

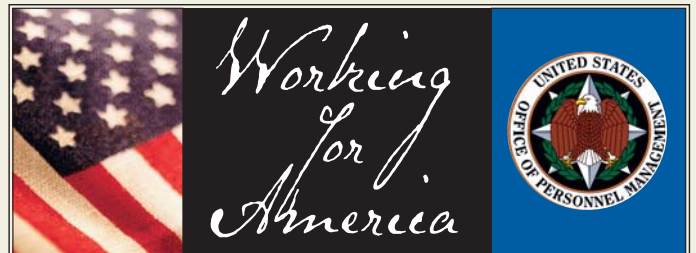


*UNITED STATES  
OFFICE OF PERSONNEL MANAGEMENT*

**HUMAN RESOURCES  
LINE OF BUSINESS**

**PERFORMANCE MODEL  
VERSION 1**

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT



**June 2006**

*Disclaimer: These Target Performance Measures are issued solely for the purpose of proposing common performance measures for human resource processes. The depictions in this document are in no way to be construed as an official interpretation of statutory or regulatory requirements administered by the Office of Personnel Management.*

# Human Resources Line of Business

## Foreword to Performance Model (PM) version 1

The Human Resources Line of Business initiative was launched in 2004 to support the vision articulated in the President's Management Agenda. The HR LOB is expected to help the Federal government realize the potential of electronic government by significantly enhancing human resources service delivery within the Executive Branch. The HR LOB Concept of Operations (CONOPS) proposes a near-term service delivery model where HR services relating to human resources information systems (HRIS) and payroll operations move from the agencies to HR shared service centers. Over time, as HR shared service centers evolve and expand their capabilities, more transactional and administrative activities may shift from the agency to the service center delivery mode. The HR LOB approach will allow agencies to increase their focus on core mission activities and the strategic management of human capital, while HR shared service centers deliver the HR services defined in the HR LOB CONOPS in an efficient and cost-effective manner with a focus on customer and service quality.

The HR LOB is developing an enterprise architecture in compliance with the Federal Enterprise Architecture guidelines that will form the basis for this delivery model. The HR LOB has completed the Business Reference Model (BRM) and Data Reference Model (DRM) through the collaborative efforts of hundreds of HR professionals across government. The HR LOB will construct the Service Component Reference Model (SRM) for the core BRM HR sub-functions – Compensation Management and Benefits Management – and those activities that result in a Personnel Action at the end of Fiscal Year 2006. The HR LOB will complete the architecture with end-to-end models for the PRM, SRM and the Technical Reference Model (TRM) during FY 2007.

This document addresses the Measurement Indicators for the HR LOB core functions. The Performance Model focuses on the *outcomes* of the common HR processes and activities defined by the BRM. In accordance with OMB's Federal Enterprise Architecture Performance Reference Model (PRM) guidance, the performance measures covered in this document are aligned with business results. As agencies and SSCs move forward in developing and formalizing their relationships, this document will provide input and a common vocabulary for those discussions.

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# 1. Introduction

High performing organizations learn from results. They establish practices for monitoring business activities and outcomes and making adjustments to continuously improve outcomes. The Human Resources Line of Business Performance Model (PM) provides a framework for performance measurement that helps enable this philosophy of continuous improvement for the HR LOB. It identifies a common set of HR performance measures to be used throughout the Federal government. This framework can be used to measure human capital strategic outcomes and agency mission results.

The first version of the HR LOB PM focuses on the core Business Reference Model (BRM) sub-functions -- Compensation Management and Benefits Management -- and those BRM activities that result in a Personnel Action. It will be expanded over the next several months to include performance measures for the remaining Business Reference Model sub-functions or non-core business areas.

This report consists of five sections. Section 1, *Introduction*, describes the HR LOB initiative and explains the approach to the HR LOB PM. Section 2, *PM version 1*, proposes performance measures for the three core HR LOB sub-functions. Section 3, *Measure Selection*, provides advice on how agencies may evaluate and select the measures to reflect the Federal Enterprise Architecture (FEA) PRM guidance using the PM as a template. Section 4, *Appendices*, contains project results detail. The Measures Dictionary, Activity Level analysis, and Alignment results for each of the core areas appear in Appendices A, B and C.

## 1.1 HR LOB Introduction

The HR LOB is expected to help the Federal government realize the potential of electronic government and fundamentally redefine human resources service delivery for all civilian employees of the Executive Branch. The HR LOB Concept of Operations (CONOPS) proposes a near-term service delivery model where HR services relating to human resources information systems (HRIS) and payroll operations move from the agencies to HR shared service centers. Over time, as HR shared service centers evolve and expand their capabilities, more transactional and administrative activities may shift from the agency to the service center delivery mode. The intended results of this new delivery model are:

- improved management of human capital throughout the Federal government
- increased operational efficiency
- lower costs
- better customer service

The table below describes these four strategic objectives:

<b>Objectives</b>	<b>Goals</b>	<b>Implications</b>
<p><b>Improved Management</b> Improve the government wide strategic management of human capital</p>	<ul style="list-style-type: none"> <li>▪ Faster decision making</li> <li>▪ More informed policy making</li> <li>▪ More effective workforce management</li> <li>▪ Improved resource alignment with agency missions</li> </ul>	<p>The ability of an agency to accomplish mission-critical objectives improves as management of human capital improves. Managers will have better access to better data. The ability to gather information more quickly and from richer sources will allow managers to make more timely decisions. Management is afforded the opportunity to perform more extensive analysis before making decisions, setting policies or managing the workforce as accessibility, availability and quality improves.</p>
<p><b>Operational Efficiencies</b> Achieve or increase operational efficiencies in the acquisition, development, implementation and operation of human resources management systems</p>	<ul style="list-style-type: none"> <li>▪ Improved servicing ratio/ response times</li> <li>▪ Reduced cycle times</li> <li>▪ Improved automated reporting</li> </ul>	<p>HR resources can be shifted to operational and strategic activities as efficiency improves. Over time, the shift could include a reduction in required resources. The reduction in resources in the HR support area may allow agencies to reallocate those resources to other mission-critical activities.</p>
<p><b>Cost Savings / Avoidance</b> Achieve or increase cost savings/avoidance from HR solution activities</p>	<ul style="list-style-type: none"> <li>▪ Reduced duplicative software / hardware / operations / labor resources</li> <li>▪ Increased competitive environment</li> </ul>	<p>As the cost of HR is decreased, those savings can be reallocated to support agency mission objectives. Alternatively, cost savings may result in reduced agency budgets, thus passing benefits on to taxpayers.</p>
<p><b>Improved Customer Service</b> Improve customer services</p>	<ul style="list-style-type: none"> <li>▪ Increased accessibility to client and value</li> <li>▪ Improved communication and responsiveness</li> <li>▪ Enhanced quality</li> <li>▪ Enhanced timeliness</li> <li>▪ Enhanced accuracy</li> <li>▪ Enhanced consistency</li> </ul>	<p>Customers will experience better, more consistent service via a more refined, technology-enabled service delivery model. Tiered delivery methods will ensure service is available to customers at reasonable cost.</p>

*Table 1.1 HR LOB Strategic Objectives & Business Results Alignment*

The core mission of the shared service center in the near-term will be to deliver high quality HR IS and payroll services efficiently and with a strong customer focus. The above HR LOB objectives and goals will be the key to evaluating the success of this new HR service delivery approach.

Five Federal agencies have been approved to become SSCs and provide HR services to other agencies at the time of publication. They are:

- Department of Agriculture (National Finance Center)
- Department of Defense
- Department of Health and Human Services
- Department of Interior (National Business Center)
- Department of Treasury

Private sector vendors may also be identified to compete to be HR LOB service providers.

### **Federal Enterprise Architecture Reference Models**

The HR service delivery approach proposed by the HR LOB is a new model for doing business in the Federal government. The breadth of this initiative spans Human Resources for the entire Federal civilian work force. A set of architectural blueprints is being constructed to provide a common picture and a common vocabulary for the business of HR in the Federal government.

There are five models that comprise the HR LOB enterprise architecture (EA). OMB's Federal Enterprise Architecture (FEA) standards guide their development:

- Performance Reference Model: "...a framework for performance measurement providing common output measurements throughout the federal government. The model articulates the linkage between internal business components and the achievement of business and customer-centric outputs."
- Business Reference Model: "...a framework that facilitates a functional (rather than organizational) view of the federal government's lines of business, including its internal operations and its services for citizens, independent of the agencies, bureaus and offices that perform them. The BRM describes the federal government around common business areas instead of through a stove-piped, agency-by-agency view."
- Service Component Reference Model: "...a business-driven, functional framework classifying Service Components according to how they support business and performance objectives. Its serves to identify and classify horizontal and vertical Service Components supporting federal agencies and their IT investments and assets."
- Data Reference Model: "...is intended to promote the common identification, use and appropriate sharing of data/information across the federal government through its standardization of data in the following three areas: data context, data sharing and data description."
- Technical Reference Model: "...a component-driven, technical framework that categorizes the standards and technologies to enable and support the delivery of Service Components and capabilities. It also unifies existing agency TRMs and E-

Gov guidance by providing a foundation to advance the reuse and standardization of technology and Service Components from a government-wide perspective.”

Two of the five models have been published:

- BRM version 2 – The BRM is an end-to-end process view of human resources for the Executive Branch of the U.S. Federal government. BRM version 1 was previously published in December, 2004. During the fall of 2005, 47 HR subject matter experts representing 14 federal agencies reviewed and refined the previous BRM and recommended a revised BRM consisting of 45 processes organized into 10 sub-functions. Each of these processes is further decomposed to the activity level definitions. (Report can be seen at <http://www.opm.gov/egov>)
- DRM version 1 – Completed in January 2006, the DRM described two different views – a Conceptual Data Model (CDM) and the Logical Data Model (LDM). The CDM is a single integrated data structure that shows data objects along with high-level relationships among data objects. The LDM includes more detail for a subset of the CDM scope: The data to be shared across agencies and SSCs. It shows data entities, attributes and relationships between entities. (Report can be seen at <http://www.opm.gov/egov>)

This Performance Model for core business areas constitutes publication addressing the third architectural component, the PRM. The Service Component Reference Model for core HR LOB business areas will be complete by end of Fiscal Year 2006. By the end of Fiscal Year 2007, the following will be published to complete the HR LOB enterprise architecture:

- Technical Reference Model
- Performance Model for remaining HR LOB business areas
- Service Component Reference Model for remaining HR LOB business areas

## **1.2 Performance Model (PM) Purpose and Approach**

The HR LOB PM proposes a common set of performance measures for use throughout the Federal government. These performance measures will gauge how effectively government HR resources are used to support agency mission results, support the effective management of human capital across the government and provide for effective human resources service delivery to employees, managers / supervisors and other HR constituents.

The PM will ultimately have three main uses:

1. Help produce enhanced performance information to improve strategic and daily decision-making
2. Improve the alignment – and better articulate the contribution of – inputs to outputs and outcomes, thereby creating a clear “line of sight” to desired results
3. Identify performance improvement opportunities that span traditional organizational structures and boundaries



This first version of the HR LOB PM focuses only on the end-to-end processes of the core Business Reference Model (BRM) sub-functions – Compensation Management and Benefits Management – and those BRM activities that result in a Personnel Action. These areas are highly transactional and administratively intense and are the first of the BRM activities to be supported by the new shared service centers. The PM provides a framework that links measures to HCAAF strategic outcomes and to HR LOB strategic objectives. These linkages are important as the HCAAF strategic outcomes and HR LOB strategic objectives link to specific agency business objectives. Thus, the PM measures provide tangible evidence of how the process is contributing to agency business results.

The objective of the HR LOB PM initiative is to:

- Establish a standardized set of measures based on the BRM processes against which to measure Human Resource practices across the Federal government.
- Develop measures that can be used to assess the performance of services offered by the SSCs.
- Support the objectives of the Human Capital Assessment and Accountability Framework (HCAAF). The HCAAF offers guidance and integration for transforming human capital management and describes the expectations that guide the assessment of agency human capital efforts.  
([http://www.opm.gov/hcaaf\\_resource\\_center/](http://www.opm.gov/hcaaf_resource_center/))

### **PRM Structure**

FEA guidance defines the PRM at four levels.

- **Measurement Area.** This is the broadest area and is the high-level organizing framework capturing aspects of performance measures at the output level. The HR LOB falls under the *Management of Government Resources* Measurement Area.
- **Measurement Category.** This level reflects collections within each measurement area describing the attribute or characteristic to be measured. This aligns with the Lines of Business.
- **Measurement Grouping.** This level is a further refinement of the Measurement Category. The groupings align with the BRM sub-functions.
- **Measurement Indicators.** This level defines those specific measures tailored for a specific sub-function, agency program or IT initiative. The indicators evaluate the results of the sub-function's contribution to agency business results.

According to the FEA guidance, each Measurement Grouping (HR LOB sub-function) should have at least one Measurement Indicator (performance measure) that addresses each of these objectives.

For the HR LOB, the structure looks like this:

Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator
<i>Management of Government Resources (HR LOB Strategic Objectives)</i>	<i>HR LOB/Human Resource Management (HRM)</i>	HR Strategy	
		Organization and Position Management	
		Staff Acquisition	
		Performance Management	
		Compensation Management	
		Benefits Management	
		Human Resource Development	
		Labor Relations	
		Employee Relations	
		Separation Management	

The scope of PM version 1 is Compensation Management, Benefits Management and Personnel Action activities

Table 1.2 FEA PRM Structure

Additionally, every Measurement Indicator should support at least one HR LOB strategic objective (improved management of human capital, increase operational efficiency, lower costs or improved customer service).

The intent of this PM project was to populate the Measurement Indicator column with an initial set of government-wide performance measures endorsed by the HR LOB Multi-Agency Executive Strategy Committee (MAESC). Over time, individual agencies can also choose to develop measures to address process issues in their unique environments. The analysis approach utilized by the PM team and described in this report can also be used at the agency level to identify agency-specific performance measures.

**HR LOB PM version 1 Approach**

From February to May 2006, the Performance Reference Model Work Group (PRMWG) met to develop and define measures that reflect the outcomes of the BRM HR processes and activities. The purpose of the PRMWG is to provide advice and recommendations to the HR LOB Program Director, the HR LOB MAESC and the Shared Service Centers (SSCs) on PRM content. The goals of the HR LOB PRMWG are to provide a forum in which the SSCs, agencies and OPM policy experts can develop recommendations regarding PM content and discuss PRM related issues in a collaborative environment.

A total of 12 agency participants, 12 SSC participants and two policy experts participated in this collaborative effort between agency subject matter experts and SSC representatives. Membership of the HR LOB PRMWG consisted of personnel nominated from the following organizations:

- Shared Service Centers – 1 team each from:
  - Department of Agriculture - National Finance Center (NFC)
  - Department of Defense (DOD)
  - Department of Health and Human Services (HHS)
  - Department of the Interior - National Business Center (NBC)
  - Department of the Treasury
  - General Services Administration (GSA) – participated as a payroll provider
- Customer Agencies – 12 representatives from:
  - Shared Service Center Work Group (SSCWG) Agencies
  - MAESC Customer Agencies
- OPM policy organizations – 1 representative each from:
  - OPM, Strategic Human Resources Policy (SHRP)
  - OPM, Human Capital and Leadership Merit Systems Accountability (HCLMSA) with HCAAF expertise

The PRMWG's results were subsequently reviewed, commented on and approved by the MAESC and the HR LOB Program Director.

For each of the business area work sessions, the PRMWG performed four levels of analysis:

1. The PRMWG reviewed the business activities defined in the Business Reference Model. Activities were assigned two to four measures. Each measure was specifically defined and documented in the measures dictionary. These measures were then evaluated against measurement characteristics before proceeding to the second level of analysis. The measurement characteristics used in this analysis were:

- Descriptive – based on behaviors and results, not attitudes or opinions
- Detailed – scope of the measure is defined
- Valid – accurate and reliable
- Actionable – under the control of the agency/SSC
- Practical – cost effective
- Applicable – relevant to government processes
- Credible – managers and employees recognize and accept the measure

Over the course of the project, a number of widely used measures were proposed for the PM but were eliminated from consideration because of this measurement characteristic filter.

One measurement characteristic that eliminated many proposed measures from consideration was ‘practical’ – results data do not exist today and it would be difficult and costly to obtain this data. Over time, as agencies and providers mature in their ability to gather this data, the PM can be extended to include those measures.

2. After consolidating the first level measures, each of the remaining measures was aligned to the HR LOB strategic objectives. If the SSCs have a potential role in the activity (outlined by the Target Requirements for Shared Service Centers published in November, 2005), the measure was so noted. Finally, the measures were evaluated against design principles:

- All measures must be aligned with business results through the HR LOB strategic objectives
- Each sub-function/business area will have less than 16 measures
- Each sub-function will have a mix of leading and lagging measures. Leading measures are those predictive in nature; lagging measures are a snapshot of past performance results.
- If two proposed measures are similar in purpose, only one should be chosen

3. The measures that remain were then aligned to:

- HCAAF Strategic Areas
- Agency results (mission-related or customer-related.)

4. The final level of analysis was performed from the perspective of the business area. The objective of this step was to ensure the measures reflect the targeted outcome of the business area’s business processes. Additionally, they were reduced down to a manageable number of measures.

While each sub-function has a limited number of measures, this document is not intended to suggest every PM measure would be implemented by every agency. Rather, by providing this standardized set of measures, agencies and SSCs have the opportunity to *select a manageable number* of the most relevant measures based on specific mission objectives, areas of process improvement focus or other issues unique to that environment. Additionally, some measures may reflect specific programs developed by agencies but supported by the SSC. Over time, some measures may be used more widely than others.

### **1.3 Downstream Use of the PM**

The *long-term business value* of the PM can be viewed in a number of ways. The PM will provide a common language and set of definitions that can be used to accelerate the development of Service Level Agreements (SLAs) between agencies and SSCs. Additionally, creating a set of measures aligned to business results provides a tool agencies can use to validate HR contributions to agency mission-critical results. A standard set of measures provides the opportunity to compare results across SSCs. From a government-wide perspective, the PM provides an opportunity to highlight significant process improvement opportunities. In the future, when OMB requires a business case to justify capital budget

requests, it will provide agencies with an approach to developing measures that provide visibility to the business benefits of capital investments.

The PM has a number of near-term uses. At the HR LOB program level, it provides a manageable, realistic base set of measures that provide visibility into SSC service levels and related process improvement opportunities. For the Shared Service Center Work Group (SSCWG) and Shared Service Center Advisory Council (SSCAC), it provides one input to SLA development. For the HR organization at the agency, it provides measures aligned to agency business results.

### **Next Steps**

**Extend the PM.** Over time, the same analysis approach will be used to identify measures for the remaining eight HR LOB BRM sub-functions. As these additional measures are identified, the PM will continue to supply them to the SLA development process. Additionally, these measures will provide any Federal agency standardized measures that can be used to define HR process improvement projects.

**Add Measurement Results.** Currently, the PM defines only measures that may be used to assess the results of HR activities. The PM provides the definition, purpose and calculation of measures, but not the metrics or expected results of the calculation associated with those measures. As the measures are standardized and used across SSCs, results can be gathered to provide baseline result expectations. Primary activities for this step would include decomposition of definitions, such as operational costs, data gathering and managing reporting activities.

## 2. PM version 1

The results compiled below reflect the analysis performed by the Performance Reference Model Work Group (PRMWG). This analysis resulted in recommendations presented to and approved by the HR LOB Multi-Agency Executive Strategy Committee (MAESC). The PRMWG work session analysis results, categorized by sub-function, are found in Appendices A, B and C. The subject matter expertise of the PRMWG membership provided for a realistic experience-based validation. The work group was intentionally balanced between customer agencies and SSCs with liaisons to OPM's policy divisions to provide for multiple points of view during the validation.

The recommendations in this report are not mandated for use by all agencies or SSCs. The intent is the user will select the most appropriate, relevant and valuable measures for their particular environment.

The HR LOB PM includes two types of measures:

- Measures that reflect the health of a process to deliver results
- Transaction measures

### **Measures that Reflect the Health of a Business Process to Deliver Results**

Measures that reflect the health of a process provide a “tip of the iceberg” insight into the business process. These measures are *indicators* that raise flags and alert management to issues that require further investigation. If the result falls outside the expected range, or has changed drastically, further investigation and analysis is necessary to understand its source and root causes.

The measures contained in the PM measure a business process by comparing actual results to expected results to identify anomalies. The measures serve as tools that provide visibility into progress against goals. One example of this type of measure is “Amended/Corrected time records” in the Compensation Management sub-function. If a change in the number of records requiring correction increases significantly in a pay period, there may be numerous potential problems including:

- An issue with agency managers submitting the records by the due date
- A data capture issue at the SSC
- An issue in the data handoff between the agency and the SSC

The root cause may be either technical in nature (a link is broken) or communication-related (the due dates changed but the managers did not get the message). Once the cause is identified and actions are taken to address it, the results should improve. In our example, as

the number of “Amended/corrected time records” decreases, the operational efficiency of the processing organization should increase.

## Transaction Measures

Transaction measures provide a snapshot of business process performance in a given time period. These measures may track response time, accuracy or the time necessary to complete a particular critical activity (cycle time). Transactional measures usually focus on SSC service level or processing results. One example of this type of measure would be “Time to disburse off-cycle payment” in the Compensation Management sub-function which measures the average time from pay authorization to disbursement.

### 2.1 Compensation Management

Twenty-one participants from the PRMWG met March 14-15, 2006 to discuss the Compensation Management sub-function and agree upon applicable performance measures. The HR LOB MAESC reviewed, commented on and approved the following recommendations after the workshop. The PRMWG results detail can be found in Appendix A: Compensation Management.

### Compensation Management Results

Seventeen measures were identified by the PRMWG and approved by the MAESC for the Compensation Management sub-function. The measures align to agency business results via the HR LOB Strategic Objectives.

Measure Name	Definition	Purpose
<b>Total Compensation as a percent of agency budget</b>	Percent of budget allocated to compensation. Compensation Cost includes salary, student loans, benefits, recruiting / retention / relocation incentives	Shows the percentage of budget allocated to compensation; useful for market comparison. Useful for year over year comparison and trend analysis.
<b>Compliance</b>	Number of repeat material weaknesses identified from audits	Demonstrates the provider’s ability to react to/correct deficiencies in the application of relevant laws, rules and regulations regarding compensation programs.
<b>Average compensation per agency FTE</b>	Average compensation cost per FTE	Perform trend analysis over time to understand whether compensation programs are influencing employee retention results; shows return on investment and whether programs are within budget
<b>Employee satisfaction with compensation</b>	Results of agency-specific standardized Employee Survey of the percent of employees citing satisfaction with compensation on employee survey (e.g., Human Capital Survey)	Indicates whether agency's compensation program is affecting employee satisfaction thus affecting retention.

<b>Measure Name</b>	<b>Definition</b>	<b>Purpose</b>
<b>On time project performance</b>	Percentage of compensation projects completed per project plan	Reflects the ability of the providers and agencies to work together to complete projects on time. Identifies common obstacles to completing projects on time.
<b>On budget project performance</b>	Percentage of compensation projects completed within budget	Reflects the ability of the providers and agencies to work together to complete projects within projected cost parameters. Tracking information provides identification of wasted resources
<b>Personnel action corrections</b>	Percentage of corrections required to correctly award bonuses or pay and leave transactions	May identify process improvement opportunities and show trends in functionality.
<b>Retroactive payroll adjustments</b>	Percent of retroactive payroll adjustments as compared to total number of payroll transactions (categorized by source)	Reflects the effectiveness of the payroll transaction processing operation. May indicate opportunities for process improvement.
<b>Electronic access</b>	Percent of employees given electronic access to pay and leave records	Indicates the ability of the agency to implement cost effective solutions and progress toward compliance with Paperwork Reduction Act of 1996.
<b>Change notification</b>	Percent of notifications of changes sent to employee within the defined time period	Not meeting deadlines potentially indicates a scalability or process issue.
<b>Amended or corrected employee time records</b>	Percent of time records amended or corrected in a time period	Potentially indicates a process issue at submitting agency or data capturing issue at the payroll provider.
<b>Time to resolve (or respond) to an inquiry</b>	Average time it takes to resolve (or respond) to an inquiry from the point of inquiry to the point of resolution (or response)	Shows the ability of the SSC handling inquiries to resolve them efficiently.
<b>Payroll certification</b>	Percent of payroll certification (e.g., treasury schedules) submitted within the disbursing agency's deadlines	Reflects the performance of the payroll provider to calculate and process payroll disbursements within guidelines
<b>Time to disburse off-cycle payroll transactions</b>	Average time an off-cycle payroll takes from the time an organization receives authorizing documents to the time payment is disbursed	Reflects the length of time it takes to complete a task. May identify process improvement opportunities.
<b>W-2 distribution</b>	Time it takes to send out W-2s	Reflects the length of time it takes to complete a task.



Measure Name	Definition	Purpose
<b>W-2 corrections as a percent of total W-2s</b>	Percent of corrections made to W-2s	Reflects the accuracy and efficiency of the payroll organization.
<b>Cost per W-2<sup>1</sup></b>	Operational cost per individual paid	Useful to compare overall cost savings as agencies compare their costs to SSC costs. This measure is useful for SSCs and customer agencies to look at over time. This measure is not as useful when comparing SSCs because of different types and levels of services offered.

Table 2.1a Compensation Management Measures

Each measure was aligned to agency business results via the HR LOB Strategic Objectives. The table below shows the alignment of each of the 17 measures to its *primary* strategic objective. Additional alignment information can be found in Appendix A.

Strategic Objectives	Compensation Management Measures
<b>Improved Mgmt</b>	<ul style="list-style-type: none"> <li>Total compensation as a percentage of agency budget</li> <li>Average compensation per agency FTE</li> <li>Employee satisfaction with compensation</li> <li>Compliance</li> </ul>
<b>Operational Efficiency</b>	<ul style="list-style-type: none"> <li>On time project performance</li> <li>Retroactive payroll adjustments</li> <li>Electronic access</li> <li>Amended/corrected time records</li> <li>Payroll certifications</li> <li>Timeliness: time to disburse off-cycle payroll transactions</li> <li>Cycle time: W-2 distribution</li> <li>Quality: W-2 corrections as a percent of total W-2s</li> </ul>
<b>Cost Savings/ Avoidance</b>	<ul style="list-style-type: none"> <li>On budget project performance</li> <li>Cost/price per W-2</li> </ul>
<b>Improved Customer Service</b>	<ul style="list-style-type: none"> <li>Quality: Personnel Action corrections - bonus &amp; awards</li> <li>Timeliness: Change Notification</li> <li>Customer Service: Time to resolve/respond to inquiry</li> </ul>

Table 2.1b Compensation Management Measures Alignment to HR LOB Strategic Objectives

<sup>1</sup> During the development of the PM v1, only Federal agencies have been certified as SSCs. In the future, commercial organizations may become SSCs and this measure may be modified to “Price per W-2” to reflect this change.

### Measures relevant for SSCs

As HR services are migrated to SSCs, several measures were highlighted as possible inputs to the development of Service Level Agreements.

The baseline measures relevant to the SSCs are shown below by process:

<b>Measure Name</b>	<b>Process Linkage</b>
On time project performance	5.1 Adopt Compensation Programs
On budget project performance	5.1 Adopt Compensation Programs
Personnel action corrections	5.2 Administer Bonus & Awards Programs; 5.3 Administer Pay or Leave
Retroactive payroll adjustments	5.2 Administer Bonus & Awards Programs 5.3 Administer Pay or Leave
Electronic access	5.2 Administer Bonus & Awards Programs
Change notification	5.2 Administer Bonus & Awards Programs
Time to resolve inquiry	5.4 Manage Time & Attendance
Time to respond to inquiry	5.4 Manage Time & Attendance
Payroll certification	5.5 Manage Payroll
Time to disburse off-cycle payroll transactions	5.5 Manage Payroll
W-2 distribution	5.5 Manage Payroll
W-2 corrections as a percent of total W-2s	5.5 Manage Payroll
Cost/Price per W-2	5.5 Manage Payroll

*Table 2.1c Compensation Management Measures relevant to SSCs with Process Linkages*

As these standardized measures are used by agencies and SSCs, expectations of minimum service levels may be established for SSCs. Additionally, use of standardized measures will enhance an agency's ability to compare services across the SSCs.

## 2.2 Benefits Management

Sixteen representatives from the PRMWG met March 28-29, 2006 to discuss the Benefits Management sub-function and agree upon relevant performance measures. The HR LOB MAESC reviewed, commented on and approved the following recommendations after the workshop. The PRMWG results can be found in Appendix B: Benefits Management.

### Benefits Management Results

Eleven measures were identified by the PRMWG and approved by the MAESC for the Benefits Management sub-function. These measures align to agency business results via the HR LOB Strategic Objectives.

<b>Measure Name</b>	<b>Definition</b>	<b>Purpose</b>
<b>Participation Rate</b>	Percentage of eligible employees participating in the benefits program	Management can use this information to evaluate cost and effectiveness of program, may also reflect the effectiveness of communication (e.g., marketing).
<b>Employee Satisfaction</b>	Results from an Agency-specific standardized Employee Survey that would gauge level of interest, satisfaction with discretionary current or future benefits program, and reflect employee perception of service	Opportunity to see trends over time to use in future benefits offerings. Information is collected on benefit environment to improve or to increase employee product and services.
<b>Cost: average cost of benefits per FTE</b>	Total cost of benefits (administrative and programmatic) provided divided by the number of eligible population of the agency	View benefits as a cost and track trends over time. May indicate improvement areas in other HR areas such as Wellness, Work/life balance.
<b>On time project performance</b>	Percentage of benefit projects completed per project plan	Reflects the ability of the providers and agencies to work together to complete projects on time. Identifies common obstacles to completing projects on time.
<b>On budget project performance</b>	Percentage of benefits projects completed within budget	Reflects the ability of the providers and agencies to work together to complete projects within budget.
<b>Quality: Communication Content</b>	The number of inquiries (e.g., questions, complaints) regarding a benefits program. This measure is meant to be used with an automated solution and categorized per parameters stated in the SLA	May indicate clarity and timeliness of message. A decrease in the number of repetitive inquiries may also indicate progress over time. If inquiries are categorized by type, could provide opportunity to find repeat inquiries and eliminate source of questions.
<b>Timeliness: Communication Delivery</b>	Time of delivery against communication plan. Communication plan includes time, channel and audience	Ensures employees have adequate amount of time to understand benefit offerings and elect benefit choices.
<b>Timeliness: Agency-Specific Reports</b>	Reports are delivered on time. (Agency-Specific Reports are those regarding agency-Specific programs)	To ensure benefit providers are meeting service delivery expectations.
<b>Timeliness: Employee Update Files</b>	Transmission of employee updates files made to the external benefit provider within established timelines	Reflects SSC's/agency's ability to transmit data to external benefits provider in a timely manner.
<b>Electronic Access</b>	Percentage of employees that have the ability to elect benefits electronically	Indicates the ability of the agency to provide access to an automated solution enabled by the SSC or the benefits provider.

<b>Measure Name</b>	<b>Definition</b>	<b>Purpose</b>
<b>Benefit inquiry resolution</b>	Percentage of inquiries resolved within a specified time period; case closure rate	Opportunity for process improvement. Across the process, all parties could be involved in computation of the measure.

*Table 2.2a Benefits Management Measures*

These measures were each aligned to agency business results via the HR LOB Strategic Objectives. The table below shows the alignment of each of the 11 measures to its primary strategic objective. Additional alignment information can be found in Appendix B.

<b>Strategic Objectives</b>	<b>Benefits Management Measures</b>
<b>Improved Mgmt</b>	<ul style="list-style-type: none"> <li>• Participation Rate</li> </ul>
<b>Operational Efficiency</b>	<ul style="list-style-type: none"> <li>• On time project performance</li> <li>• Timeliness: Agency-specific reports</li> <li>• Electronic Access</li> </ul>
<b>Cost Savings/ Avoidance</b>	<ul style="list-style-type: none"> <li>• On budget project performance</li> <li>• Cost: cost of benefits per FTE</li> </ul>
<b>Improved Customer Service</b>	<ul style="list-style-type: none"> <li>• Employee Satisfaction</li> <li>• Quality: Communication Content</li> <li>• Timeliness: Communication Delivery</li> <li>• Employee Update Files</li> <li>• Benefit inquiry resolution</li> </ul>

*Table 2.2b Benefits Management Measures Alignment to HR LOB Strategic Objectives*

### Measures relevant for SSCs

As HR services are migrated to SSCs, several measures were highlighted as possible inputs to the development of Service Level Agreements.

The baseline measures relevant to the SSCs are shown below by process:

<b>Measure Name</b>	<b>Process Linkage</b>
Participation Rate	6.1 Establish Benefits Program 6.2 Process Benefits Actions
Employee Satisfaction	6.1 Establish Benefits Program 6.2 Process Benefits Actions
Cost: cost of benefits per FTE	6.1 Establish Benefits Program
On-time project performance	6.1 Establish Benefits Program
On-budget project performance	6.1 Establish Benefits Program
Quality: Communication Content	6.1 Establish Benefits Program

Timeliness: Communication Delivery	6.2 Process Benefits Actions
Timeliness: Agency Specific Reports	6.2 Process Benefits Actions
Employee Update Files	6.2 Process Benefits Actions
Electronic Access	6.2 Process Benefits Actions
Benefit inquiry resolution	6.2 Process Benefits Actions

*Table 2.2c Benefits Management Measures relevant to SSCs with Process Linkages*

As these standardized measures are used by agencies and SSCs, expectations of minimum service levels may be established for SSCs. Additionally, use of standardized measures will enhance an agency's ability to compare services across the SSCs.

### 2.3 Personnel Actions

On April 25<sup>th</sup>-26<sup>th</sup>, 2006, fifteen government representatives met to discuss the activities that result in a Personnel Action and applicable performance measures. The HR LOB MAESC reviewed, commented on and approved the following recommendations after the workshop. The PRMWG results can be found in Appendix C: Personnel Action.

Personnel Action was identified, along with Compensation Management and Benefits Management, to be included in the initial scope of HR LOB because of its highly transactional nature. While Compensation Management and Benefits Management are BRM sub-functions, Personnel Action is a set of tasks triggered by a number of activities in multiple sub-functions across the BRM. Below is a list of activities within the BRM identified as personnel action triggers.

<b>HR LOB BRM Activity</b>	<b>Personnel Action Triggers</b>
1.8.3 Execute Against Approval of Budget	Actions resulting from a budget decision, such as furloughs when the budget is not passed and a continuing resolution has not been issued.
2.1.6 Maintain Positions	Actions resulting from a classification or position management action. This includes change in position, position title, series, grade, work schedule, etc.
2.1.12 Implement Appeal Decisions (Position Management)	Actions as a result of a classification appeal.
3.6.6 Bring Candidate on Board	Any action where an employee is placed in a position. This includes appointments, reassignments, promotions, change-to-lower grade, etc.
4.3.5 Finalize Performance Appraisal	Actions to process an employee's annual appraisal rating.
5.2.3 Set Bonus or Award Pay	Actions to process a bonus or award.

<b>HR LOB BRM Activity</b>	<b>Personnel Action Triggers</b>
5.3.1 Identify Employees to Receive Pay Change	Actions to give an employee a pay adjustment or change. This includes new pay rates or schedules, pay for performance, new locality pay rates, etc.
5.4.3 Manage Usage of Leave and Paid Time Off	Actions to complete leave accruals and balances, process leave requests, and verify leave of absence validation and eligibility.
5.5.1 Manage Employee Furnished Payroll Data	Actions to update and validate employee payroll data.
6.2.5 Maintain Appropriate Records	Changes to employee benefits such as FEGLI, FEHB, etc.
7.4.5 Deliver Employee Development Program	Documentation of training actions in training record (new training data elements and codes).
8.1.4 Execute Formal or Informal Action (Misconduct)	Formal or informal misconduct actions. This includes effecting misconduct position change, suspensions, separations, etc.
8.2.2 Execute Formal or Informal Action (Performance)	Formal or informal performance actions. This includes effecting misconduct position change, separations, etc.
8.4.3 Put Accommodations into Place	Position changes to accommodate an employee disability.
8.6.7 Implement Third Party Decisions / Settlements (ER)	Actions to implement a third party dispute (normally a grievance or appeal). It includes corrections, changes, etc.
8.7.3 Adjudicate Suitability Issues	Document suitability and security clearance determinations.
9.3.7 Implement Third Party Decisions / Settlements (LR)	Actions to implement a third party dispute (normally a ULP or other Union based action). It includes corrections, changes, etc.
10.1.1 Initiate Separation	Notifications of the employee leaving an agency
10.1.6 Conduct Exit Processing	All actions where an employee separates or leaves an agency, including transfers.

*Table 2.3a Activities that Trigger a Personnel Action*

Early in the session, the PRMWG agreed upon a framework for personnel actions. They discussed the personnel action process at the task level and used this to identify four *transaction characteristics*. They are:

- Self-Service
- Customer Service
- Processing & Workflow
- Evaluation & Compliance

The definitions, requirements examples and common actions are in the table below.

<b>Transaction Characteristic</b>	<b>Definition</b>	<b>Requirement Example*</b>	<b>Common Actions</b>
<b>Self-Service</b>	SSC provides opportunity for employees or managers to access system, input data, make changes, or update information	Allow users to initiate and edit personnel actions in a secure automated solution	Capture, initiate & edit, approve/disapprove, provide online help, use approved electronic forms & signatures, move data
<b>Customer Service</b>	Opportunity for SSCs, HR Office, employees or managers to resolve personnel action issues and questions	Notify employee about initiated personnel action when applicable	Research, respond and take corrective action
<b>Processing and Workflow</b>	Processing organization performs a transactional task, typically administrative in nature. Includes the automatic routing of information based on role and/or authority. The information usually requires an action, such as an approval/disapproval	Archive personnel action; Route personnel actions based on workflow, tailor the workflow routing to the action and route personnel actions to appropriate alternate parties when workflow routing is affected by "out of office" situations	Support personnel actions, automatic generation, track, maintain history, archive, document, produce reports, apply changes, route actions based on workflow, notify individuals based on roles, provide on-line approval/disapproval
<b>Evaluation and Compliance</b>	HR and SSC ensures personnel actions are compliant with applicable standards, policies, rules and regulations	Use Nature of Action (NOAs) in accordance with Chapter 1 of the Guide to Processing Personnel Actions; Process creditable service IAW Chapter 6 in the Guide to Processing Personnel Actions	Apply policy, monitor

*\*The requirement examples are actual Personnel Actions requirements taken from the Target Requirement Report.*

*Table 2.3b Personnel Action Transaction Characteristics*

The Personnel Action transaction characteristics served as the framework to develop measures around the stages of a transaction that recur across a personnel action. The measures were then applied to the activity analysis.

### **Personnel Action Results**

Nine measures were identified by the PRMWG and approved by the MAESC for the Personnel Action business area. These measures align to agency business results via the HR LOB Strategic Objectives.

<b>Characteristic Category</b>	<b>Measure Name</b>	<b>Definition</b>	<b>Purpose</b>
Self-Service	<b>Self-Service Usage</b>	Of the total personnel transactions available through self-service, the percent of personnel transactions actually initiated in self-service	Review trends over time of usage of self-service applications.
	<b>Self-Service Activation</b>	Number of new accounts registered in a time period	Review trends over time of adoption rate of self-service (particularly relevant during initial stages of deployment).
Customer Service	<b>Time to resolve (or respond) to an inquiry</b>	Average time it takes to resolve (or respond) to an inquiry from the point of inquiry to the point of resolution (or response)	Shows the ability of the SSC handling inquiries to resolve them efficiently.
Customer Service	<b>Accuracy / Timeliness: Reporting (regulatory, mandatory, agency-specific)</b>	Accurate reports are delivered on time to the appropriate parties	Allows appropriate parties to make informed decisions and meet external / internal reporting requirements.
Processing & Workflow	<b>Timeliness: Change notification</b>	Percent of notifications of change sent to appropriate recipient within defined time frame (notifications are Notification of Personnel Action or Leave and Earnings Statement. Delivery time and media is determined by the type of action)	Not meeting timeframe expectations potentially indicates a scalability or process issue.
	<b>Timeliness: Process personnel transaction</b>	Percent of personnel transactions completed within appropriate time frame (time frame is dependent on type of action)	Reflects an opportunity for improvement; the measure indicates the health of the process to complete a transaction in a timely manner.
	<b>Quality: Personnel transaction corrections</b>	Percent of corrections required to accurately complete personnel transactions	Identifies process improvement opportunities.
Evaluation & Compliance	<b>Timeliness: Implement mass action (e.g., pay change, reorganization)</b>	Percent of transactions completed within appropriate time frame	Reflects an opportunity for improvement; the measure indicates the health of the process to complete a transaction efficiently.

*Table 2.3c Personnel Action Measures*



These measures were each aligned to agency business results via the HR LOB Strategic Objectives. The table below shows the alignment of each Personnel Action measure to its primary strategic objective. Additional alignment information can be found in Appendix C.

Strategic Objectives	Personnel Action Processing
<b>Improve Strategic Management</b>	<ul style="list-style-type: none"> <li>▪ Reporting (regulatory, mandatory, agency-specific)</li> </ul>
<b>Operational Efficiencies</b>	<ul style="list-style-type: none"> <li>▪ Process personnel transaction</li> <li>▪ Implement mass action</li> </ul>
<b>Cost Savings/Avoidance</b>	<ul style="list-style-type: none"> <li>▪ Self-service usage</li> <li>▪ Self-service activation</li> <li>▪ Personnel transaction corrections</li> </ul>
<b>Improved Customer Service</b>	<ul style="list-style-type: none"> <li>▪ Time to resolve/respond to inquiries</li> <li>▪ Change notification</li> </ul>

*Table 2.3d Personnel Action Measures Alignment to HR LOB Strategic Objectives*

**Measures relevant for SSCs**

As HR services are migrated to SSCs, all the measures could be highlighted as possible inputs to the development of Service Level Agreements. This is expected because the Personnel Action business area contains highly transactional activities.

The baseline measures relevant to the SSCs are shown below by process:

Measure Name	Process Linkage
<b>Self-service usage</b>	3.6 Hire Employee 4.3 Manage Employee Performance 5.2 Administer Bonus & Award Payments 5.3 Administer Pay or Leave 5.4 Manage Time & Attendance 5.5 Manage Payroll 7.4 Administer HR Development Programs 8.1 Address Employee Misconduct 8.2 Address Employee Performance Problems 8.4 Provide Reasonable Accommodation 8.7 Determine Employee/Candidate Suitability 10.1 Manage Employee Separation

Measure Name	Process Linkage
<b>Self-service activation</b>	3.6 Hire Employee 4.3 Manage Employee Performance 5.2 Administer Bonus & Award Payments 5.3 Administer Pay or Leave 5.4 Manage Time & Attendance 5.5 Manage Payroll 7.4 Administer HR Development Programs 8.1 Address Employee Misconduct 8.2 Address Employee Performance Problems 8.4 Provide Reasonable Accommodation 10.1 Manage Employee Separation
<b>Customer Service: Time to resolve/respond inquiry</b>	All Personnel Actions activities
<b>Accuracy / timeliness: Reporting (regulatory, mandatory, agency-specific)</b>	All Personnel Actions activities
<b>Timeliness: Change notification</b>	All Personnel Actions activities
<b>Timeliness: Process personnel transaction</b>	All Personnel Actions activities
<b>Quality: Personnel transaction corrections</b>	All Personnel Actions activities
<b>Timeliness: Implement mass action (e.g., pay change, reorganization)</b>	1.8 Manage HR Budget 2.1 Administer Organization & Position Management 3.6 Hire Employee 4.3 Manage Employee Performance 5.2 Administer Bonus & Award Payments 5.3 Administer Pay or Leave 5.4 Manage Time & Attendance 7.4 Administer HR Development Programs 8.6 Participate in Administrative Third Party Proceedings 9.3 Participate in Negotiated Third Party Proceedings 10.1 Manage Employee Separation

*Table 2.3e Personnel Action Measures relevant to SSCs with Process Linkages*

As these standardized measures are used by agencies and SSCs, expectations of minimum service levels may be established for SSCs. Additionally, use of standardized measures will enhance an agency's ability to compare services across the SSCs.

## 2.4 The PM version 1

The table below shows the sub-function measures compiled into the FEA framework. Some measures are reused across the core sub-functions. This reuse was expected since the core sub-functions all address transaction intensive processes and Personnel Action measures are distributed across the BRM processes.

The next step for this reference model is to extend the PM and develop measures for the remaining eight sub-functions. Also, minimum expectations for results of these measures will be recommended.

Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	
<i>Management of Government Resources (HR LOB Strategic Objectives)</i>	<i>HR LOB/Human Resource Management (HRM)</i>	HR Strategy	Customer Service: Time to resolve to inquiry	Timeliness: Change notification
			Customer Service: Time to respond to inquiry	Timeliness: Process personnel transaction
			Accuracy/Timeliness: Reporting	Quality: Personnel transaction corrections
			Timeliness: Implement mass action	
		Organization and Position Management	Customer Service: Time to resolve to inquiry	Timeliness: Change notification
			Customer Service: Time to respond to inquiry	Timeliness: Process personnel transaction
			Accuracy/Timeliness: Reporting	Quality: Personnel transaction corrections
			Timeliness: Implement mass action	
		Staff Acquisition	Self-Service usage	Timeliness: Change notification
			Self-Service activation	Timeliness: Process personnel transaction
			Customer Service: Time to resolve to inquiry	Quality: Personnel transaction corrections
			Customer Service: Time to respond to inquiry	Timeliness: Implement mass action

Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	
<i>Management of Government Resources (HR LOB Strategic Objectives)</i>	<i>HR LOB/Human Resource Management (HRM)</i>		Accuracy//Timeliness: Reporting	
		Performance Management	Self-Service usage	Timeliness: Change notification
			Self-Service activation	Timeliness: Process personnel transaction
			Customer Service: Time to resolve to inquiry	Quality: Personnel transaction corrections
			Customer Service: Time to respond to inquiry	Timeliness: Implement mass action
			Accuracy//Timeliness: Reporting	
		Compensation Management	Total Compensation as a percent of agency budget	Compliance
			Average compensation per FTE	Employee satisfaction with compensation
			On time project performance	On budget project performance
			Personnel action correction	retroactive payroll adjustments
			Electronic access	Change notification
			Amended or corrected time records	Customer Service: Time to respond to an inquiry
			Customer Service: Time to resolve an inquiry	payroll certification
			Time to disburse off-cycle payroll transaction	W-2 distribution

Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	
<i>Management of Government Resources (HR LOB Strategic Objectives)</i>	<i>HR LOB/Human Resource Management (HRM)</i>		Cost per W-2	Self-service usage
			Self-service activation	Accuracy/timeliness: Reporting
			Timeliness: Process personnel transaction	Timeliness: Implement mass action
		Benefits Management	Participation Rate	Employee Satisfaction
			Cost: Average cost of benefits per FTE	On time project performance
			On budget project performance	Quality: Communication Content
			Timeliness: Communication Delivery	Timeliness: Agency-Specific Reports
			Employee Update Files	Electronic Access
			Benefit inquiry resolution	Customer Service: Time to respond to inquiry
			Timeliness: Change Notification	Accuracy/timeliness: Reporting
			Timeliness: Process Personnel Transaction	Timeliness: Personnel transaction corrections
			Human Resource Development	Self-service usage
		Customer Service: Time to resolve to inquiry		Customer Service: Time to respond to inquiry
		Accuracy/Timeliness: Reporting		Timeliness: Change notification

Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	
<i>Management of Government Resources (HR LOB Strategic Objectives)</i>	<i>HR LOB/Human Resource Management (HRM)</i>		Timeliness: Process personnel transaction	Quality: Personnel transaction corrections
			Timeliness: Implement mass action	
		Employee Relations	Self-service usage	Self-service activation
			Customer Service: Time to resolve to inquiry	Customer Service: Time to respond to inquiry
			Accuracy/Timeliness: Reporting	Timeliness: Change notification
			Timeliness: Process personnel transaction	Quality: Personnel transaction corrections
			Timeliness: Implement mass action	
		Labor Relations	Customer Service: Time to resolve to inquiry	Customer Service: Time to respond to inquiry
			Accuracy/Timeliness: Reporting	Timeliness: Change notification
			Timeliness: Process personnel transaction	Quality: Personnel transaction corrections
			Timeliness: Implement mass action	
		Separation Management	Self-service usage	Self-service activation
			Customer Service: Time to resolve to inquiry	Customer Service: Time to respond to inquiry
			Accuracy/Timeliness: Reporting	Timeliness: Change notification

Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	
			Timeliness: Process personnel transaction	Quality: Personnel transaction corrections
			Timeliness: Implement mass action	

*Table 2.4 HRLOB PM version 1*

### 3. Measure Selection

In the near-term, the PM serves as a key input for SLA development; the measures identified in the PM will be considered for inclusion as target measures for the SLA framework.

Measure selection criteria for the SLA development may include:

- Measures currently used by agencies and SSCs
- Measures where data collection mechanisms are in place or could be put in place in the near-term in order to accurately report on the measures
- Measures known as “industry standards” in the public and private sector

The SSCWG and SSCAC will work together to suggest what PM measures could be used in the initial HR LOB model SLA.

Agencies and SSCs will decide which measures are relevant for their environment. This selection will be driven by the activities supported by the SSC and what is important for the agency. Since some measures may not be appropriate for that unique environment, agencies and SSCs may choose to use the measures provided in the PM version 1 as a starting point for developing SLA measures that reflect their unique relationship and capabilities.

For instance, an agency may want to implement self-service applications to reduce HR administrative costs. The agency could use the measures Self-Service Activation or Self-Service Usage. These measures would be useful in an SLA to provide visibility into how the process change is being received by agency employees. If results – levels of self-service usage – remain stagnant and below expectations over the initial implementation time periods, the agency is not likely to be achieving its objective of cost reduction through self-service. Additional analysis may provide information the agency and SSC can utilize to improve results. Or, if an agency wanted to ensure employees receive a high level of customer service from the SSC, the Customer Service Measures might be included in the SLA. Additional specific measures might even be spawned.

The PM version 1 provides an initial set of performance measures that may be used by the SSC and/or agency. Agencies can use the approach described in this report to develop measures that reflect their specific mission. The value of the PM at the agency would be an improved ability to show HR’s contribution to agency business results. As projects or programs are considered, identifying the relevant BRM processes and how that project or program will address business results through PM measures, provide a link between HR and the mission of the agency. The measures selected should demonstrate process improvement and validate the project’s progress toward its objectives.

Agencies first need to understand how the results of the HR processes contribute to agency mission before developing measures. Agency participants could develop measurement characteristics and design principles that will guide final measure selection after identifying contributing activities. These definitions are particularly useful for ensuring consistency when evaluating measures.

After compiling the measures, analysis should include an alignment to agency objectives,



similar to how the PRMWG aligned measures to the HR LOB Strategic Objectives. Every measure should be aligned to a business result, either directly to mission results or to customer results. The number of measures should be manageable and within the project's influence or control.

Expectations for measurement results should be the outcome of analysis including a baseline of results, time period specification, and process improvement expectations. If the measures are impacted by a provider, measures should be appropriately communicated to the provider.

## 4. Appendices

*Appendices A, B and C* provide the results from each activity in the PRM Work Group sessions by sub-function. Each section will contain:

- Measures Dictionary: Definition of the measures. Includes name, definition, calculation, data needed and possible frequency recommendations. All definitions considered are included in the dictionary, but all definitions in the dictionary may *not* have been included in the final PM recommendations.
- Activity Analysis: Results of the brainstorming exercise that provides measures. The basis for the analysis was the BRM activity definitions.
- Alignment to HR LOB Strategic Objectives: Results of the alignment of measures to HR LOB Strategic Objectives.
- Alignment to HCAAF Systems and Agency Business Results: Results of the alignment of measures to the HCAAF Systems and agency Business Results

## Appendix A – Compensation Management Workshop Results

### Compensation Management Measures Dictionary

The Compensation Management Dictionary has two sections. The first section is the Process Measures and information regarding the measures considered. The second section defines terms used in the definitions with specific meaning in the compensation management business area.

#### Process Measures

Process Linkage	Name	Definition	Calculation	Purpose	Data Needed	Frequency
5.1	Compliance	Number of repeat material weaknesses identified from audits	Number of repeat material weaknesses in a specified timeframe (as reasonable according to established audit cycles)	Demonstrates the provider's ability to react/correct deficiencies in the application of relevant laws, rules and regulations regarding compensation programs	Count of repeat material weaknesses identified	Annual (or per established audit schedule)
5.1	Total compensation as a percent of total budget	Percent of budget allocated to compensation. Compensation Cost includes salary, student loans, benefits, 3-Rs, cyclical performance bonuses	Total compensation cost divided by agency budget	Shows the percentage of budget allocated to compensation; useful for market comparison. Useful for year over year comparison and trend analysis.	Actual compensation cost (\$), agency budget (\$)	Annual
5.1	Average compensation per FTE	Average compensation cost per FTE	Total compensation cost divided by total utilized FTEs	Analyze total cost over time to ensure the program is effective as a retention tool and shows return on investment, and is administered within budget	total FTE usage (SF113G), total compensation cost	Quarterly

### Process Measures

Process Linkage	Name	Definition	Calculation	Purpose	Data Needed	Frequency
5.1	Employee satisfaction with compensation	Results of agency-specific standardized Employee Survey of the percent of employees citing satisfaction with compensation on employee survey (e.g. Human Capital Survey)	(Number of employees indicating satisfaction with aspects of the compensation package divided by total number of employees responding) multiplied by 100	Indicates whether agency's compensation program is affecting employee satisfaction thus affecting retention	Number of employees indicating compensation satisfaction; total number of employees responding to the survey	Annual
5.1	On time project performance	Percentage of compensation projects completed per project plan	(Number of compensation projects completed on time divided by number of total compensation projects) multiplied by 100	Reflects the ability of the providers and agencies to work together to complete projects on time. Identifies common obstacles to completing projects on time.	Number of compensation projects, forecasted project completion dates, actual project completion dates	Annual
5.1	Project performance	Ratio of actual project cost versus forecasted cost	Actual cost of project divided by forecasted cost of project	Reflects the ability of the providers and agencies to work together to complete projects within projected cost parameters	Forecasted cost of project, actual cost of project	Annual
5.1	On budget project performance	Percentage of compensation projects completed within budget	(Total number of projects completed under budget divided by total number of projects) multiplied by 100	Reflects the ability of the providers and agencies to work together to complete projects within budget. Tracking information provide identification of wasted resources	Number of compensation projects, forecasted project cost, actual project cost	Annual

### Process Measures

Process Linkage	Name	Definition	Calculation	Purpose	Data Needed	Frequency
5.2	QUALITY: Personnel action corrections – bonus & awards	Percentage of corrections required to correctly award bonuses	(Total number of corrections to bonus personnel actions in a specific time period divided by total number of bonus personnel actions in that time period) multiplied by 100	May identify process improvement opportunities and show trends in functionality	Total number of corrections, total number of personnel actions, start and end dates of time period	Pay period
5.3, 5.5	Retroactive payroll adjustments	Percentage of retroactive payroll adjustments as compared to total number of payroll transactions (categorized by source )	(Number of retroactive payroll adjustments divided by the total number of payroll transactions (categorized by source)) multiplied by 100	Reflects the effectiveness of the payroll transaction processing operation. May indicate opportunities for process improvement	Number of retroactive payroll adjustments in a specific period of time, total number of payroll transaction in a specific period of time, start and end date of the time period	Pay period
5.3	QUALITY: Personnel action corrections – pay & leave	Percentage of corrections required to correctly award pay and leave	(Total number of corrections in a specific time period divided by total number of personnel actions in that time period) multiplied by 100	May identify process improvement opportunities and show trends in functionality	Total number of corrections, total number of personnel actions, start and end dates of time period	Pay period
5.3	Electronic access – agency provided	Percentage of employees given electronic access to pay and leave records	(Number of employees given access to electronic pay and leave records/ total number of employees) multiplied by 100	Indicates the ability of the agency-customer to implement cost effective solutions and progress toward compliance with Paperwork Reduction Act of 1996	Number of employees with electronic access to pay and leave records, total number of employees	Annual

### Process Measures

Process Linkage	Name	Definition	Calculation	Purpose	Data Needed	Frequency
5.3, 5.5	Electronic access SSC provided	Percentage of employees that have pay and leave information available electronically (SSC)	Number of employees with electronic pay and leave records divided by the total number of employees given electronic access by their agency	Indicates the ability of the SSC to implement automation	Number of employees with electronic access to pay and leave records, total number of employees given electronic access by their agency	Annual
5.3, 5.5	TIMELINESS: Change notification	Percent of notifications of change sent to employee within the defined time period	(Number of notifications sent within time frame divided by total number of changes) multiplied by 100	Not meeting deadlines potentially indicates a scalability or process issue	Number of notifications sent, total number changes, time period start and end date	Dependent on type of change – could be by pay period or notification could be based on agency requirements
5.4	TIMELINESS: Work schedule changes (agency metric)	Percent of work schedules submitted after the cut-off date	(Number of work schedule changes submitted after cut-off date divided by the total number of work schedules) multiplied by 100	Potentially indicates process issues at the submitting agency; May also correlate with other measures, such as retroactive pay adjustments	Number of work schedule changes submitted after cut-off date, total number of work schedules submitted	Pay period
5.4	Amended or corrected time records	Percent of time records amended or corrected in a time period	(Number of time records corrected in a time period divided by total number of time records processed in a time period) multiplied by 100	Potentially indicates a process issue at submitting agency or data capturing issue at the payroll provider	Number of time records corrected, total number of time records	Pay period

### Process Measures

Process Linkage	Name	Definition	Calculation	Purpose	Data Needed	Frequency
5.4	Late employee time record	Percentage of employee time records submitted late	(Number of employee time records submitted late divided by the total number of employee time records submitted) multiplied 100	Shows performance of the customer agency regarding time reporting	Number of employee time records submitted late, total number of employee time records	Pay period
5.4, 5.5	CUSTOMER SERVICE: Time to resolve inquiry	Average time it takes to resolve an inquiry from the point of inquiry to the point of resolution	Time taken per inquiry divided by number of inquiries	Shows the ability of the SSC handling inquiries to resolve them efficiently	Time spent on each inquiry, total number of inquiries	Quarterly
5.4, 5.5	CUSTOMER SERVICE: Time to respond to inquiry	Average time it takes to respond an inquiry from the point of inquiry to the point of resolution	Response time per inquiry divided by number of inquiries	Shows the ability of the SSC handling the inquiries to respond to them in a timely manner	Response time on each inquiry, total number of inquiries	Quarterly
5.5	Payroll certifications	Percent of payroll certification (e.g., treasury schedules) submitted within the disbursing agency's deadlines	(Number of payroll schedules certified on time divided by total number of payroll certifications ) multiplied by 100	Reflects the performance of the payroll provider to calculate and process payroll disbursements within guidelines	Number of payroll schedule certified on time, total number of payroll certifications	Pay period
5.5	TIMELINESS: Time to disburse off-cycle payroll transactions	Average time an off-cycle payroll takes from the time an organization receives authorizing documents to the time payment is disbursed	Difference between the time authorizing documents are received and off-cycle payroll disbursement is made divided by the total number of off-cycle payroll disbursements	Reflects the length of time it takes to complete a task may identify process improvement opportunities	Time authorizing documents are received, time off-cycle payroll disbursement is made, total number of off-cycle payroll disbursements	Pay period

**Process Measures**

Process Linkage	Name	Definition	Calculation	Purpose	Data Needed	Frequency
5.5	ACCURACY: Off-cycle payments due to errors	Percent of off-cycle payments that are made due to errors	(Number of off-cycle payments due to errors divided by total number of off-cycle payments) multiplied by 100	May identify process improvement opportunities and show trends in functionality	Number of off-cycle payments made due to error in a time period, total number of off-cycle payments made in a time period, time period start and end dates	Pay period
5.5	CYCLE TIME: W-2 Distribution	Time it takes to send out W-2s	Difference between the W-2 distribution date and the pay year-end date	Reflects the length of time it takes to complete a task	Pay year end date, date of W-2 distribution	Annual
5.5	QUALITY: W-2 corrections as a percent of total W-2s	Percent of corrections made to W-2s	(Number of W-2 corrections divided by total number of W-2s) multiplied by 100	Reflects the accuracy and efficiency of the payroll organization	Number of W-2 corrections, total number of W-2s	Annual
5.5	Cost per W-2	Operational cost per individual paid	Total compensation of personnel within the payroll operations plus infrastructure costs	Useful to compare overall cost savings as agencies compare their costs to SSC costs. This measure is useful for SSCs and customer agencies to look at over time, however this measure is not as useful when comparing SSCs due to different types and levels of services offered	Total compensation for personnel within the SSC, infrastructure cost	Annual



**Process Measures**

Process Linkage	Name	Definition	Calculation	Purpose	Data Needed	Frequency
5.5	Price per W-2	Price charge to customer agency by SSC in per person ratio	Total compensation of personnel within the payroll operations plus infrastructure costs	Useful to compare overall cost savings as agencies compare their costs to SSC costs. This measure is useful for SSCs and customer agencies to look at over time, however this measure is not as useful when comparing SSCs due to different types and levels of services offered	total compensation for personnel within the SSC, infrastructure cost (for those agencies under the Economy Act – cost and price should be the same)	Annual

<b>Terms used in Compensation Management Measures</b>			
<i>Term</i>	<i>Definition</i>	<i>Calculation (as required)</i>	<i>Data Needed (as required)</i>
Total compensation cost	Sum of all the elements of compensation for an FTE including salary, retention allowances, student loans, benefits, premium pay, 3-Rs or other programs that fall under compensation expense	Sum of base salary, retention allowance, student loans, premium pay, 3-Rs, agency cost of benefits, any other compensation program that provides the total compensation package	Base salary, retention allowance, student loans, 3-Rs, agency cost of benefits, any other compensation program that provides the total compensation package
Payroll transaction	Number of people paid in a pay period and those reporting Time and Attendance (e.g. LWOP/Military)		Total number of people paid in a time period and those reporting Time and Attendance (e.g. LWOP/Military)
Work schedule	Indicates part-time, full-time, intermittent, tour of duty or pay status data		
Payroll certification	Business process that involves the payroll provider submitting the pay table or pay schedule to the relevant oversight agency who in turn certifies it as on time. This process could include reporting TSP data, or other agency requirements		
FTE	Full Time Equivalent		
Frequency	Frequency identified for each measure is the shortest time period in which the measure would be meaningful. Longer time periods may be appropriate as agency requirements or other factors dictate.		

## Compensation Management Activity Analysis

The table below provides a description of the activities in the Compensation Management sub-function. Each process (group of activities) has associated measures. While most measures were carried through to the final PM recommendations, some measures may not appear in the final recommendations.

Activity Number	Activity Name	Activity Definition	Inputs	Outputs	Measures for process			
<b>5.1 Adopt Compensation Programs</b>					<b>5.1 Measures</b>			
5.1.1	Review Laws, Regulations, Policies and Trends	Track compensation trends in the public and private sectors and review laws, rules, regulations and policies to understand implications for possible compensation programs to be implemented at the agency (e.g., Pay for Performance).	Emerging Compensation Trends, Leading Practices, Employment Market Benchmark Data, Salary Surveys, Administration's Agenda, Agreements, Agency Budget, Government-wide Laws, Rules and Regulations, Workforce Plan	Compensation Program Research Findings	<b>FINAL MEASURE</b> % of total compensation as part of total budget	<b>FINAL MEASURE</b> Employee satisfaction with compensation	<b>FINAL MEASURE:</b> On time project performance	
5.1.2	Identify Parity Issues	Review the Workforce Plan to understand the implications for employee compensation. Perform ongoing salary surveys to understand compensation in other sectors and industries that influence availability and compensation requirements of the Federal government.	Workforce Plan, Human Capital Supply Model, Human Capital Demand Model, Salary Surveys	Parity Findings, Compensation Program Recommendations	<b>FINAL MEASURE:</b> On budget project performance	<b>FINAL MEASURE:</b> Average compensation per FTE	<b>FINAL MEASURE:</b> Project performance	
5.1.3	Establish Compensation Program	For new or revised non-discretionary compensation and leave programs, interpret broad OPM guidance to establish specific agency-level policies and regulations. Identify discretionary compensation program (e.g., incentives, student loan repayments) or adopt existing discretionary compensation program for implementation at agency level. Work with stakeholders to design and develop alternative compensation program (e.g., pay for performance, pay banding). Institute standards for determining the employee populations to be eligible for discretionary or alternative compensation program, to fit within overall budget parameters.	Government-wide Laws, Rules and Regulations, OPM Regulations and / or Guidance, Alternative Compensation Program Research Findings, Parity Findings, Compensation Program Recommendations	Compensation Program(s), Agency Compensation Policies and / or Regulations, Leave Policy and Guidelines				

Activity Number	Activity Name	Activity Definition	Inputs	Outputs	Measures for process			
5.1.4	Implement Compensation Program	Authorize implementation as necessary of discretionary compensation program at the agency. Create an implementation plan for developing, testing and staging any process, tools and technology changes. Coordinate execution of implementation plan. Participate as necessary in development or modification of new processes, tools or technologies.	Compensation Program(s), Agency Compensation Policies and / or Regulations	Implementation Plan, Systems Requirements, Process Design Changes				
5.1.5	Create Compensation Program Communications Approach and Content	Establish an overall approach to deliver information to applicable audiences (e.g., eligible employees, candidates) regarding the compensation program. Develop compensation program communications content and deliver across the appropriate communications media.	Compensation Program(s), Agency Compensation Policy and/or Regulations, Agreements	Agency Compensation Program(s) Communication Approach and Content				
<b>5.2 Administer Bonus and Awards Programs</b>					<b>5.2 Measures</b>			
5.2.1	Identify Bonus and Awards Payout Strategies	Identify bonus and award (e.g., monetary, non-monetary) strategies for any given year.	Agency Discretionary Compensation Policy, Agency Budget, Agency Performance Results, Workforce Plan, Succession Plan, Legislation, Agreements, Agency Mission and Vision, Stakeholder Input	Bonus and Awards Strategies	<b>FINAL MEASURE:</b> Retroactive payroll adjustments	<b>FINAL MEASURE:</b> QUALITY: % of corrections of personnel actions		
5.2.2	Determine Eligibility for Bonus or Award	Identify individuals or groups of employees who are eligible to receive bonus and / or award. Document justification.	Bonus and Strategies, Bonus or Award Eligibility Guidelines, Rating of Record, Management Input, Agency Discretionary Compensation Policy	List of Employees to Receive Bonus or Award				
5.2.3	Set Bonus or Award Pay	Determine bonus and/or award and capture data in payroll and other systems as applicable.	List of Employees to Receive Bonus or Award, Rating of Record, Agency Budget, Management Input, Agency Discretionary Compensation Policy	Bonus or Award, HR Transaction				
5.2.4	Deliver Bonus or Award Communication	Inform eligible employees of the value and basis of their bonus and / or award.	Bonus or Award, Discretionary Compensation Policy	Bonus and / or Award Communication				

Activity Number	Activity Name	Activity Definition	Inputs	Outputs	Measures for process			
<b>5.3 Administer Pay or Leave</b>					<b>5.3 Measures</b>			
5.3.1	Identify Employees to Receive Pay or Leave Change	Determine eligibility and calculate amounts for pay, leave, allowances and differentials (e.g., annual salary increases, temporary promotions, leave eligibility, promotions, demotions and retention incentives).	Agency Compensation Policy, Pay and Leave Change Guidelines, Employee Performance, Time in Grade, Agency Budget, Management Action, Employee Requests, Agreements	List of Employees to Receive Pay or Leave Changes	<b>FINAL MEASURE:</b> Retroactive payroll adjustments	<b>FINAL</b> Electronic access – agency provided	<b>FINAL</b> Electronic access – SSC Provided	<b>FINAL:</b> TIMELINESS: notification of change
5.3.2	Process Pay or Leave Change	Update pay data or leave data in payroll and other systems.	List of Employees to Receive Pay or Leave Changes	Employee Pay or Leave Data, Payroll Transactions	<b>FINAL MEASURE:</b> QUALITY: % of corrections of personnel actions			
5.3.3	Communicate Pay or Leave Change	Inform eligible employees of the pending receipt and value of their pay or leave change.	Employee Pay or Leave Data	Communicated Pay or Leave Changes				
<b>5.4 Manage Time and Attendance</b>					<b>5.4 Measures</b>			
5.4.1	Schedule Employees	Define work schedules of employees based on project and / or work requirements and record schedules into the system.	Agency Available Work Schedules, Legislation, Agreements, Employee Preferences, Roster of Employees, Assigned Employee Roles, Projected Workload	Assigned Basic Work Schedule (Tour of Duty), Transaction	<b>FINAL MEASURE:</b> Work schedule changes (Agency Metric)	<b>FINAL MEASURE:</b> CYCLE TIME - Time it takes to <i>resolve</i> an inquiry	<b>FINAL MEASURE:</b> Amended or corrected time cards	<b>FINAL MEASURE:</b> Late employee time records
5.4.2	Attest Attendance Data (employee)	Record and attest time worked (e.g., premium pay, differentials, hazardous pay, and work / schedule adjustments) by an employee, including leave. The time recorded may or may not be associated with a project work code.	Employee Information, Assigned Basic Work Schedule, Leave Accruals, Leave Balances, Official Time Tracking Data	Attested Time and Attendance Data, Project Cost Data	<b>FINAL MEASURE:</b> CYCLE TIME - Time it takes to <i>respond</i> to an inquiry	<b>FINAL MEASURE:</b> CUSTOMER SERVICE Time to <i>resolve</i> payroll inquiry		

Activity Number	Activity Name	Activity Definition	Inputs	Outputs	Measures for process			
5.4.3	Manage Usage of Leave and Paid Time Off	Complete forms and provide applicable justification for leave. Calculate employee leave accruals and other paid time off, apply usages and perform conversions to determine balances (e.g., FMLA, leave banks, voluntary leave transfer, home leave, credit hours) based on time worked and leave taken. For employees on leave of absence, verify and approve eligibility and requested leave duration.	Leave Policy and Guidelines, Compensatory Time Policy and Guidelines, Agency Alternative Work Schedule Policy and Guidelines, Leave Begin and End Dates, Attested Time and Attendance Data, Project Cost Data, Beginning Leave Balances, Payroll Transactions	Leave Accruals, Leave Balances, Continuation of Leave Request, Leave End Date, Leave Documentation, Updated Project Cost Data, Validated Time and Attendance, Project Cost Data				
5.4.4	Certify Employee Attendance Data	Certify the reported time for employees.	Validated Time and Attendance, Project Cost Data	Certified Time and Attendance, Project Cost Data				
<b>5.5 Manage Payroll</b>					<b>5.5 Measures</b>			
5.5.1	Manage Employee Furnished Payroll Data	Capture and validate individual employee payroll data (e.g., direct deposit, voluntary and involuntary deductions, tax withholding information).	Employee Furnished Payroll Data	Validated Employee Payroll Data	<b>FINAL MEASURE:</b> CUSTOMER SERVICE Time to <i>resolve</i> payroll inquiry	<b>FINAL MEASURE:</b> Payroll certifications	<b>FINAL MEASURE:</b> TIMELINESS Time to disburse off-cycle payroll transactions	<b>FINAL MEASURE:</b> ACCURACY % of off-cycle payments due to errors
5.5.2	Process On-cycle Payroll	Ensure pay data for the pay period is available and calculate gross pay, apply taxes and deductions to calculate net pay, verify payroll and generate disbursement data (e.g. employee, taxes, allotments).	Pay Schedule, Validated Employee Payroll Data, Certified Time and Labor Data, Employee Pay Data or Salary Updates, Voluntary, Involuntary and Mandatory Deductions, Dues Withholding, Allowances	Pay Calculation Results , Pay Reporting Data	<b>FINAL MEASURE:</b> CYCLE TIME: W-2 distribution	<b>FINAL MEASURE:</b> QUALITY W-2 corrections	<b>FINAL MEASURE:</b> Cost per w-2	<b>FINAL MEASURE:</b> Change Notification

Activity Number	Activity Name	Activity Definition	Inputs	Outputs	Measures for process			
5.5.3	Process Off-cycle Payroll	For individuals or groups who must be paid outside the parameters of the pay period, calculate the appropriate payment. These are typically one time payments.	Pay Schedule, Validated Employee Payroll Data, Certified Time and Labor Data, Employee Pay Data or Salary Updates, Voluntary, Involuntary and Mandatory Deductions, Dues Withholding, Allowances, Payroll Transactions	Pay Calculation Results, Pay Reporting Data	<b>FINAL MEASURE:</b> CYCLE TIME - Time it takes to <i>respond</i> to an inquiry			
5.5.4	Distribute Labor Costs	Allocate payroll costs to projects or accounts on a daily, weekly or bi-weekly basis. Transmit labor cost allocation information to General Ledger and other financial accounting systems and / or third party(s).	Pay Calculation Results, Labor Cost Distribution Charge Codes, Attested Time and Labor Data	Labor Cost Allocation				
5.5.5	Process Disbursements	Allocate and distribute payments to authorized recipients (e.g., employees, benefits providers, garnishment collection agencies). Reconcile payment data as applicable.	Pay Calculation Results	Disbursements				
5.5.6	Handle Payroll Issues	Manage and resolve all reported payroll issues. Respond to or refer employee questions as necessary.	Payroll Discrepancies, Employee Inquiries	Resolved Payroll Issues				
5.5.7	Perform Periodic Reporting	Calculate and report on payroll and HR information by pay period, quarterly, annually and as requested (e.g. advices, social security, retirement, EHRI, EEOC).	Pay Calculation Results, Pay Reporting Data, Disbursements, Payroll Data	Reported Payroll Information				

### Compensation Management Strategic Alignment

This table reflects the alignment of all the process measures defined during the process analysis of the PM. The table does not reflect the additional analysis which resulted in the overall measures recommended for the sub-function. Under the HRLOB Strategic Objectives columns, a measure could have several strategic objectives it could align to, a P indicates the Primary Strategic Objective Alignment.

HRLOB Strategic Objectives				Compensation Measures	Indicator Type		Processes					SSC Role
Improve Strategic Mgmt.	Operational Efficiencies	Cost Savings/Avoidance	Improved Cust. Serv.		Leading	Lagging	5.1	5.2	5.3	5.4	5.5	
P	X			Total compensation as a percentage of total agency budget		X	<input checked="" type="checkbox"/>					
P	X			Average compensation per agency FTE		X	<input checked="" type="checkbox"/>					
P		X	X	Employee satisfaction with compensation	X		<input checked="" type="checkbox"/>					
X	P	X	X	On time project performance		X	<input checked="" type="checkbox"/>					X
X	P	X	X	Project performance		X	<input checked="" type="checkbox"/>					
X	X	P	X	On budget project performance		X	<input checked="" type="checkbox"/>					X
	X	X	P	QUALITY: Personnel action corrections	X			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			X
	P	X	X	Retroactive payroll adjustments	X				<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	X
	P	X	X	Electronic access – agency provided	X				<input checked="" type="checkbox"/>			
	P	X	X	Electronic access - SSC provided	X				<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	X
	X	X	P	TIMELINESS: change notification		X			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	X
	X	X	P	TIMELINESS: Work schedule changes (agency)	X					<input checked="" type="checkbox"/>		
	P	X	X	Amended or corrected time records		X				<input checked="" type="checkbox"/>		
	P	X	X	Late employee time records	X					<input checked="" type="checkbox"/>		
	X	X	P	CUSTOMER SERVICE: Time to resolve inquiry		X				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	X
	X	X	P	CUSTOMER SERVICE: Time to respond to inquiry		X				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	X
	P	X	X	Payroll certifications	X						<input checked="" type="checkbox"/>	X
	P	X	X	TIMELINESS: Time to disburse off-cycle payroll transactions		X					<input checked="" type="checkbox"/>	X
	X	X	P	ACCURACY: off-cycle payments due to errors		X					<input checked="" type="checkbox"/>	X
	P	X	X	CYCLE TIME: W-2 Distribution		X					<input checked="" type="checkbox"/>	X
	P	X	X	QUALITY: W-2 corrections as a percent of total W-2s		X					<input checked="" type="checkbox"/>	X
	X	P		Cost per W-2		X					<input checked="" type="checkbox"/>	X
	X	P		Price per W-2		X					<input checked="" type="checkbox"/>	X



### Compensation Management HCAAF/Business Results Alignment

This table reflects the alignment of the measures to the HCAAF systems and the agency Business Results.

Measure	HCAAF Strategic Outcome Areas					Agency Results	
	Strategic Alignment	Leadership and Knowledge Management	Performance-Oriented Culture	Talent Management	Accountability	Mission Results	Customer* Results
Total compensation as a percentage of total budget	X		X			X	
Average compensation per agency FTE	X		X			X	
Employee satisfaction with compensation		X	X	X		X	X
On time project performance		X	X		X	X	
On budget project performance	X	X	X		X	X	
QUALITY: Personnel actions corrections					X		X
Retroactive payroll adjustments					X		X
Electronic access					X	X	X
TIMELINESS: Change notification					X		X
Amended or corrected employee time records					X		X
CUSTOMER SERVICE: Time to resolve inquiry					X		X
CUSTOMER SERVICE: Time to respond to inquiry					X		X
payroll certifications					X		X
TIMELINESS: Time to disburse off-cycle payroll transactions					X		X
CYCLE TIME: W-2 distribution		X			X		X
QUALITY: W-2 corrections as a percent of total W-2s							X
Cost / Price per W-2						X	X

## Appendix B – Benefits Management Workshop Results

### Benefits Management Measures Dictionary

Measures Dictionary						
Process Linkage	Name	Definition	Calculation	Purpose	Data Needed	Frequency
6.1.1, 6.2.3	Participation Rate	Percentage of eligible employees participating in the benefits program	Number of enrolled employees divided by Total number of eligible employees, multiplied by 100	Management can use this information to evaluate cost and effectiveness of program, may also reflect the effectiveness of communication(e.g., marketing)	Number of enrolled employees, number of eligible employees	As needed
6.1.1, 6.2.2	Employee Satisfaction	Results from an agency-specific standardized employee survey that would gauge level of interest, satisfaction with discretionary current or future benefits program, and reflect employee perception of service	Survey results over time	Opportunity to see trends over time for use in future benefits offerings. Information collected on benefit environment to increase employee product and services	Survey results	Annual
6.1.1	Cost: average cost of benefits per FTE	Total cost of benefits (administrative and programmatic) provided divided by the number of eligible population of the agency	Total cost of benefits provided divided by number of eligible employees (FTEs)	View benefits as a cost and to track trends over time. May indicate improvement areas in other HR areas, such as Wellness, Work/life balance	Total cost of benefits, number of eligible employees	Annual
6.1.3	On time project performance	Percentage of benefit projects that are completed per project plan	Number of benefit projects completed on time divided by number of total benefit projects, multiplied by 100	Reflects the ability of the providers and agencies to work together to complete projects on time. Identifies common obstacles to completing projects on time	Number of benefit projects, forecasted project completion dates, actual project completion dates	Annual

Measures Dictionary						
Process Linkage	Name	Definition	Calculation	Purpose	Data Needed	Frequency
6.1.3	On budget project performance	Percentage of benefits projects that are completed within budget	Total number of projects completed within budget divided by total number of projects, multiplied by 100	Reflects the ability of the providers and agencies to work together to complete projects within budget. Tracking information provide identification of wasted resources	Number of benefit projects, forecasted project cost, actual project cost	Annual
6.1.4	Quality: Communication Content	Number of inquiries (e.g. questions, complaints) regarding a benefits program. This measure is meant to be used with an automated solution and categorized per parameters stated in the SLA.	Number of inquiries in a specific time period	May indicate clarity and timeliness of message. Number of inquiries may also indicate progress over time.	Number of inquiries	As needed / Just in Time
6.2.1	Timeliness: Communication Delivery	Time of delivery against communication plan. Communication plan includes time, channel, and audience	Communication delivered within specified time frame (Yes/No)	Ensures employees have adequate amount of time to understand benefit offerings and elect benefit choices	Actual delivery dates, channel of delivery, audience delivered to, communication plan dates, channels, and audience specifications	As needed
6.2.2	Timeliness: Agency-Specific Reports	Reports are delivered on time. (Agency-Specific Reports are those regarding agency-Specific programs)	Reports received within given timeframe (Yes/No)	Ensure benefit providers are meeting service delivery expectations	SLA report measures, confirmation of reports received	As needed
6.2.2, 6.2.3, 6.2.4	Employee Update Files	Transmission of employee updates files made to the external benefit provider within established timelines	Updated within timeframe (Yes/No)	Reflects SSC's/agency's ability to transmit data to external benefits provider in a timely manner	Employee update files deadlines and transmission dates	Quarterly

Measures Dictionary						
Process Linkage	Name	Definition	Calculation	Purpose	Data Needed	Frequency
6.2.3	Electronic Access	Percentage of employees with the ability to elect benefits electronically	Number of employees who have electronic access divided by total number of employees, multiplied by 100	Indicates the ability of the agency to provide access to an automated solution enabled by the SSC or the benefits provider	Number of employees who have electronic access, total number of employees	Annual
6.2.4, 6.2.5	Benefit inquiry resolution	Percentage of inquiries resolved within a specified time period; case closure rate	Number of inquiries resolved within specified timeframe divided by total number of inquiries, multiplied 100	Opportunity for process improvement. Across the process, all parties could be involved in computation of the measure	Number of inquiries resolved within timeframe, total number of inquiries, type of inquiry	Quarterly

### Benefits Management Activity Analysis

The table below provides a description of the activities in the Benefits Management sub-function. Each activity has associated measures. While most measures were carried through to the final PM recommendations, some measures may not appear in the final recommendations due to measurement characteristic or design principle requirements.

ID	Activity Name	Activity Definition	Inputs	Outputs	Metric	Metric	Metric	Metric
<b>6.1 Establish Benefits Programs</b>								
6.1.1	Adopt or Establish Discretionary Benefits Programs	Identify new discretionary benefits programs or adapt discretionary benefits programs.	Government-wide Laws, Rules and Regulations, Government-wide Benefits Programs	Benefits Offerings	Participation Rate	Employee Satisfaction	Cost: average cost of benefits per FTE	
6.1.2	Establish Benefits Eligibility Rules	Institute standards for determining benefits eligibility.	Government-wide Laws, Rules and Regulations, Benefits Industry Products and Services, External Data, Negotiated Agreements	Agency Benefits Policy	Compliance			
6.1.3	Coordinate Process Implementation With Partners and Providers	Create implementation plan for developing, testing and staging any necessary people, process and technology changes. Coordinate execution of plan with partners including unions and providers. Negotiate benefits / services with partners (internal) and providers (external) and ensure results meet service level expectations. Authorize implementation of the program at the agency. HR will continue to be involved in people, process and technology. Develop / modify process, tools and technology.	Mandatory Government Benefits Programs, Discretionary Government Benefits Programs, Agency Benefits Policy	Service Level Agreements, Implementation Plan, Systems Requirements, Process Design Changes, Organizational Change Requirements	On-time Project Performance	On budget Project Performance		
6.1.4	Create Benefits Communications Approach and Content	Plan the approach and create content to communicate benefits programs.	Benefits Offerings, Agency Benefits Policy, Service Level Agreements	Communication Content, Communications Strategy and Plan	QUALITY: Communication Content			

ID	Activity Name	Activity Definition	Inputs	Outputs	Metric	Metric	Metric	Metric
<b>6.2 Process Benefits Actions</b>								
6.2.1	Deliver Benefits Communication	Make benefits communication content available via various media (e.g., websites, brochures, one on one counseling).	Communication Content, Third Party Communication Content, Communication Strategy and Plan	Communications Materials	Timeliness: Communication Delivery			
6.2.2	Manage Provider Contracts	Provide benefits data to external and internal benefits providers. Monitor service levels and price with providers. Track performance over time. Renegotiate Service Level Agreements as necessary.	Service Level Agreements, Provider Pricing Data, Industry Benchmarks, Employee Satisfaction Data, Changes to Provider Offerings	Benefits Provider Performance Results, Revised Benefits Provider Service Level Agreement	Timeliness: Agency-Specific Reports	Employee Updates Files	<b>Process Level:</b> Employee Satisfaction	
6.2.3	Elect Benefits	Elect benefits, selecting from among available choices. Benefits participation data is received from the employee and validated as appropriate. Discontinue participation, if necessary, per eligibility rules.	Communication Materials, Benefits Offerings, Agency Benefits Policy	Benefits Elections, Payroll Provider	Employee Updates Files	Electronic Access	<b>Process Level:</b> Participation Rate	
6.2.4	Activate Enrollments	Determine eligibility and activate employee into benefits programs.	Benefits Provider Performance Results, Revised Benefits Provider Service Level Agreement, Benefits Offerings, Agency Benefits Policy	Benefits Elections, Payroll Provider	Employee Update Files	Benefit inquiry resolution		
6.2.5	Maintain Appropriate Records	Receive completed and signed benefits forms, as necessary, from benefits participants and file them as appropriate.	Benefits Elections, Payroll Provider	Employee Records	Benefit inquiry resolution			

### Benefits Management HRLOB Strategic Objective Alignment

This table reflects the alignment of all the process measures defined during the process analysis of the PM. The table does not reflect the additional analysis which resulted in the overall measures recommended for the sub-function. Under the HRLOB Strategic Objectives columns, a measure could have several strategic objectives it could align to, a P indicates the Primary Strategic Objective Alignment.

HRLOB Strategic Objectives				Compensation Measures	Indicator Type		Processes		SSC Role
Improve Strategic Mgmt.	Operational Efficiencies	Cost Savings/Avoidance	Improved Cust. Serv.		Leading	Lagging	6.1	6.2	
P					Participation Rate		X	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
			P	Employee Satisfaction	X	X	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	X
X		P		Cost: cost of benefits per FTE		X	<input checked="" type="checkbox"/>		X
X	P	X	X	On time project performance		X	<input checked="" type="checkbox"/>		X
X	X	P		On budget project performance		X	<input checked="" type="checkbox"/>		X
		X	P	Quality: Communication Content	X		<input checked="" type="checkbox"/>		X
	X		P	Timeliness: Communication Delivery		X		<input checked="" type="checkbox"/>	X
X	P	X	X	Timeliness: Agency-Specific Reports		X		<input checked="" type="checkbox"/>	X
	X		P	Timeliness: Employee Update Files		X		<input checked="" type="checkbox"/>	X
X	P	X	X	Electronic Access	X			<input checked="" type="checkbox"/>	X
	X	X	P	Benefit inquiry resolution	X			<input checked="" type="checkbox"/>	X

### Benefits Management HCAAF/Agency Results Alignment

This table reflects the alignment of the measures to the HCAAF systems and the agency Business Results.

Measure	HCAAF Strategic Outcome Areas					Agency Results	
	Strategic Alignment	Leadership and Knowledge Management	Performance-Oriented Culture	Talent Management	Accountability	Mission Results	Customer Results
Participation Rate	X			X		X	
Employee Satisfaction				X			X
Cost: cost of benefits per FTE	X	X			X	X	
On time project performance	X	X	X		X	X	
On budget project performance	X	X	X		X	X	
Quality: Communication Content	X						X
Timeliness: Communication Delivery					X		X
Timeliness: Agency-Specific Reports					X	X	
Employee Update Files					X		X
Electronic Access		X			X	X	X
Benefit inquiry resolution					X		X

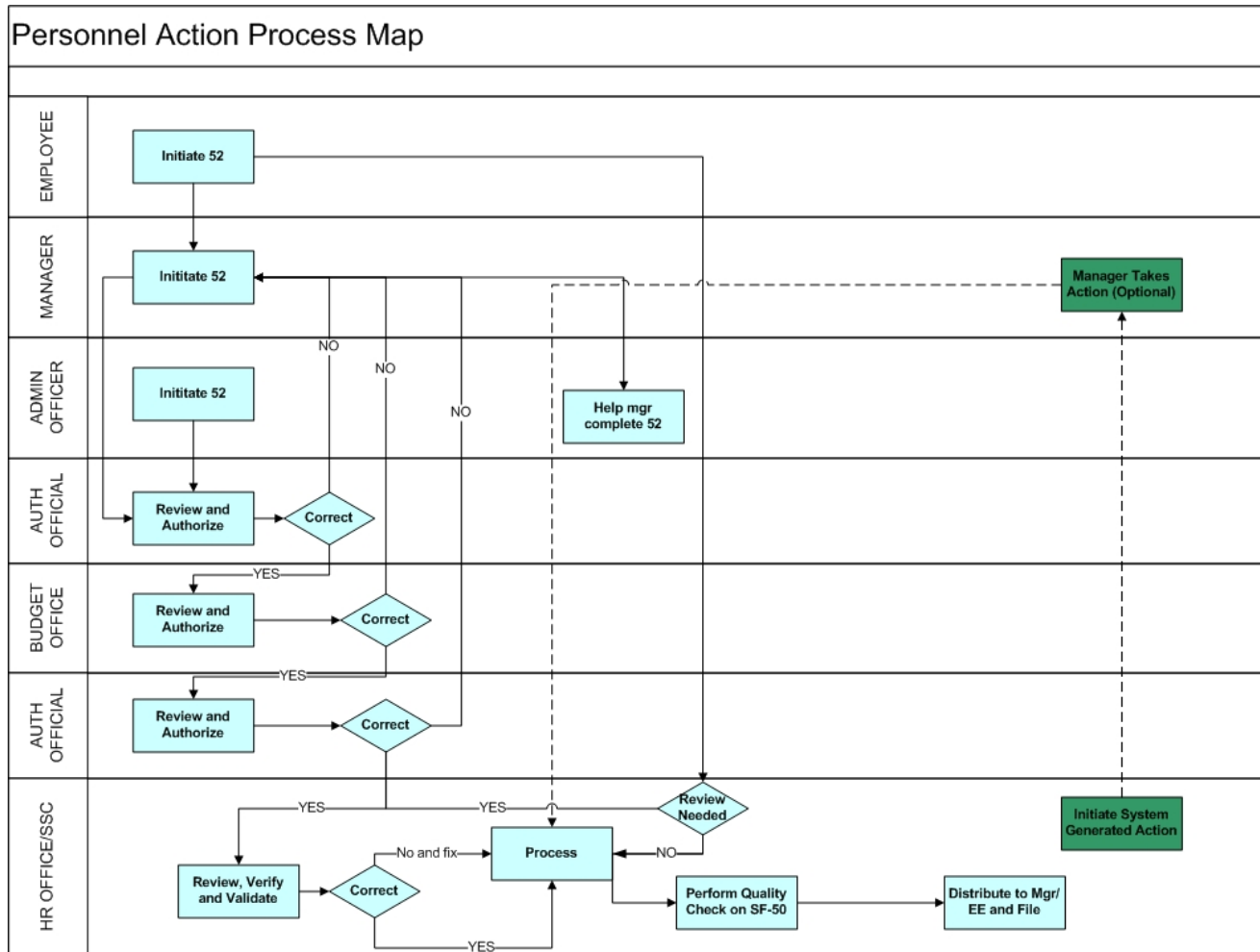


## **Appendix C – Personnel Actions Workshop Results**

Personnel Action was identified, along with Compensation Management and Benefits Management, as the initial scope of HR LOB because of their highly transactional nature. While Compensation Management and Benefits Management are BRM sub-functions, Personnel Action is a set of tasks that can be triggered by a number of activities in multiple sub-functions across the BRM. Therefore, we are posting the following expanded set of documents that includes a Process Map of Personnel Transactions and Process Characteristics definition, which is a description of different characteristics common across transactions. This framework was used to develop measures for this business area.

## Personnel Action Process Map

This map is a conceptual model of how a process action occurs. It is not intended to be used as specific guidance regarding an agency's processing, rather a tool that was developed and used for discussion in the workshop. The steps can be skipped or rearranged to suit specific examples.



*Personnel Action Process Map*

### Personnel Action Process Characteristics

These characteristics were used as a framework to develop measures around stages of a transaction that recur across a personnel action. The measures were then applied to the activity analysis.

<b>Characteristic</b>	<b>Definition</b>	<b>Requirement Example</b>	<b>Common Actions</b>
<b>Self-Service</b>	SSC provides opportunity for employees or managers to access system, input data, make changes, or update information	Allow users to initiate and edit personnel actions in a secure automated solution	Capture, initiate & edit, approve/disapprove, provide online help, use approved electronic forms & signatures, move data
<b>Customer Service</b>	Opportunity for SSCs, HR Office, employees or managers to resolve personnel action issues and questions	Notify employee about initiated personnel action when applicable	Research, respond, and take corrective action
<b>Processing &amp; Workflow</b>	Processing organization performs a transactional task, typically administrative in nature. Includes the automatic routing of information based on role and/or authority. The information usually requires an action, such as an approval/disapproval	Archive personnel action; Route personnel actions based on workflow, tailor the workflow routing to the action and route personnel actions to appropriate alternate parties when workflow routing is affected by "out of office" situations	Support personnel actions, automatic generation, workflow, track, maintain history, archive, document, produce reports, apply changes, route actions based on workflow, notify individuals based on roles, provide on-line approval/disapproval
<b>Evaluation &amp; Compliance</b>	HR and SSC ensures personnel actions are compliant with applicable standards, policies, rules, and regulations	Use Nature of Action (NOAs) in accordance with Chapter 1 of the Guide to Processing Personnel Actions; Process creditable service IAW Chapter 6 in the Guide to Processing Personnel Actions	Apply policy, monitor

### Personnel Actions Measures Dictionary

<b>Measures Dictionary</b>					
<b>Measure Name</b>	<b>Definition</b>	<b>Calculation</b>	<b>Purpose</b>	<b>Data Needed</b>	<b>Frequency</b>
<b><i>Self-Service</i></b>					
Self-service usage	Of the total personnel transactions available thru self-service, the percent of personnel action transactions actually initiated in self-service	Number of personnel transactions initiated via self-service divided by number of personnel transactions available via self-service multiplied by 100	Review over time, trends of usage of self-service applications	Number of personnel transactions initiated via self-service, number of transactions available via self-service	Monthly
Self-service activation	Number of new accounts registered in a time period	Number of new accounts registered/activated divided by total population multiplied by 100	Review over time, trends of adoption rate of self-service (particularly relevant during initial stages of deployment)	Number of new accounts registered or activated in a specific time period	Monthly
<b><i>Customer Service</i></b>					
CUSTOMER SERVICE: Time to resolve inquiry	Average time it takes to resolve an inquiry from the point of inquiry to the point of resolution	Time taken to resolve each inquiry divided by number of inquiries	Shows the ability of the SSC handling inquiries to resolve them efficiently	Time spent resolving each inquiry, total number of inquiries	Quarterly
CUSTOMER SERVICE: Time to respond to inquiry	Average time it takes to respond to an inquiry from the point of inquiry to the point of response (personal contact [first call, call back, e-mail response])	Response time per inquiry divided by number of inquiries	Shows the ability of the SSC handling the inquiries to respond to them in a timely manner	Response time on each inquiry, total number of inquiries	Quarterly

<b>Measures Dictionary</b>					
<b>Measure Name</b>	<b>Definition</b>	<b>Calculation</b>	<b>Purpose</b>	<b>Data Needed</b>	<b>Frequency</b>
Accuracy / Timeliness: Reporting (regulatory, mandatory, agency- specific)	Accurate reports are delivered to the appropriate parties on time	Reports received within given time frame (yes / no)	Allows appropriate parties to make informed decisions and meet external / internal reporting requirements	Due date of report, date of receipt of report	Quarterly
<b><i>Processing</i></b>					
Timeliness: Change notification	Percent of notifications of change sent to appropriate recipient within defined time frame (notifications are Notification of Personnel Action or Leave and Earnings Statement. Delivery time and media is determined by the type of action).	Number of notifications sent within time frame, divided by total number of changes multiplied by 100	Not meeting timeframe expectations potentially indicates a scalability or process issue	Number of notifications sent, total number of changes, time period start and end dates	Dependent on type of change – could be by pay period or could be based on agency requirements
Timeliness: Process personnel transaction	Percent of personnel transactions completed within appropriate time frame (time frame is dependent on type of action)	Number of transactions completed within appropriate time frame, divided by total number of transactions multiplied by 100	Reflects an opportunity for improvement; the measure indicates the health of the process to complete a transaction in a timely manner	Number of transactions completed in time frame, number of transactions completed on or before the appropriate date	Quarterly

<b>Measures Dictionary</b>					
<b>Measure Name</b>	<b>Definition</b>	<b>Calculation</b>	<b>Purpose</b>	<b>Data Needed</b>	<b>Frequency</b>
Quality: Personnel transaction corrections	Percent of corrections required to accurately complete personnel transactions	Total number of corrections in a specified time period divided by total number of personnel transactions in that time period multiplied by 100	Identifies process improvement opportunities	Number of corrections in a time period, total number of personnel transactions processed in a time period	Monthly
<b>Evaluation &amp; Compliance</b>					
Timeliness: Implement mass action (e.g., pay change, reorganization)	Percent of transactions completed within appropriate time frame	Number of transactions completed within appropriate time frame divided by total number of transactions multiplied by 100	Reflects an opportunity for improvement; the measure indicates the health of the process to complete a transaction efficiently	Number of transactions completed in time frame, number of transactions completed on or before the effective date	Quarterly

### Personnel Actions Activity Analysis

Activity ID	Activity Name	Activity Definition	Requirement Characteristics Measures			
			Self-Service	Customer Service	Processing	Compliance & Evaluation
1.8.3	Execute Against Approved HR Budget	Monitor and control the actual expenditures over time with the objective of constraining spending to approved budget amounts. (may trigger mass actions)		Time to resolve  accuracy / timeliness: reporting	Timeliness: change notification  Timeliness: process personnel action  quality: personnel transaction corrections	Timeliness: implement mass action
2.1.6	Maintain Positions	Ensure that the agency's inventory of positions accommodates evolving organization competency needs and changes in laws, regulations, policies, organizational design and technology by reviewing the inventory on a continual basis. As a result of this review, jobs and job requirements may be reevaluated. Over time, job requirements may be updated or removed.		Time to resolve  accuracy / timeliness: reporting	Timeliness: change notification  Timeliness: process personnel action  quality: personnel transaction corrections	Timeliness: implement mass action
2.1.12	Implement Appeal Decision	Complete the follow-up tasks that are required to implement the appeal decision. These tasks include initiating personnel actions, rewriting descriptions of duties and reclassifying positions.		Time to resolve  accuracy / timeliness: reporting	Timeliness: change notification  Timeliness: process personnel action  quality: personnel transaction corrections	Timeliness: implement mass action

Activity ID	Activity Name	Activity Definition	Requirement Characteristics Measures			
			Self-Service	Customer Service	Processing	Compliance & Evaluation
3.6.6	Bring Selectee On Board	Negotiate the entrance on duty date and provide notification to begin processes (e.g., orientation, work location and workstation, granting of security access). Conduct in-processing and enter employee information into automated systems.	Self-service usage Self-service activation	Time to resolve Time to respond accuracy / timeliness: reporting	Timeliness: change notification Timeliness: process personnel action Quality: personnel transaction corrections	Timeliness: implement mass action
4.3.5	Finalize Performance Appraisal	The appraisal and rating are submitted to HR and/or other authorized group/panel., reviewed for consistency and accuracy, and recorded. Initiate any applicable administrative actions. Provide copy of appraisal to employee.	Self-service usage Self-service activation	Time to resolve Time to respond accuracy / timeliness: reporting	Timeliness: change notification Timeliness: process personnel action Quality: personnel transaction corrections	Timeliness: implement mass action
5.2.3	Set Bonus or Award Pay	Determine bonus and/or award and capture data in payroll and other systems as applicable.	Self-service usage Self-service activation	Time to resolve Time to respond accuracy / timeliness: reporting	Timeliness: change notification Timeliness: process personnel action Quality: personnel transaction corrections	Timeliness: implement mass action



Activity ID	Activity Name	Activity Definition	Requirement Characteristics Measures			
			Self-Service	Customer Service	Processing	Compliance & Evaluation
5.3.1	Identify Employees to Receive Pay or Leave Change	Determine eligibility and calculate amounts for pay, leave, allowances and differentials (e.g., annual salary increases, temporary promotions, leave eligibility, promotions, demotions and retention incentives).	Self-service usage Self-service activation	Time to resolve Time to respond accuracy / timeliness: reporting	Timeliness: change notification Timeliness: process personnel action Quality: personnel transaction corrections	Timeliness: implement mass action
5.4.3	Manage Usage of Leave and Paid Time Off	Complete forms and provide applicable justification for leave. Calculate employee leave accruals and other paid time off, apply usages and perform conversions to determine balances (e.g., FMLA, leave banks, voluntary leave transfer, home leave, credit hours) based on time worked and leave taken. For employees on leave of absence, verify and approve eligibility and requested leave duration.	Self-service usage Self-service activation	Time to resolve Time to respond accuracy / timeliness: reporting	Timeliness: change notification Timeliness: process personnel action Quality: personnel transaction corrections	Timeliness: implement mass action
5.5.1	Manage Employee Furnished Payroll Data	Capture and validate individual employee payroll data (e.g., direct deposit, voluntary and involuntary deductions, tax withholding information).	Self-service usage Self-service activation	Time to resolve Time to respond accuracy / timeliness: reporting	Timeliness: change notification Timeliness: process personnel action Quality: personnel transaction corrections	

Activity ID	Activity Name	Activity Definition	Requirement Characteristics Measures			
			Self-Service	Customer Service	Processing	Compliance & Evaluation
6.2.5	Maintain Appropriate Records	Receive completed and signed benefits forms, as necessary, from benefits participants and file them as appropriate.		Time to resolve  Time to respond  accuracy / timeliness: reporting	Timeliness: change notification  Timeliness: process personnel action  Quality: personnel transaction corrections	
7.4.5	Deliver HRD Program	Deliver program to participants per schedule and / or availability published in program catalog(s). Update employee records to document program attendance and / or completion.	Self-service usage  Self-service activation	Time to resolve  Time to respond  accuracy / timeliness: reporting	Timeliness: change notification  Timeliness: process personnel action  Quality: personnel transaction corrections	Timeliness: implement mass action
8.1.4	Execute Formal or Informal Action	Effect action in accordance with applicable government-wide and agency policies and / or take other measures as appropriate (e.g., settlement, last chance agreement, resignation). (addresses employee misconduct)	Self-service usage  Self-service activation	Time to resolve  Time to respond  accuracy / timeliness: reporting	Timeliness: change notification  Timeliness: process personnel action  Quality: personnel transaction corrections	

Activity ID	Activity Name	Activity Definition	Requirement Characteristics Measures			
			Self-Service	Customer Service	Processing	Compliance & Evaluation
8.2.2	Execute Formal or Informal Action	Effect action in accordance with applicable government-wide and agency policies. (addresses employee performance issue)	Self-service usage Self-service activation	Time to resolve Time to respond accuracy / timeliness: reporting	Timeliness: change notification Timeliness: process personnel action Quality: personnel transaction corrections	
8.4.3	Put Reasonable Accommodation in Place		Self-service usage Self-service activation	Time to resolve Time to respond accuracy / timeliness: reporting	Timeliness: change notification Timeliness: process personnel action Quality: personnel transaction corrections	
8.6.7	Implement Third Party Decision / Settlement	Take directed action(s) and report compliance as required or settle.		Time to resolve Time to respond accuracy / timeliness: reporting	Timeliness: change notification Timeliness: process personnel action Quality: personnel transaction corrections	Timeliness: implement mass action

Activity ID	Activity Name	Activity Definition	Requirement Characteristics Measures			
			Self-Service	Customer Service	Processing	Compliance & Evaluation
8.7.3	Adjudicate Suitability Issues	Conduct process to determine final suitability of candidate / employee.	Self-service usage	Time to resolve  Time to respond  accuracy / timeliness: reporting	Timeliness: change notification  Timeliness: process personnel action	
9.3.7	Implement Third Party Decision	Take directed action(s) and report compliance as required.		Time to resolve  Time to respond  accuracy / timeliness: reporting	Timeliness: change notification  Timeliness: process personnel action  Quality: personnel transaction corrections	timeliness: implement mass action
10.1.1	Initiate Separation	Notify appropriate parties that an employee is leaving an agency. (e.g., voluntary / involuntary separation, transfer, retirement, death). Notification event could be employee to manager, employee to HR to manager; family to manager or HR to employee.	Self-service usage  Self-service activation	Time to resolve  Time to respond  accuracy / timeliness: reporting	Timeliness: change notification  Timeliness: process personnel action  Quality: personnel transaction corrections	timeliness: implement mass action

Activity ID	Activity Name	Activity Definition	Requirement Characteristics Measures			
			Self-Service	Customer Service	Processing	Compliance & Evaluation
10.1.6	Conduct Exit Processing		Self-service usage Self-service activation	Time to resolve Time to respond accuracy / timeliness: reporting	Timeliness: change notification Timeliness: process personnel action Quality: personnel transaction corrections	

### Personnel Actions HRLOB Strategic Objective Alignment

This table reflects the alignment of all the process measures defined during the process analysis of the PM. The table does not reflect the additional analysis which resulted in the overall measures recommended for the sub-function. Under the HRLOB Strategic Objectives columns, a measure could have several strategic objectives it could align to, a P indicates the Primary Strategic Objective Alignment.

*All measures could involve an SSC role.*

HRLOB Strategic Objectives				Personnel Action Measures	Indicator Type																				
Improve Strategic Mgmt.	Op. Eff	Cost Savings/Avoidance	Improved Cust. Serv.		Leading	Lagging	1.8.3	2.1.6	2.1.12	3.6.6	4.3.5	5.2.3	5.3.1	5.4.3	5.5.1	6.2.5	7.4.5	8.1.4	8.2.2	8.4.3	8.6.7	8.7.3	9.3.7	10.1.1	10.1.6
X	X	P	X	self-service usage	X				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
X	X	P	X	self-service activation	X	X			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	X	X	P	CUSTOMER SERVICE: time to resolve inquiry		X	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	X	X	P	CUSTOMER SERVICE: time to respond to inquiry		X	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
P	X	X	X	accuracy / timeliness: reporting (regulatory, mandatory, agency-specific)		X	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	X		P	timeliness: change notification		X	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	P	X	X	timeliness: process personnel transaction		X	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	X	P	X	quality: personnel transaction corrections		X	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
X	P	X	X	timeliness: implement mass action (e.g., pay change, reorg)		X	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

### Personnel Action HCAAF/ Agency Result Alignment

This table reflects the alignment of the measures to the HCAAF systems and the agency Business Results.

Measure	HCAAF Strategic Outcome Areas					Agency Results	
	Strategic Alignment	Leadership and Knowledge Management	Performance-Oriented Culture	Talent Management	Accountability	Mission Results	Customer Results
self-service usage	X	X			X	X	X
self-service activation					X	X	X
CUSTOMER SERVICE: time to resolve inquiry					X		X
CUSTOMER SERVICE: time to respond to inquiry					X		X
accuracy / timeliness: reporting (regulatory, mandatory, agency-specific)	X	X	X	X	X	X	X
timeliness: change notification					X		X
timeliness: process personnel transaction					X		X
quality: personnel transaction corrections					X		X
timeliness: implement mass action (e.g., pay change, reorg)					X	X	X



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