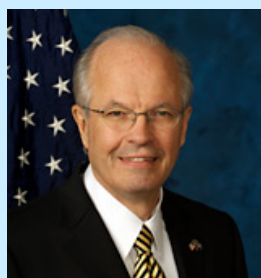


# HR LINE OF BUSINESS

ISSUE 25, OCTOBER 2008



**MESSAGE FROM  
MICHAEL HAGER  
OPM ACTING  
DIRECTOR**



The HR LOB at the U.S. Office of Personnel Management continues to transform HR service delivery throughout the Federal Government. The data gathered from the Payroll Benchmarking Report demonstrates a great success story for the Federal Government. The HR LOB's contribution to the Federal Transition Framework also sets a positive example for cross-agency collaboration in the Federal Government. I am happy to share this month's letter, which provides updates on the HR LOB.

## HIGHLIGHTS FOR THE HR LOB

- Hosted the Multi-Agency Executive Strategy Committee (MAESC) meeting on October 1
- Published the Federal Payroll Benchmarking Report on September 29
- Published the Separation Management CONOPS on September 30
- Participated in the Federal Transition Framework stakeholder's meeting on October 8 and the training session on October 15
- Hosted the Customer Council focus group on Provider Assessment on October 30
- Hosted the Target Requirements Mapping workshop from October 21-24
- Hosted an HR Benchmarking meeting on October 23

## REGGIE BROWN PROVIDES HR LOB UPDATES

As we enter Fiscal Year 2009, the HR LOB plans to build on its success from previous years and continue to drive towards standardization and modernization of Federal HR through the Shared Service Centers (SSCs). Cross-agency collaboration is the cornerstone of this success, and October was a busy month with numerous cross-agency meetings and workshops. I'd like to thank each of our agency partners for their participation.



Reggie Brown,  
Director of Modernization and  
HR Line of Business

This month's communication letter includes information on the recently published Payroll Benchmarking Report, the HR LOB's participation in the Federal Transition Framework Stakeholder meeting, a review of the October MAESC meeting, and updates on the major HR LOB workstreams.

### **Federal Payroll Benchmarking Report reveals success of e-Payroll providers**

The Federal Payroll Benchmarking Report, published on September 29, contains a great example of e-Government success. The report shows the Federal e-Payroll providers are doing an excellent job providing payroll services in an efficient and cost effective manner to the approximately 1.8 million civilian employees they serve.

*(Reggie Brown Provides HR LOB Updates continued on page 2)*

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## REGGIE BROWN PROVIDES HR LOB UPDATES

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In January 2008, the HR LOB convened a workgroup consisting of representatives from each of the four e-Payroll providers plus three customer agencies. The workgroup determined the type of measures to be collected from the four Federal providers and defined the detailed definitions and calculations for each measure. The data gathered was then compared to the industry's benchmarks.

The HR LOB was pleased to discover the four Federal e-Payroll providers exceed the industry benchmarks for the three measures for which comparable benchmarks are available:

- Cycle Time in Days from Payroll System Cut-off until Payments are Transmitted to Treasury or DoD Disbursing Office. The Federal aggregate median was 0.39 days while the industry median was 2.00 days.
- Payroll Provider Servicing Ratio. The Federal aggregate median was one payroll Full-Time Employee (FTE) for every 1,721.41 employees while the industry median was one payroll FTE for every 379.62 employees.
- Price per Employee Serviced. The Federal aggregate median was \$119.66 while the industry median was \$231.04.

### **Partner Agency Contributions urgently needed**

Please sign and return to the HR LOB the Memorandum of Understanding (MOU) and Form 1616 that were sent out on September 15, 2008.

### **HR LOB participates in the Federal Transition Framework (FTF) stakeholder's meeting and training session**

Earlier this year, the HR LOB was involved in the beta testing of the FTF Catalog website which will be available soon. The FTF is a single source for clear and consistent information describing Governmentwide IT policy objectives and cross-agency initiatives, such as the E-Gov and Line of Business initiatives. It uses a simple, familiar, and organized structure aligned with the Federal Enterprise Architecture (FEA). The FTF consists of a usage guide, a catalog, and a metamodel reference guide.

The HR LOB will be updating its content in the catalog over the next month so that agencies may begin to map their investments to the HR LOB enterprise architecture. For more information on the FTF, please visit <http://www.whitehouse.gov/omb/egov/a-2-EAFTF.html> on OMB's website.

### **HR LOB hosts the October 2008 Multi-Agency Executive Strategy Committee (MAESC) meeting**

The October MAESC meeting was an informative meeting with updates on the Integration Support Project, Payroll Benchmarking, and Provider Assessment, along with presentations from GSA on its 738 X Multiple Award Schedule (MAS) and NASA on its Entry on Duty System (EODS).

Bob Woodside from GSA presented on the 738 X MAS and reviewed the six different HR-related Special Item Numbers covered by the Schedule. The GSA MAS offers extensive value to the customer through a wide range of products and services, and acquisitions are accomplished at a faster, less costly rate compared to full and open competitions.

Candy Irwin presented on NASA's Entry on Duty System. This system won the 2006 Federal Web Managers Best Practice Award. The goal of this system is a fully performing new hire on day 1. This solution will result in single point data capture and real time propagation of data across the entire set of systems. For example, if selected for a position, an applicant's data will transmit real-time to Secure On-and-Off Boarding System and pre-populate EOD forms. The data from the forms (when approved by HR) will automatically populate the Federal Personnel and Payroll System. This will result in a more efficient on-boarding process, with improved accuracy and tracking.

*(Reggie Brown Provides HR LOB Updates continued on page 3)*

## REGGIE BROWN PROVIDES HR LOB UPDATES

*Continued from Page 2*

### **Open Season**

OPM and GSA conducted an open season to select additional private-sector SSCs. The closing date for offers was October 10. No offers were received and the open season has ended. There are no immediate plans for another open season and future open seasons may be held in intervals to be determined at a later date.

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## WORKSTREAM UPDATES

### **Cost Benefit Analysis**

One of the HR LOB goals is to achieve significant cost savings/avoidance from HR solution activities by reducing duplication of software, hardware, operations, and labor resources as well as increasing competition. The HR LOB is in the process of updating the original HR LOB cost-benefit analysis (CBA). The updated CBA will allow us to establish a new baseline for total cost savings/avoidance for the initiative and accurately track our progress in achieving this goal as more agencies migrate to shared service centers.

We have been assessing the impact of the HR LOB progress and recent developments on the CBA and have begun collecting appropriate agency-level budget information. Our objective is to complete the collection and validation of this information by the end of 1Q FY 2009 and issue the updated CBA by the end of 2Q FY 2009.

The HR LOB will issue in November 2008 a data validation call to agencies to review their Exhibit 53 information for HR spend and update it as appropriate. Please look for more information about this effort in the coming weeks.

### **Integration Support Project**

The objective of the Integration Support Project is to provide an end-to-end view of common HR solutions and compile available information and resources to help HR LOB SSCs and customer agencies effectively implement them. In the near term, the HR LOB is building an end-to-end view of the current as-is environment of Governmentwide systems. Over time, this view along with the Federal Segment Architecture Working Group methodology will be leveraged to build a conceptual solution architecture based on the HR LOB enterprise architecture. This conceptual solution architecture will help move the Government towards interoperability and the realization of the HR LOB vision.

There are three major steps in the data gathering process:

- **Collect system information** from system points of contact and public sources
- **Draft report** using available documentation
- **Validate report** with system owners

The HR LOB is drafting the initial report which depicts the end-to-end view. This report is expected to be available for MAESC review by the end of December 2008.

### **Target Requirements Mapping**

The HR LOB has begun an initiative to map the HR LOB target requirements of SSCs to the service components identified in the HR LOB Service Component Model (SCM) version 2.0. Mapping the target requirements to service components will provide specific expectations around how each of the potential services an SSC may offer are to be delivered to an agency.

*(Workstream Updates continued on page 4)*

## WORKSTREAM UPDATES

*Continued from Page 3*

The core SCM workgroup met from September 23-26 and again from October 21-24 to validate and obtain consensus on the mapping.

### **HR Benchmarking**

The HR Benchmarking study is currently under way. This study will establish a baseline of performance results that can be used to drive improvements at agencies and SSCs. The goal of the study is to advance SSC and agency performance, helping them become more efficient, customer-service oriented, cost effective, and more strategically focused. Over time the performance results will be used to substantiate the progress of the HR LOB program—to “tell the HR LOB story.”

The workgroup is comprised of representatives from four HR SSCs and five agencies. The workgroup members are in the initial steps of selecting and defining the measures that will be included in the 2009 study. The next workgroup meeting will be held on November 6.

## UPCOMING EVENTS

DATE	EVENT
November 4, 2008	Multi-Agency Executive Strategy Committee (MAESC) meeting
December 3-4, 2008	Shared Service Center Advisory Council (SSCAC) conference
December 10, 2008	Multi-Agency Executive Strategy Committee (MAESC) meeting
December 17, 2008	Customer Council meeting
January 6, 2009	Multi-Agency Executive Strategy Committee (MAESC) meeting
January 28, 2009	Joint Customer Council — SSCAC meeting
February 10, 2009	Multi-Agency Executive Strategy Committee (MAESC) meeting

## LOB IN THE NEWS

### ***Phasing out SSNs: Feds 2, everyone else 0***

Federal agencies have done a commendable job of eliminating the use of Social Security numbers wherever possible.

(<http://www.federaltimes.com/blogs/fedtimes/2008/10/22/phasing-out-ssns-feds-1-everyone-else-0/>)

### ***OPM updates guidance for HR LOB***

The Office of Personnel Management has updated its guidance designed to help agencies prepare to move their human resources management and payroll services to shared service centers that specialize in providing those operations to numerous customers.

(<http://www.fcw.com/online/news/153949-1.html>)

### ***OPM, IRS win architecture awards***

The Office of Personnel Management and the Internal Revenue Service took top honors today in the sixth annual Enterprise Architecture Awards. The awards are bestowed by the 1105 Government Information Group in conjunction with the Federated Enterprise Architecture Certification Institute.

(<http://www.fcw.com/online/news/153743-1.html>)

## ABOUT THE HR LINE OF BUSINESS

The vision of the HR LOB is Governmentwide, modern, cost-effective, standardized, and interoperable HR solutions providing common, core functionality to support the strategic management of human capital in addressing duplicative and redundant HR systems and processes across the Federal Government. The goal of the HR LOB initiative is to allow the Federal civilian HR workforce to focus on providing improved management, operational efficiencies, cost savings or avoidance, and improved customer service.

The HR LOB common solution takes a phased approach to delivering HR services through shared service centers based on common, reusable architecture that leverage open architecture concepts. These solutions will enable the Federal Government to standardize HR business functions and processes, as well as the systems that support them. The HR LOB common solution will enable a shift in emphasis within the agencies from administrative processing to customer service and strategic planning.

The shared service center approach is designed to encourage competition among Federal- and private-sector providers, and to maximize private-sector involvement; this competition, in turn, should result in improved quality, efficiency, and customer satisfaction. Economies of scale will help reduce costs and improve efficiencies. A focus on performance results will improve quality and customer satisfaction.

## HR LOB KEY POINTS OF CONTACT

AREA	NAME	PHONE	EMAIL
<b>Program Executive</b>	Reggie Brown	202-606-1332	<a href="mailto:Reginald.Brown@opm.gov">Reginald.Brown@opm.gov</a>
<b>SSC Coordination</b>	Joe Campbell	202-606-1534	<a href="mailto:Joseph.Campbell@opm.gov">Joseph.Campbell@opm.gov</a>
<b>Funding Contributions</b>	Liz Mautner	202-606-1121	<a href="mailto:Elizabeth.Mautner@opm.gov">Elizabeth.Mautner@opm.gov</a>
<b>Agency Coordination</b>	Marty Mitchell	202-606-4836	<a href="mailto:Martha.Mitchell@opm.gov">Martha.Mitchell@opm.gov</a>
<b>EHRI</b>	Matt Perry	202-606-1416	<a href="mailto:Matthew.Perry@opm.gov">Matthew.Perry@opm.gov</a>
<b>e-Payroll</b>	Joe Campbell	202-606-1534	<a href="mailto:Joseph.Campbell@opm.gov">Joseph.Campbell@opm.gov</a>
<b>Administrative Issues</b>	Linda Vera	202-606-4185	<a href="mailto:Linda.Vera@opm.gov">Linda.Vera@opm.gov</a>

Human Resources Line of Business

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



Phone: 202-606-1800  
Fax: 202-606-0530  
E-mail: [hrlob@opm.gov](mailto:hrlob@opm.gov)



FOR MORE INFORMATION  
VISIT US ON THE WEB:

[WWW.OPM.GOV/EGOV](http://WWW.OPM.GOV/EGOV)