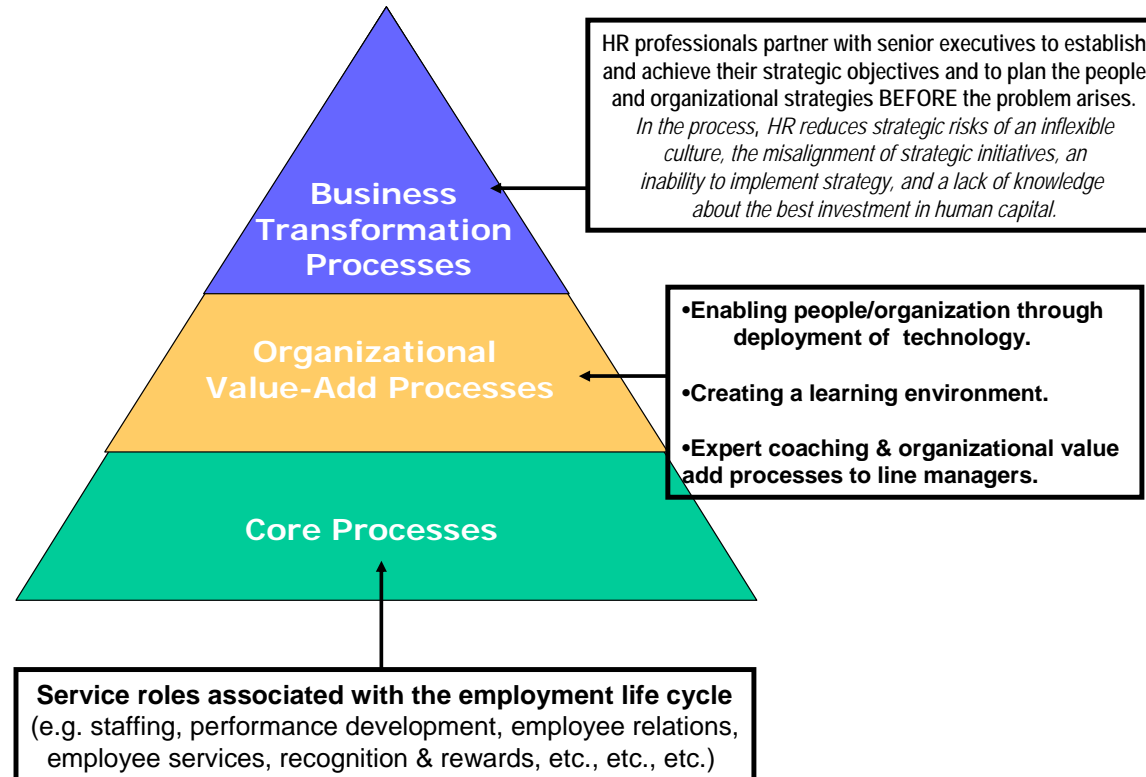
- Centralization of services,
- Process standardization and automation,
- Processes delivered in response to strategic and forecasted business plans, and
- Processes delivered through One BPA strategic business model vs. independent business unit model.

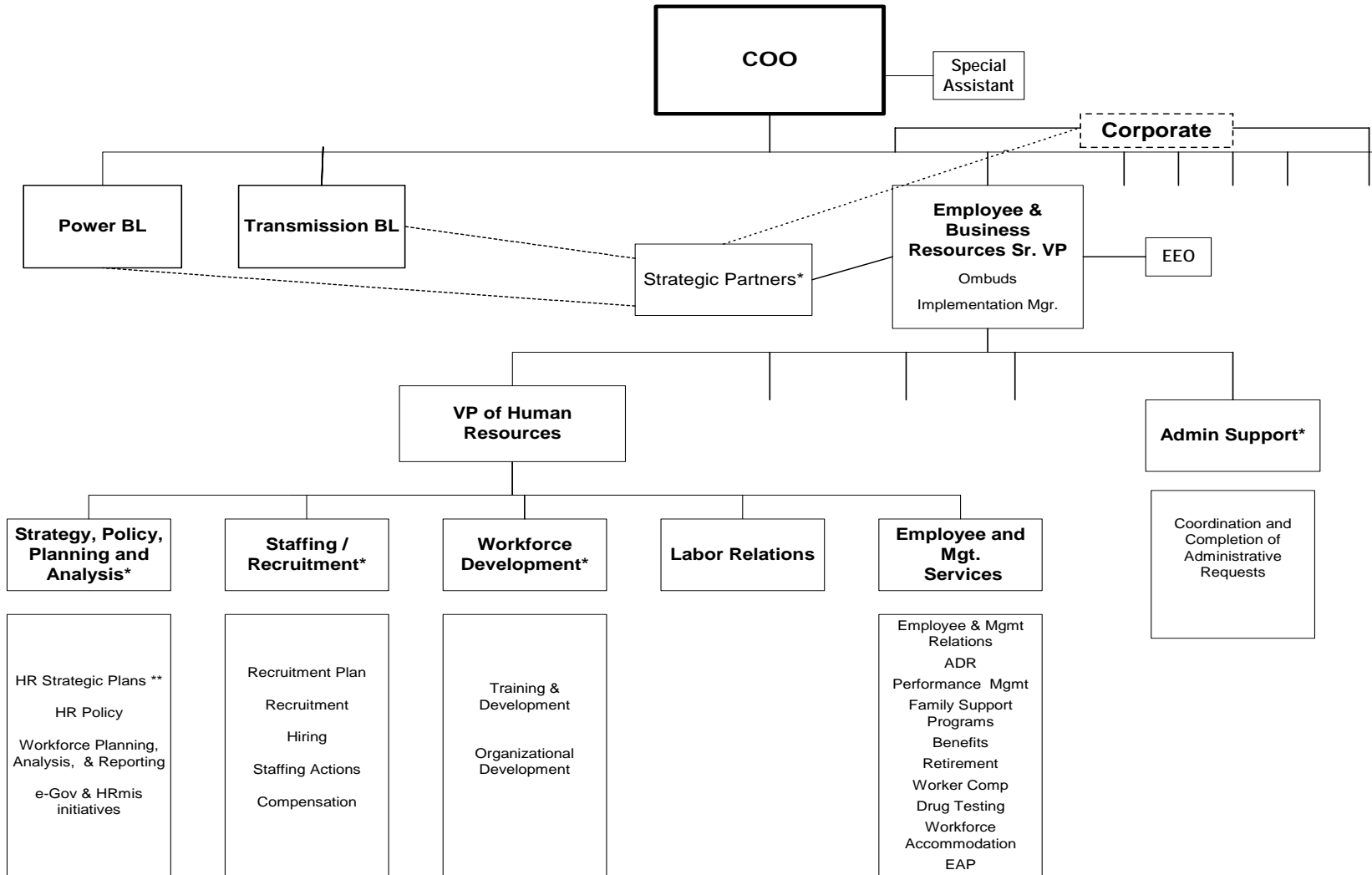
#### Centralization of Services

The following proposed Human Resources organizational structure considers the need to:

- Remove walls and make one consolidated and collaborate work group/organization,
- Improve cost efficiencies in process and service systems,
- Place EEO office outside of the HR organization (with a closer working relationship to the front office) where it can effectively address employee issues during the Agency's implementation of transformation initiatives,
- Improve the group's ability to support workforce planning,
- Understand the newly defined role of Strategic Partners and how it interfaces with the business units and HR and other administrative organizations,
- Define how the Administrative Support group interacts with HR, the business units, and other internal support groups, and
- Align the development of HR-related strategies, policies, plans, analysis, and reports by locating these activities in one group.

Future HR processes will be delivered in response to Agency-wide strategic plans.





\* Staff management staff assigned

\*\* HCM, HPO, Diversity, Staffing & Development

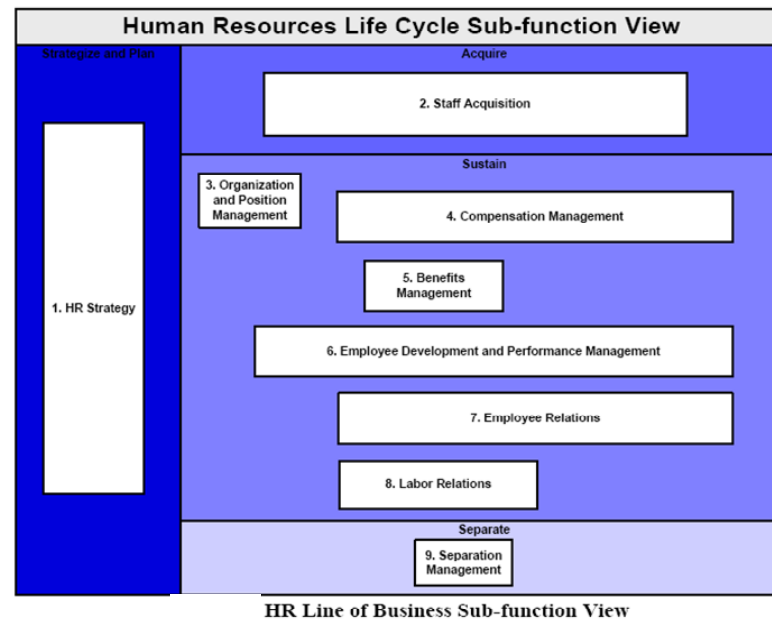


## Process Standardization and Automation

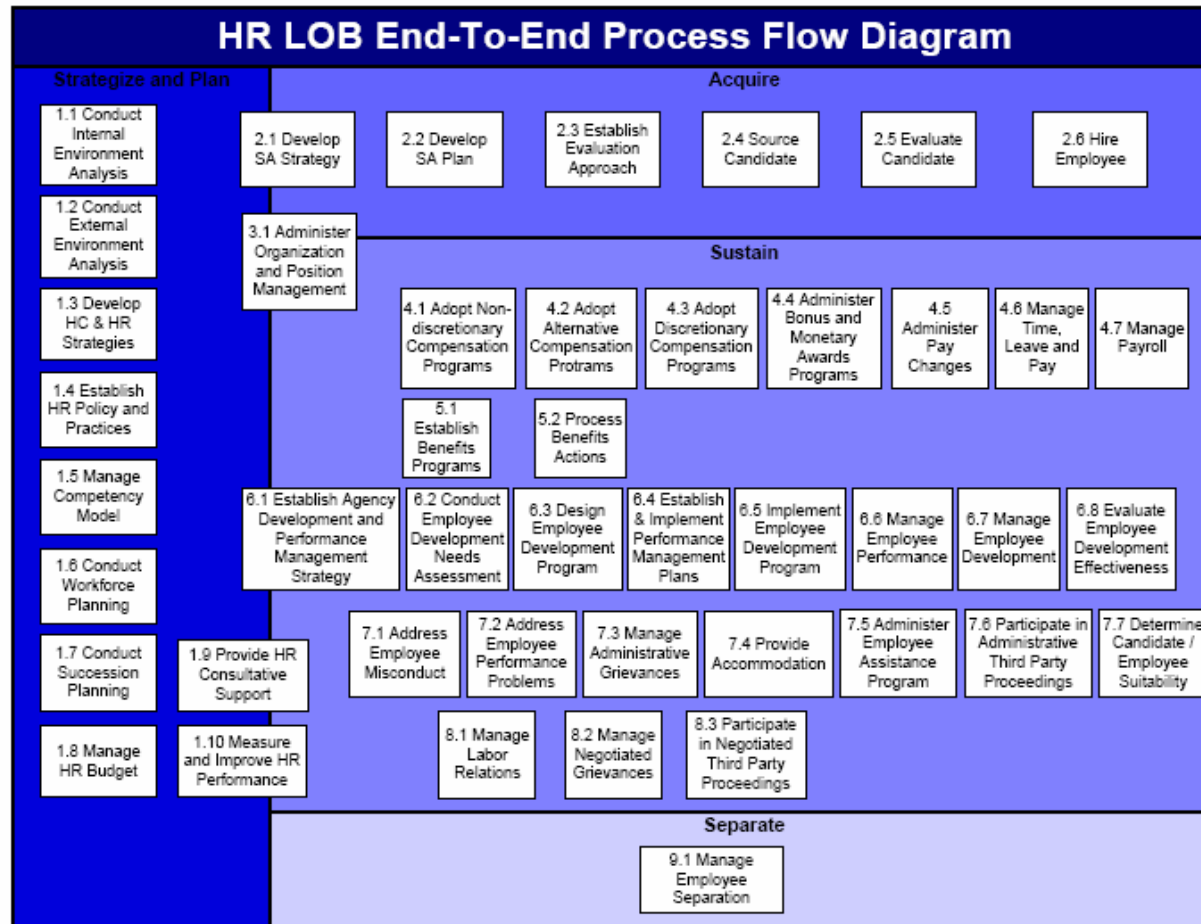
During the implementation of process standardization and automation, there are two external initiatives that the Agency should keep in mind. OPM led e-Government (egov) and Line of Business initiatives designed to streamline and improve processes for moving Federal employees through the employment lifecycle, while also consolidating some core HR functions across all Agencies. OPM’s Human Resources Line of Business (LOB) - Business Reference Model that outlines all HR processes against the employee life cycle while also giving process map examples for each of the processes.

Through these OPM initiatives/tools, the Agency’s HR organization can begin aligning their processes with those recommended by OPM while also setting up processes in anticipation of support through OPM led egov initiatives.

**“The Human Resources Line of Business will enable a shift in emphasis within agencies from administrative processing to customer service and strategic planning.”**



**HR Line of Business Sub-function View**



**Figure 2: Human Resources Line of Business End-to-End Process View**



## 8b. Leadership and Strategic Alignment

The HR organization is a partner in the execution of senior executive strategic direction. The HR group's ability to effectively align its services against the Agency's strategic objectives is, therefore, dependent upon the Agency's leaders to determine and communicate clear direction. Once top leaders are able to do that, it is then up to the HR organization's leaders (VP of HR and Director of HR) to deliver their service and support in total alignment with those objectives. It is through strategically aligned HR deliverables that the HR organization will then be able to align and create the most efficient and effective service organization.

How to fail at strategic alignment (adapted from David Weiss' High Performance HR: *Leveraging human resources for competitive advantage*):

**Not paying attention to strategic alignment as a major issue.** The Agency's leaders, management, and employees must keep its strategies uppermost in their minds;

**Employees assuming the Agency's initiatives are aligned because senior executives developed them.** This assumption is not always true. In many organizations the senior executives are not working in alignment with one another and, therefore, their initiatives are not linked. Executives need to confer about tough alignment questions;

**Not focusing on alignment to the external customer. HR and other departments need to think of the external customer's interests.** If all employees focus on the same customer value, the alignment potential has a greater chance of being realized;

**Assuming the power of the design will create compliance.** Too many people believe that if an initiative's design is aligned to the strategic direction it will automatically create alignment in the group. This is not always the case; and

**Assuming people are self-motivated to align activities.** It is the responsibility of leaders of a strategic initiative to communicate the importance of strategic alignment to employees and keep it on the agenda. "There were times I talked about the company's direction so much in one day that I was completely sick of hearing it myself (Jack Welch)." They must communicate consistent messages and deliver them on time as promised (or explain in detail why the messages are late). They also should not be surprised when people resist. People often deny and resist change. Leaders help them by normalizing the change adaptation process. It is also important to properly reward and recognize the behaviors. That will focus people on the Agency's direct direction.





### **HR Leadership – VP of Human Resources:**

Provide overall strategic HR leadership to the Agency, at all levels.

Foster a workplace environment consistent with the values and mission outlined by the leadership of the Agency.

Facilitate a collaborative approach to the execution of HR programs.

Select, develop, evaluate, and lead a management team of human resource professionals with a goal of earning a high level of credibility as an effective and responsive internal consulting group.

### ***8c. Line Management Tasks and Responsibilities***

A recent poll of performance managers conducted by Terry Esvelt showed great disparity among respondents in the time devoted to managing people. Some spent more than half their time on this task and some much less. Some make heavy use of HR and Staff Managers to perform many of the “people management” tasks for them while others use HR and Staff Managers for technical support but do much of the time consuming work themselves.

Most contemporary managers serve both a people management role and an individual contributor role. This is increasingly true at the highest levels of organizations. The classic list of management tasks and responsibilities is:

- Plan: Effective planning almost always involves working through and with a number of people.
- Organize: Organizing involves arranging people in an organization so that the work can be accomplished efficiently and effectively and it involves organizing the work to the same end.
- Staff: Staffing decisions are some of the most critical decisions a manager makes. In the Federal Government a bad staffing decision can haunt the organization for decades. Hours spent on getting this task right pays dividends for decades.
- Direct: Directing involves communicating with the people performing the work in a manner that makes it clear to all what is expected, when it is expected, and what level of quality is expected.
- Control: Control involves the use of effective monitoring tools and methods to ensure expectations are in fact met. Control also involves resolution of performance issues if the expectation is not met. It also requires a high degree of skill and engagement in the management of interpersonal or organizational conflict.



In the future state, line managers will have to perform these managerial duties themselves with technical support and guidance from HR. The above tasks and responsibilities imply a managerial responsibility for communication, leadership, and conflict resolution both vertically and horizontally in the organization. The responsibility for these things cannot be delegated. Professional assistance is occasionally useful but the intent should be to cultivate managers skilled in these areas.

### **8d. Risk Assessment**

Achieving the future state in a timely fashion is dependent on many variables. One of the cornerstones of the future state is the shift to more automation and self-service. For this shift to be successful, the Agency must invest in automated systems that are user friendly and intuitive. The systems must provide an interface that encourages employees and managers to use and explore the systems as their primary means of HR support. Another significant requirement for successful transition is the change in culture. Employees and managers may be reluctant to use new systems and may find their reliance on personal contacts difficult to change. The future state will be successful if the culture change and the availability of the automated tools happens simultaneously. It will take a persistent and coordinated effort to make this change successful.

As implementation begins, specific decisions about automation and staffing will be dependent on Federal initiatives to consolidate and automate standard HR functions. OPM's Lines of Business (LOB) initiative is in the initial stages, and BPA should take advantage of Federal investments in standard HR systems rather than develop systems themselves. Many of the investments that OPM and other agencies are making, would be expensive for BPA to develop or buy on their own. The risk associated with this component of the strategy is a timing risk. BPA may find that it has to continue to maintain some current state processes longer than it intends in order to be in synch with the LOB implementation schedule.

As BPA progresses through significant turnover and process improvement changes, HR services will likely be in high demand. Recruiting and staffing, labor relations, conflict management, training and development, reorganization processing, and retirement counseling and processing are all functions that will see a significant workload through this transition. As HR and Staff Management downsize, it will be important to track and anticipate workload peaks in order to ensure adequate staffing to accomplish the critical HR needs of the Agency throughout the transition. HR should maintain contracts to draw on contract resources as needed to perform core HR responsibilities during peak workloads.

HR must continue to develop its ability to provide strategic services in order to achieve the expected reduction in cost and staff anticipated in this report. Strategic guidance should come from the HR VP in regular consultation with the Front Office and the Business Operations Board. There is a risk that the HR strategic guidance could become misaligned with Agency strategic



direction. It will be important to develop methods to measure the success of HR strategic alignment on Agency initiatives and continuously improve the level of strategic service delivery.

The success of many of these recommendations rests in significant measure on the skills and time commitment of managers and supervisors to effectively utilize the streamlined and automated HR systems to deliver on BPA's People and Culture objectives. If executives and managers are either unwilling or unable to build the necessary skills or devote the necessary time, there are significant near-term and long-term risks to the Agency. In the near term, BPA could be exposed to legal or regulatory risks if we don't implement HR policies well, and in the long-term, HR is at the foundation of building the People and Culture upon which BPA's mission success rests.



## 9. Implementation

As evident by the Current State assessments, the inefficiencies within the HR and Staff Management organizations are complex. It not only requires moving behavior towards a process-centric mindset, but also requires focused leaders and managers who will ensure services align with the Agency's utmost needs while delivering those services in the most effective and cost-efficient way possible. When preparing for implementation, the following should be considered:

- Reorganize immediately so as to begin process improvement implementations, but also be able to service the Agency more effectively.
- Develop an implementation plan that sets aggressive targets and completion dates. The implementation plan will also need to incorporate:
  - The Agency and organizational cultural change elements;
  - The investment dollars and sequencing of deploying automation tools; and
  - The type of training required to ensure the proposed changes are successful at the Agency and organizational level.
- Consideration should be given to the other EPIP project recommendations so that all project implementation plans meld together in one cohesive, forward-moving implementation plan.
- The project report has made recommendations regarding processes, functions, and organizational structures. All these recommendations will have, in some way, an implication to each of the employees within the scope of the project. It is recommended that the Agency, in choosing to implement any of these recommendations, takes time to fully plan an implementation strategy that will accommodate its employees (to the best of its ability) through the transition.