

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT



## Human Resources Line of Business Agency HR Benchmarking Report

September 2010

*a New Day for Federal Service*

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## 1. Introduction

In January 2008, the Human Resources Line of Business (HR LOB) established a Federal benchmarking program for payroll operations focusing on the four Federal payroll providers. This 2008 study highlighted the success of the payroll providers in providing payroll services in an efficient and cost effective manner to the approximately 1.8 million civilian employees they serve. The results showed that the Federal payroll providers exceeded the industry benchmarks for the three measures for which comparable industry benchmarks were available.

In fiscal year (FY) 2009, the benchmarking program was expanded to include the human resources function for both agencies and SSCs. This HR benchmarking initiative was undertaken to help understand the progress the HR LOB is making toward achieving its vision. The HR benchmarking initiative marked the first time that the HR LOB looked at HR performance information across the Federal Government. Since the majority of the HR work is performed at the agencies – as opposed to Shared Service Centers or other providers – agency participation in this benchmarking program was critical to setting the baseline of what the current state of HR looks like in the Government. Understanding current performance levels across the HR function – and more importantly looking at trends over time – is a key step towards showing progress against goals, especially if agencies plan to undertake an HR transformation effort to improve the efficiency and effectiveness of their HR services. Setting this baseline enables agencies to be able to compare their own results over time.

HR benchmarking provides insight into successful practices at other agencies and private enterprises. This insight is a significant benefit participating agencies can take away from this study, particularly given the perpetual expectation that agencies do more with fewer resources. As the HR benchmarking program continues over time, it will provide visibility into trends over time. HR benchmarking may ultimately provide insight into why there are performance differences across agencies and how improvements can be achieved (e.g., through business process reengineering or technology improvements).

This HR benchmarking program is focusing on the following business goals:

1. Establish and monitor baseline of performance results
  - Measure and compare current performance over time
  - Measure and compare performance with peer organizations
2. Identify benefits
  - Identify performance gaps and improvement opportunities
  - Demonstrate how changing processes can create value
  - Begin to shape messages that highlight the benefits of the HR LOB program
3. Estimate potential value
  - Determine appropriate performance targets
  - Support the preparation of business cases for change
4. Identify best practices
  - Understand relationships between metrics and business drivers

In FY 2009 eight federal agencies participated in the Agency HR benchmarking study. In FY 2010, the HR LOB performed a second data call against the measures developed in FY 2009. Twelve agencies participated in the FY 2010 study.

This report provides a comparison of Agency participants' specific data to aggregated data from all Agency participants and the comparable industry benchmarks. Data from FY 2009 was used to create this report. This report addresses the Agency portion of the 2010 HR benchmarking study; it does not contain SSC HR benchmarking results.

## **2. HR LOB Strategic Scope, Goals, and Objectives**

The Office of Personnel Management (OPM) launched the HR LOB initiative in 2004. The HR LOB Concept of Operations (CONOPS) describes a service delivery model in which designated core HR services relative to human resources information systems (HRIS) and payroll operations move from agencies to SSCs. Over time, as SSCs evolve and expand their capabilities, more transactional and administrative activities may shift from the agency to an SSC.

The overall 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 and addressing duplicative HR systems and processes across the Federal Government.

Under the HR LOB CONOPS, agencies must obtain HRIT services for the core functions of Personnel Action Processing, Benefits Management, and Compensation Management (payroll operations) from an SSC. At a minimum, SSCs must provide HRIT services for the core functions of Personnel Action Processing and Benefits Management. Additionally, SSCs may also offer core Compensation Management (payroll operations). Other non-core functions as defined by the HR LOB Target Requirements for SSCs are not mandated. If the SSC chooses to offer services for any of the non-core sub-functions, they must meet the applicable mandatory requirements at the time such services are provided to the customer. Customer agencies may seek non-core functions from an SSC, but are not mandated to do so.

This approach allows agencies at their discretion to select services as needed to increase their focus on agency mission activities and the strategic management of human capital.

OPM expects the HR LOB to help the Federal Government realize the potential of electronic government, significantly enhance human resources service delivery for civilian employees of the Executive Branch, and realize program objectives that were established in 2004:

Objectives	Goals
<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><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><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><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>

**Table 1: HR LOB Strategic Objectives**

This HR benchmarking initiative was undertaken to help understand the progress the HR LOB is making toward achieving its vision. The sections that follow describe the overall approach the HR LOB took to execute this study; the benchmarking process; the 2009 study results; and a set of overall conclusions.

### **3. Benchmarking Process**

All 24 agencies who are members of the HR LOB contacted the Multi-Agency Executive Strategy Committee (MAESC) were invited to participate in the 2010 agency HR benchmarking data gathering phase. Each agency was provided with the 2010 Agency HR Benchmarking Questionnaire and the Human Resources Line of Business HR Benchmarking Measure Definitions. Agencies were instructed to use data from FY 2009 for the 2010 benchmarking study and were given six weeks to submit their completed questionnaire and supplemental narrative information. The HR LOB held a series of conference calls to assist with the data collection process. Agencies were encouraged to participate on these conference calls to discuss questions on completing the questionnaire or narrative.

After receiving the completed questionnaires, the HR LOB analyzed the data across agencies to create this report. For each of the Agency HR performance measures, the HR LOB established the weighted mean, median, and standard deviation:

- Weighted mean – the arithmetic average of a set of values, factoring in the sample size for each value.
- Median – the number separating the higher half of a set of values from the lower half, thus providing the middle of the spectrum of data; fifty percent of the data falls above the median and fifty percent falls below the data.
- Standard deviation – a measure of the average distance by which the scores deviate from the mean.

The Agency medians were compared to industry-reported benchmarks. Industry benchmarks were obtained from Saratoga's 2009-2010 HR Staff and Structure Results U.S. Human Capital Effectiveness Report.

## 4. Results

The results, presented in this section, reflect the analysis performed by the HR LOB benchmarking team on the data collected during the 2009 and 2010 HR benchmarking studies. In 2010 four new agencies participated in the study: Department of Commerce, Department of Interior, Department of Labor, and General Services Administration. The weighted mean, median, and standard deviation were computed based on the completed Agency HR Benchmarking Questionnaires submitted by the following twelve agencies:

- Department of Commerce (DOC)
- Department of Education (Education)
- Department of Energy (DOE)
- Department of Interior (DOI)
- Department of Justice (DOJ)
- Department of Labor (DOL)
- Department of State (State)
- Department of Transportation (DOT)
- Department of Veteran's Affairs (VA)
- Environmental Protection Agency (EPA)
- General Service Administration (GSA)
- Office of Personnel Management (OPM)

The Agency medians were compared to industry reported benchmarks to serve as the basis for the benchmarking results analysis.

### 4.1 Agency HR Cost per Employee Serviced

Agency Human Resources Employee Cost measures the total cost of HR to the Agency. This measure provides insight into the total cost of HR across the Government.

Agency HR Cost per Employee Serviced				
Reporting Period	Fiscal Year 2008	Fiscal Year 2009	Year to Year Difference	% Changed
Federal Agencies Weighted Mean	\$1,565.36	\$1,532.76	(\$32.60)	(2.08%)
Federal Agencies Median	\$2,099.97	\$2,441.61	\$341.64	16.27%
Industry Median (Saratoga 2009/2010 Report)*	\$1,766.00	\$1,652.00	(\$114.00)	(6.46%)
Standard Deviation	\$1,287.38	\$1,399.95	\$112.57	8.74%

Table 2: Agency HR Cost per Employee Serviced

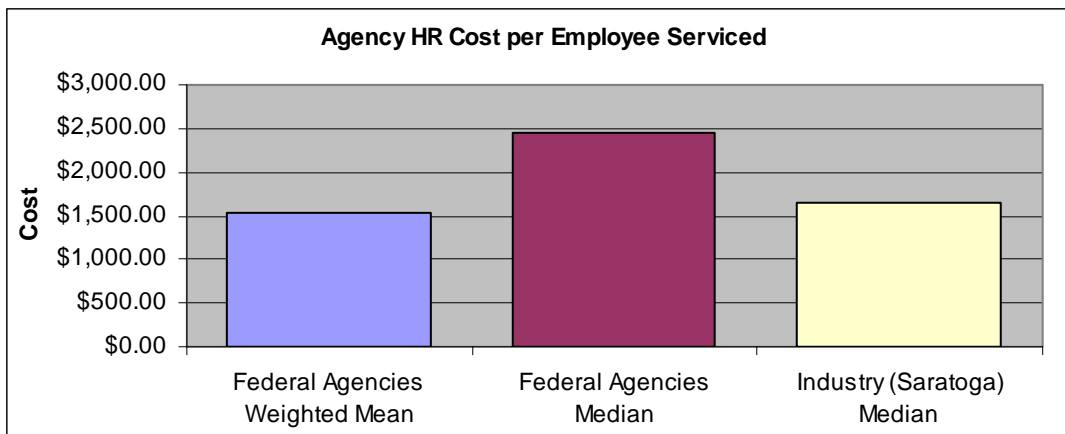


Figure 2: Agency HR Cost per Employee Serviced

\*"Source: Saratoga, a service offering of PricewaterhouseCoopers LLP." The benchmarks are provided "As Is" without warranty or indemnification. Further use or distribution of the Saratoga data not permitted without the prior written consent of PricewaterhouseCoopers LLP."



## 4.2 Agency HR Servicing Ratio

Agency Human Resources Servicing Ratio measures the number of employees receiving HR services from Agency HR employees. This metric provides insight into the size and support level of HR.

Agency HR Servicing Ratio				
Reporting Period	Fiscal Year 2008	Fiscal Year 2009	Year to Year Difference	% Changed
Federal Agencies Weighted Mean	72.03	79.39	7.36	10.21%
Federal Agencies Median	66.04	60.65	(5.39)	(8.16%)
Industry Median (Saratoga 2009/2010 Report)*	85.00	95.00	10.00	11.76%
Standard Deviation	23.84	30.48	6.64	27.86%

Table 3: Agency HR Servicing Ratio

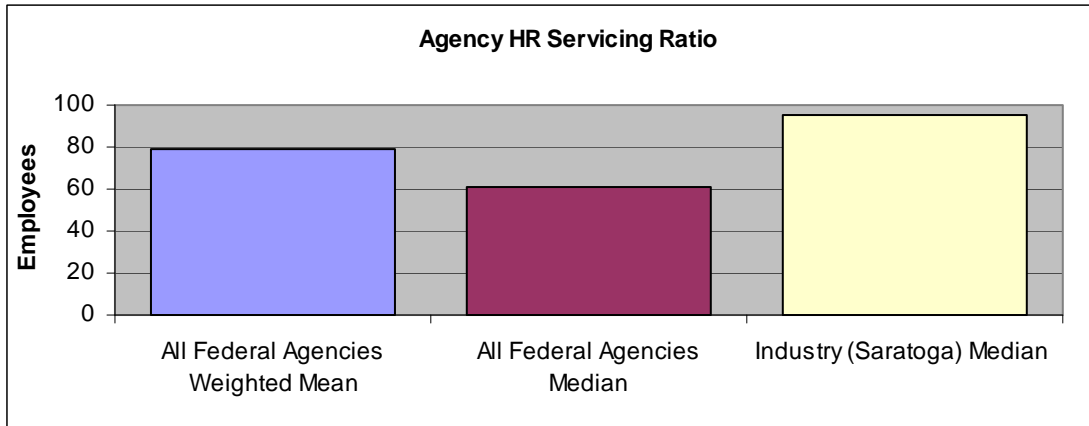


Figure 3: Agency HR Servicing Ratio

\*"Source: Saratoga, a service offering of PricewaterhouseCoopers LLP." The benchmarks are provided "As Is" without warranty or indemnification. Further use or distribution of the Saratoga data not permitted without the prior written consent of PricewaterhouseCoopers LLP."

## **5. Report Summary and Next Steps**

This study provides a valuable snapshot of current HR operational performance and the narratives may provide visibility into improvement opportunities by highlighting agency HR organizational structures. The results show how each Agency is performing in comparison to the industry benchmark and the Federal aggregate for these two measures. The results are based on the collaboration between the HR LOB and the individuals at the agencies who provided results data.

Benchmarking is a useful tool for the strategic planning of the HR function and for determining desired performance levels. The 2010 HR benchmarking study is the second time performance across the Federal Government is analyzed. Therefore, agency participation, especially from agencies that participated in FY 2009, was critical aspect not only in providing a view of trends over time but also in setting the baseline for what the current state of HR in the Federal Government. Setting the baseline provided the basis for agencies to be able to compare their own results over time, which is the most valuable benefit participating agencies can take away from the study. Benchmarking also provides for data transparency across the Government and allows for data trends to be established. Information derived from benchmarking can help each agency to meet its strategic objectives.

The results of a sustained benchmarking effort can be a valuable tool for agencies to use to produce long-term improvements in both efficiency and effectiveness of HR services. As each agency continues to explore how to best control its HR cost, it is critical to understand how its investment in HR labor, IT, and other costs compares to others.

The HR LOB will work to continue to expand agency participation in future studies. Participation by additional agencies will provide a more comprehensive picture of HR in the Federal Government and to document trends over time. Taking an in-depth look at the practices that underlie good performance can help provide best practice examples that other agencies can replicate. Therefore, in FY 2012, the HR LOB plans to engage in a detailed analysis of the benchmarking results and the practices and drivers that led to the collective results. The HR LOB will also work toward expanding the set of measures included in the benchmarking program. Additional measures under consideration to help increase visibility into cost savings and/or efficiencies include HR Cost by Functional Area and Selection Cost per New Employee Hired.

## **Appendices**

Appendix A describes the detailed definitions for the two agency HR performance measures.

Appendix B is the 2010 Agency Human Resources Benchmarking Results.

Appendix C - N contains a narrative summary written by each of the twelve agencies that participated in the FY 2010 HR benchmarking study. Each narrative contains:

- Description and mission of the Agency
- Overview of the HR department including the HR functions performed
- A list of all bureau/agencies/components
- Type of special population of employees if any.
- HR functions that are outsourced, if any
- Additional information about the HR operation that explains the HR organization or operational model
- Any additional information that gives context to your measurement results

Appendix O contains a narrative summary of the industry benchmark used in the FY 2010 HR benchmarking study.

## **Appendix A – Agency HR Benchmarking Measure Definitions Agency Human Resources Employee Cost per Employee Serviced**

**Measure Category:** Cost

**Measure Name:** Agency Human Resources Employee Cost per Employee Serviced

**Calculation:** Agency human resources employee cost / the number of employees serviced

**Frequency:** Annual

**Reporting Period:** Fiscal year 2009 (October 1, 2008 through September 30, 2009)

**Purpose:** Agency Human Resources Employee Cost measures the total cost of Human Resources to the Agency. This measure is one component that could be used to provide insight into the total cost of Human Resources across the Government.

### **Measure Definitions:**

**Human Resources Employee:** Human Resources employees include individuals that are appropriated full-time, part-time, exempt, and nonexempt individuals (e.g. employees classified as 201s) or staff augmentation contractors who solely perform HR work\* as their main job function and report directly to the HR organization. HR Assistants and Information Technology employees supporting HR Information Systems should also be included.

\*The work of the HR organization is defined by the ten sub-functions of the Business Reference Model version 2:

**HR Strategy:** Develops effective human capital management strategies to ensure federal organizations are able to recruit, select, develop, train, and manage a high-quality, productive workforce in accordance with merit system principles. This sub-function includes: conducting both internal and external environmental scans; developing human resources and human capital strategies and plans; establishing human resources policy and practices; managing current and future workforce competencies; developing workforce plans; developing succession plans; managing the human resources budget; providing human resources and human capital consultative support; and measuring and improving human resources performance.

**Organization and Position Management:** Designs, develops, and implements organizational and position structures that create a high-performance, competency-driven framework that both advance the agency mission and serves agency human capital needs.

**Staff Acquisition:** Establishes procedures for recruiting and selecting high-quality, productive employees with the right skills and competencies, in accordance with merit system principles. This sub-function includes: developing a staffing strategy and plan; establishing an applicant evaluation approach; announcing the vacancy, sourcing and evaluating candidates against the competency requirements for the position; initiating pre-employment activities; and hiring employees. Creates and processes personnel action forms.

**Performance Management:** Designs, develops, and implements a comprehensive performance management approach to ensure agency employees are demonstrating competencies required of their work assignments. Design, develop and implement a comprehensive performance management strategy that enables managers to make distinctions in performance and links individual performance to agency goal and mission accomplishment. This sub-function also includes managing employee performance at the individual level and evaluating the overall effectiveness of the agency's employee development approach. Creates and processes personnel action forms.

**Compensation Management:** Designs, develops, and implements compensation programs that attract retain and fairly compensate agency employees. In addition, designs, develops, and implements pay for performance compensation programs to recognize and reward high performance, with both base pay increases and performance bonus payments. This sub-function includes developing and implementing compensation programs. Creates and processes personnel action forms. For the purpose of this measure, individuals performing core payroll services are excluded.

**Benefits Management:** Designs, develops, and implements benefit programs that attract, retain and support current and former agency employees. This sub-function includes: establishing and communicating benefits programs; processing benefits actions; and interacting as necessary with third party benefits providers.

**Human Resources Development:** Designs, develops, and implements a comprehensive employee development approach to ensure that agency employees have the right competencies and skills for current and future work assignments. This sub-function includes conducting employee development needs assessments; designing employee development programs; administering and delivering employee development programs; and evaluating the overall effectiveness of the agency's employee development approach. Creates and processes personnel action forms.

**Employee Relations:** Designs, develops, and implements programs that

strive to maintain an effective employer-employee relationship that balance the agency's needs against its employees' rights. This sub-function includes: addressing employee misconduct; addressing employee performance problems; managing administrative grievances; providing employee accommodation; administering employee assistance programs; participating in administrative third party proceedings; and determining candidate and applicant suitability.

**Labor Relations:** Manages the relationship between the agency and its unions and bargaining units. This includes negotiating and administering labor contracts and collective bargaining agreements; managing negotiated grievances; and participating in negotiated third party proceedings.

**Separation Management:** Conducts efficient and effective employee separation programs that assist employees in transitioning to non-Federal employment; facilitates the removal of unproductive, non-performing employees; and assists employees in transitioning to retirement. Creates and processes personnel action forms.

Include full-time, part-time, exempt, and nonexempt individuals. Part-time individuals should be converted to a full-time equivalent employee based on the number of hours they work per week (e.g. an employee working 32 hours per week would be considered a .80 full-time equivalent employee.)

A point in time snapshot can be used to determine the count of Human Resources Employees (e.g., as of September 30, 2009). The snapshot date for Human Resources Employees should be the same -- or the same general time frame (e.g., same month) -- as the snapshot date for the Number of Employees Serviced.

**Cost:** HR Employee costs include:

- HR employees salaries and benefits
- Overhead/G&A (may include items such as office supplies, building fees, printing/ mailing costs, etc.) We recommend that agencies utilize their HR budgets or financial systems to obtain cost data. If you are unable to obtain cost data through those two sources we would recommend that you use the OMB prescribed rates for the civilian full fringe rate and for overhead costs. Please note there are different rates for employees such as Air Traffic Controllers, Firefighters, and Law Enforcement.
- Cost to develop, maintain, and operate HR systems (You may use the cost information you provide in your OMB Exhibit 53 or the information you provided during the most recent HR LOB Cost Benefit Analysis; however please ensure you do not include the salaries of HR IT professionals if you have already accounted for them.) Per the OMB 53 guidelines salaries, benefits, and overhead/G&A for IT employees that work for the HR organization and are responsible for HRIT systems employees should be included in the HRIT cost. If you have already included these

employees into your general HR population please ensure you do not also include them in the HRIT cost.

- Outsourcing/Contractor costs. Outsourcing costs are any costs related to services you obtain from either another Federal entity or a private sector organization. Please do not include costs related to contractors that you consider to be adjunct staff as they should be incorporated into your costs for your HR employees.

Notes: The list above is not an exhaustive list.

**Number of Employees Serviced**: Number of Employees Serviced is defined as the number of employees receiving HR services from agency HR employees during fiscal year 2009.

A point in time snapshot of data can be used to determine the number of employees receiving HR services (e.g., as of September, 30, 2009). The snapshot date for Number of Employees Serviced should be the same -- or the same general time frame (e.g., same month) -- as the snapshot date for the Number of Human Resources Employees.

***If an agency experiences a headcount increase of 5% or more of at any point during the fiscal year, the HR LOB recommends that the agency take its snapshot of data during its headcount peak.***

*This measure will be used for comparison across all agency participants. There is a standard industry benchmark available for comparison.*

## **Agency Human Resources Servicing Ratio**

**Measure Category:** Workforce

**Measure Name:** Agency Human Resources Servicing Ratio

**Calculation:** Number of employees receiving human resources (HR) services from October 1, 2008 through September 30, 2009 divided by number of Agency HR employees from October 1, 2008 through September 30, 2009.

**Frequency:** Annual

**Reporting Period:** Fiscal year 2009 (October 1, 2008 through September 30, 2009)

**Purpose:** Agency Human Resources Servicing Ratio measures the number of employees receiving HR services from Agency HR employees. This metric provides insight into the size and support level of HR.

### **Measure Definitions:**

**Human Resources Employee:** Human Resources Employees include individuals that are full-time, part-time, exempt, and nonexempt individuals (e.g. employees classified as 201's) or staff augmentation contractors who solely perform HR work\* as their main job function and report directly to the HR organization. HR Assistants and Information Technology employees supporting HR Information Systems should also be included.

\*The work of the HR organization is defined by the ten sub-functions of the Business Reference Model version 2:

**HR Strategy:** Develops effective human capital management strategies to ensure federal organizations are able to recruit, select, develop, train, and manage a high-quality, productive workforce in accordance with merit system principles. This sub-function includes: conducting both internal and external environmental scans; developing human resources and human capital strategies and plans; establishing human resources policy and practices; managing current and future workforce competencies; developing workforce plans; developing succession plans; managing the human resources budget; providing human resources and human capital consultative support; and measuring and improving human resources performance.

**Organization and Position Management:** Designs, develops, and implements organizational and position structures that create a high-performance, competency-driven framework that both advance the agency mission and serves agency human capital needs.



**Staff Acquisition:** Establishes procedures for recruiting and selecting high-quality, productive employees with the right skills and competencies, in accordance with merit system principles. This sub-function includes: developing a staffing strategy and plan; establishing an applicant evaluation approach; announcing the vacancy, sourcing and evaluating candidates against the competency requirements for the position; initiating pre-employment activities; and hiring employees. Creates and processes personnel action forms.

**Performance Management:** Designs, develops, and implements a comprehensive performance management approach to ensure agency employees are demonstrating competencies required of their work assignments. Design, develop and implement a comprehensive performance management strategy that enables managers to make distinctions in performance and links individual performance to agency goal and mission accomplishment. This sub-function also includes managing employee performance at the individual level and evaluating the overall effectiveness of the agency's employee development approach. Creates and processes personnel action forms.

**Compensation Management:** Designs, develops, and implements compensation programs that attract retain and fairly compensate agency employees. In addition, designs, develops, and implements pay for performance compensation programs to recognize and reward high performance, with both base pay increases and performance bonus payments. This sub-function includes developing and implementing compensation programs. Creates and processes personnel action forms.. For the purpose of this measure, individuals performing core payroll services are excluded.

**Benefits Management:** Designs, develops, and implements benefit programs that attract, retain and support current and former agency employees. This sub-function includes: establishing and communicating benefits programs; processing benefits actions; and interacting as necessary with third party benefits providers.

**Human Resources Development:** Designs, develops, and implements a comprehensive employee development approach to ensure that agency employees have the right competencies and skills for current and future work assignments. This sub-function includes conducting employee development needs assessments; designing employee development programs; administering and delivering employee development programs; and evaluating the overall effectiveness of the agency's employee development approach. Creates and processes personnel action forms

**Employee Relations:** Designs, develops, and implements programs that strive to maintain an effective employer-employee relationship that balance the agency's needs against its employees' rights. This sub-function includes: addressing employee misconduct; addressing employee performance problems; managing administrative grievances; providing employee accommodation; administering employee assistance programs; participating in administrative third party proceedings; and determining candidate and applicant suitability.

**Labor Relations:** Manages the relationship between the agency and its unions and bargaining units. This includes negotiating and administering labor contracts and collective bargaining agreements; managing negotiated grievances; and participating in negotiated third party proceedings.

**Separation Management:** Conducts efficient and effective employee separation programs that assist employees in transitioning to non-Federal employment; facilitates the removal of unproductive, non-performing employees; and assists employees in transitioning to retirement. Creates and processes personnel action forms.

Include full-time, part-time, exempt, and nonexempt individuals. Part-time individuals should be converted to a full-time equivalent employee based on the number of hours they work per week (e.g. an employee working 32 hours per week would be considered a .80 full-time equivalent employee.)

If the number of employees you service and the number of HR employees is consistent throughout the year you may enter the total headcounts based on a snapshot of data (e.g., as of September 30, 2009). The snapshot date for Human Resources Employees should be the same -- or the same general time frame (e.g., same month) -- as the snapshot date for the Number of Employees Served.

***If an agency experiences a headcount increase of 5% or more of at any point during the fiscal year, the HR LOB recommends that the agency take its snapshot of data during its headcount peak.***

**Number of Employees Served:** Number of Employees Served is defined as the number of employees receiving HR services from agency HR employees during fiscal year 2009.

A point in time snapshot of data can be used to determine the number of employees receiving HR services (e.g., as of September, 30, 2009). The snapshot date for Number of Employees Served should be the same -- or the same general time frame (e.g., same month) -- as the snapshot date for the Number of Human Resources Employees.

***If an agency experiences a headcount increase of 5% or more of at any point during the fiscal year, the HR LOB recommends that the agency take its snapshot of data during its headcount peak.***

*This measure will be used for comparison across all agency participants. There is a standard industry benchmark available for comparison.*

## **Appendix B – 2010 Agency HR Benchmarking Questionnaire**

### **Instructions for Completing the 2010 Human Resources Benchmarking Questionnaire**

Thank you for taking the time to complete this questionnaire. We anticipate that the data elements we are asking for are available through existing data sources i.e., the annual budgeting process and management reports, thus minimizing the level of effort required to collect the data. The following steps will provide for efficient and accurate benchmarking.

- 1 Review the Human Resources Line of Business Agency Human Resources Benchmarking Measure Definitions prior to completing this questionnaire.
- 2 All data should be reported based on fiscal year 2009 data (where noted.)
- 3 Each agency should submit one completed document to the Human Resources Line of Business Program Office. Use this questionnaire to submit your information.

If your agency has any questions on completing the questionnaire or on an individual measure, please contact Kirstin Sipes at 202-606-4904 or at [kirstin.sipes@opm.gov](mailto:kirstin.sipes@opm.gov). The HR LOB will hold conference calls from 2:30 PM ET to 3:30 PM on Wednesday April 28<sup>th</sup> and Wednesday May 19<sup>th</sup> to discuss any questions that you may have. You may access the call at 877-421-0029 Passcode 701768.

***Please return your completed questionnaire by close of business Tuesday, June 1, 2010. Questionnaires and all additional documentation should be emailed to the HR LOB at [hrlob@opm.gov](mailto:hrlob@opm.gov).***

## 2010 HR Benchmarking Questionnaire

### 1 Agency HR Cost per Employee Serviced

Calculation	Salaries, benefits, overhead/G&A for HR employees	<input type="text"/>
	HRIT Spend (please use reference your OMB 53)	<input type="text"/>
	Annual fees paid to a Federal shared service center	<input type="text"/>
	Other outsourcing costs	<input type="text"/>
	Number of agency employees serviced during a calendar year	<input type="text"/>
	Cost per Employee Serviced	<input type="text"/>

*Agencies should use their fiscal year 2009 costs.*

### 2 Agency HR Servicing Ratio

Calculation	Number of agency employees serviced during a calendar year	<input type="text"/>
	Number of agency human resources employees during a calendar year	<input type="text"/>
	Servicing Ratio	<input type="text"/>

*Agencies should provide their data based on the number of employees they serviced during fiscal year 2009 and their number of human resources employees during fiscal year 2009.*

## Appendix C – Department of Commerce Narrative

- **Description of the Agency**

The Department currently employs approximately 38,000 and has a \$6.5 billion budget. It consists of the following 12 bureaus: Bureau of Economic Analysis, Bureau of Industry and Security, Bureau of the Census (Census), Economic Development Administration, Economics and Statistics Administration, International Trade Administration, Minority Business Development Agency, National Oceanic and Atmospheric Administration, National Telecommunications and Information Administration, National Institute of Standards and Technology, National Technical Information Service, and the U.S. Patent and Trademark Office.

The Department began in 1903 with the central goal of providing new opportunities, and this remains its primary obligation today. Since its inception, its goal has been to advance economic growth, jobs, and opportunities for the American people. The Department has cross-cutting responsibilities in the areas of trade, technology, entrepreneurship, economic development, environmental stewardship, and statistical research and analysis. The products and services the Department provides touch the lives of Americans and American companies in many ways, including weather forecasts, the decennial census, and patent and trademark protection for inventors and businesses.

- **Overview of the HR department including the HR functions performed (these can be based on the BRM sub-functions and described at a high level e.g. perform HR strategy instead of conduct environmental scans).**

The Department's human resources functions are performed by the Office of Human Resources Management (OHRM) within the Office of the Secretary. This office is responsible for implementing Government-wide and Departmental policies, employee programs, and activities in all aspects of human resources management and administration. In addition, OHRM administers the Department's Occupational Safety and Health program. OHRM's mission is to develop and manage value-added human resources policies and programs, and provide expert consultation, services, and solutions in an efficient and customer-focused manner.

- **If your organization includes multiple bureau/agencies/components please list all that the HR organization supports.**

In addition to OHRM, the Department's bureaus/operating units have human resources offices providing operational support to their employees. There are seven main human resources operating units within the Department. These units serve both headquarters and field employees.

- **Type of special population of employees if any.**

In support of the 2010 Decennial, Census has hired 700,000–900,000 employees to collect and process survey data from all residents of the United States and its Territories. The majority of these employees were hired under term and temporary appointing authorities and work on an intermittent basis. Most of these employees occupy temporary field positions as clerks, enumerators, recruiting assistants, crew leaders, crew leader assistants, field operation supervisors, and office operations supervisors

- **Description of any HR functions that are outsourced.**

The majority of the human resources functions within the Department are performed by Federal employees. While some work is outsourced at times to supplement human resources staff within Census, no program is fully outsourced. The electronic Official Personnel File (eOPF) is provided through an Interagency Agreement with OPM, and our payroll provider is the National Finance Center. The Department uses an automated Monster Government Solutions, “Hiring Management Enterprise” system to create and post vacancy announcement to USAJOBS, process résumés, issue merit assignment and competitive certificates, and notify applicants. However, all other aspects of the recruitment process are conducted manually. The Department has neither automated front-end nor on-boarding systems, although it is exploring these options for the future.

- **Description of any additional information about your HR operation that explains your HR organization or operational model.**

None.

- **Description of any additional information that gives context to your measurement results.**

None.

## Appendix D – Department of Education Narrative

- **Description of the Agency**

Congress established the U.S. Department of Education (ED) on May 4, 1980, in the Department of Education Organization Act (Public Law 96-88 of October 1979). Under this law, ED's mission is to:

- Strengthen the Federal commitment to assuring access to equal educational opportunity for every individual;
- Supplement and complement the efforts of states, the local school systems and other instrumentalities of the states, the private sector, public and private nonprofit educational research institutions, community-based organizations, parents, and students to improve the quality of education;
- Encourage the increased involvement of the public, parents, and students in Federal education programs;
- Promote improvements in the quality and usefulness of education through Federally supported research, evaluation, and sharing of information;
- Improve the coordination of Federal education programs;
- Improve the management of Federal education activities; and
- Increase the accountability of Federal education programs to the President, the Congress, and the public.

- **Overview of the HR department including the HR functions performed (these can be based on the BRM sub-functions and described at a high level e.g. perform HR strategy instead of conduct environmental scans).**

Human Resources Services (HRS) provides leadership and direction in the formulation and implementation of policies and programs to promote efficient and effective human capital management. HRS represents the Department on personnel matters with the Office of Personnel Management (OPM), the Congress, other Federal agencies, and the public.

In performing its responsibilities, HRS:

- Maintains the traditional values of the Federal civil service system including integrity, continuity, nonpartisanship, merit, and equal employment opportunity.
- Provides the Secretary, Deputy Secretary, and other executive level managers with expert human capital management advice and a high level of technical services that further the goals and objectives of the Department.

Establishes and maintains staff resource information and processing systems that reflect personnel management and resource utilization needs for key officials within the Department.



- Insures that Federal and Departmental human capital goals, policies, and practices are communicated to all levels of management and, where appropriate, to employees.
  - Evaluates the effectiveness of human resources programs.
- **If your organization includes multiple bureau/agencies/components please list all that the HR organization supports.**

We support:

ADVISORY COUNCILS AND COMMITTEES

IMMEDIATE OFFICE OF THE SECRETARY OF EDU

INSTITUTE OF EDUCATION SERVICES

NATIONAL ASSESSMENT GOVERNING BOARD

NATIONAL INSTITUTE FOR LITERACY

OFC OF PLNG, EVAL & PRGM DVPMT COORD BUD

OFFICE FOR CIVIL RIGHTS

OFFICE OF COMMUNICATIONS AND OUTREACH

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

OFFICE OF ENGLISH AND LANGUAGE ACQUISITION

OFFICE OF INNOVATION AND IMPROVEMENT

OFFICE OF INSPECTOR GENERAL

OFFICE OF LEGISLATION AND CONGRESSIONAL AFFAIRS

OFFICE OF MANAGEMENT

OFFICE OF POSTSECONDARY EDUCATION

OFFICE OF SAFE AND DRUG-FREE SCHOOLS

OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

OFFICE OF THE CHIEF FINANCIAL OFFICER

OFFICE OF THE CHIEF INFORMATION OFFICER

OFFICE OF THE DEPUTY SECRETARY OF EDUCAT

OFFICE OF THE GENERAL COUNSEL

OFFICE OF THE UNDER SECRETARY (OUS)

OFFICE OF VOCATIONAL AND ADULT EDUCATION

- **Type of special population of employees if any.**

N/A

- **Description of any HR functions that are outsourced.**

N/A

- **Description of any additional information about your HR operation that explains your HR organization or operational model.**

N/A

- **Description of any additional information that gives context to your measurement results.**

N/A

## Appendix E – Department of Energy Narrative

- **Description of the Agency**

The Department of Energy's overarching mission is to advance the national, economic, and energy security of the United States; to promote scientific and technological innovation in support of that mission; and to ensure the environmental cleanup of the national nuclear weapons complex. The Department's strategic goals to achieve the mission are designed to deliver results along five strategic themes:

- **Energy Security:** Promoting America's energy security through reliable, clean, and affordable energy.
- **Nuclear Security:** Ensuring America's nuclear security
- **Scientific Discovery and Innovation:** Strengthening U.S. scientific discovery, economic competitiveness, and improving quality of life through innovations in science and technology
- **Environmental Responsibility:** Protecting the environment by providing a responsible resolution to the environmental legacy of nuclear weapons production
- **Management Excellence:** Enabling the mission through sound management

Within these themes there are sixteen strategic goals which are designed to help DOE successfully achieve its mission and vision.

- **Overview of the HR department including the HR functions performed (these can be based on the BRM sub-functions and described at a high level e.g. perform HR strategy instead of conduct environmental scans).**

The Department of Energy's Office of the Chief Human Capital Officer (CHCO) has three branches by which the Department's Human Resources are managed. The CHCO's Office (14 FTEs) is supported by the following major Offices: the Office of Strategic Planning and Policy (which includes the Human Capital Policy Division (10 FTEs), the Workforce Analysis And Planning Division (4 FTEs), the Employment Solutions Division (4 FTEs), and the Information Management Division (10 FTEs)), Office of Learning and Workforce Development (which includes Enterprising Training Services Division (43 FTEs), and Learning Strategy and Policy Division (6 FTEs)), and finally the Office of Human Resource Services (which includes Executive Resources Division (10 FTEs), Headquarters Operations Division (41 FTEs), and HQ Employee Labor Management Relations Division (12 FTEs)). The third Office is the only one that provides personnel transactional services and then only two of the three divisions. In addition, each major field site has a Human Resource Director and Staff reporting within their major program. While there is a functional accountability relationship, there is no direct reporting relationship with the CHCO in this structure.

- **If your organization includes multiple bureau/agencies/components please list all that the HR organization supports.**

The Department of Energy is a highly Scientific and Technical Workforce of over 14,000 Federal employees and 100,000 contractor employees who aid in carrying out our mission. The staff is located throughout the Continental United States and in several countries throughout the world. Some locations may have several hundred Federal employees while others may have very few.

Our workforce is comprised of many Programs with very diverse and critical mission areas; National Nuclear Security, Science Research and Development, Energy Efficiency and Renewable Energy, Nuclear Energy, Environmental clean-up, Civilian Radioactive Waste Management, Fossil Energy, Legacy Management, Electricity Delivery & Energy Reliability. Each Program requires a wide variety of skills and competencies.

- **Type of special population of employees if any.**

The Department of Energy is a highly scientific and technical workforce with an emphasis in Research and Development and Project Management. In support of these functions, the Department has a large acquisition workforce.

- **Description of any HR functions that are outsourced.**

DOE does not outsource any HR functions, other than the training function (noted below).

- **Description of any additional information about your HR operation that explains your HR organization or operational model.**

DOE has Union representation from 12 Unions with members from 25 Local chapters throughout the Complex, including two chapters in the Washington DC Metropolitan Area. DOE has a staff of twelve in HQ that work both Employee and Labor Relations issues, plus there are similar staffs in the field locations.

The CHCO organization provides recruiting, staffing, personnel action processing, and benefits services for Headquarters employees for positions ranging from GS to SES, and the Department's excepted service authority (EJ, EK, EN). All SES and related senior positions must be coordinated through the Executive Resources Division for Executive Resources Approval (ERB).

In addition, The Human Resources function in the Department is a matrixed organization. While the Chief Human Capital Officer is the lead over the HR function, several major field organizations or Program Secretarial Officers are delegated HR authority and have HR staffs independently funded and staffed outside the HQ Office of the Chief Human Capital Officer. Some provide remote services

from a central location to their smaller field sites. National Nuclear Security Administration (NNSA), Naval Reactors, Office of Science, Bonneville Power Administration (BPA), Western Area Power Administrations (WAPA), Environmental Management's Consolidated Business Center (CBC)) would be examples of organizations with delegated HR authority.

In an attempt to improve work processes, work environment, and reduce cost through centralizing department-wide training services, the Enterprise Training Services (ETS) Division of the Office of the Chief Human Capital Officer was selected as the Department's Most Efficient Organization (MEO) in accordance with the Office of Management and Budget (OMB) Circular A-76. As an MEO, the ETS Division is tasked to meet or exceed the standards identified in the Agency Tender for this A-76 study.

The MEO provides training services to DOE Federal staff by such activities as assisting with needs assessments at the DOE element and corporate level; developing the annual training plan for the Department; and, supporting, evaluating, improving, and developing training and professional development programs. The ETS Division services DOE organizations located throughout the US through two operations offices (Washington DC and Albuquerque, NM) as well as staff on site at four locations (Georgia, Illinois, Idaho, and Washington).

- **Description of any additional information that gives context to your measurement results.**

N/A

## Appendix F – Department of Interior Narrative

- **Description of the agency.**

The mission of the Department of the Interior is “**Protecting America’s Great Outdoors and Powering Our Future**” - The U.S. Department of the Interior protects America’s natural resources and heritage, honors our cultures and tribal communities, and supplies the energy to power our future.

The National Business Center’s (NBC) mission is to provide quality services and efficient solutions to meet customer business needs through our most important asset – our people.

Located within the Department of the Interior, for over 30 years the National Business Center (NBC) has supported the DOI Offices and Bureaus as well as federal agencies outside the Department, as a Shared Service Center, providing HR business management systems and services. We offer a diverse, yet integrated set of administrative solutions, and are currently the only federal agency designated by both the Office of Management and Budget (OMB) and the Office of Personnel Management (OPM) as a Center of Excellence in the financial management and human resources lines of business.

Through the HR Line of Business (LoB), the NBC offers the Federal Personnel & Payroll System (FPPS). The FPPS provides a full range of HR, payroll, and time and attendance services. The NBC also offers time and attendance support through web based applications (FPPS T&A, Quicktime and webTA (Kronos application).

The FPPS is NBC’s enterprise integrated HR/payroll information management and transaction processing system supporting employees in 40 agencies. The FPPS was developed in-house and is maintained in-house. Two of the web based T&A application systems were also developed and maintained in house. The third application is supported through a partnership between NBC HRD and an established vendor. The NBC also offers a data center, and data warehouse for analytics, reporting, and auxiliary client systems and data repository.

Non-IT HR services are performed in its Denver, CO location and are comprised of the full range of payroll operations such as benefits support, debt management, and payroll accounting; these services are provided to DOI and non-DOI customers. Additionally, the NBC’s HR Operations Division provides the full range of HR services (core and non-core) to the NBC as well as to certain non-DOI clients.

**Please Note:** Because NBC is a Shared Service Center provider, this submission only addresses those services and related costs to NBC itself and DOI as a whole. Cost estimates provided later in this submission have been adjusted to reflect only DOI support and services and excludes all NBC external customers. Therefore, the overall NBC costs and resulting servicing ratio figures are NOT a true reflection of NBC as a whole because the external customers have been omitted.

- **Overview of the HR department including the HR functions performed (these can be based on the BRM sub-functions and described at a high level e.g. perform HR strategy instead of conduct environmental scans).**

Service Component	NBC Performs
Application Management	X
Assessment Model	X
Benefits Counseling	X
Benefits Processing	X
Benefits Reporting	X
Career Development Planning	
Competency Management	X
Employee Relations	X
Employee Self-service	X
Education / Training Delivery	
Health and Fitness	X
HRD Needs Assessment	X
HRD Program Development	
Human Capital Program Review and Assessment	X
Labor Relations	X
Learning Administration	
Manager Self-service	X
Organization Design	X
Pay Administration	X
Payroll Processing	X
Payroll Reporting	X
Performance Management	X
Personnel Action Processing	X
Position Classification	X
Position Management	X
Recruiting	X
Staffing	X
Succession Planning	X
Time and Attendance	X
Unemployment Compensation	X
Workers Compensation	X
Workforce Planning	X
Workforce Reshaping	X

- **If your organization includes multiple bureaus/agencies/components please list all that the HR organization supports.**

The NBC provides HR services to internal-DOI customers, internal-NBC customers and external (non-DOI, non-NBC) customers. For purposes of this report, this narrative will not address the services provided by NBC to the 150 non-DOI, non-NBC federal organizations throughout the United States. For purposes of this report, this narrative will focus on DOI and NBC customer bases only.

The NBC's HR IT services are provided to all Department of the Interior Bureaus which includes:

- Bureau of Indian Affairs
- Bureau of Land Management
- Bureau of Ocean Energy Management, Regulation and Enforcement
- Bureau of Reclamation
- National Park Service
- Office of Surface Mining
- Fish and Wildlife Service
- U.S. Geological Survey
- Departmental Offices (includes Office of the Secretary, Solicitor's Office, Office of the Inspector General, Chief Information Office, Office of the Special Trustee, Office of Emergency Management)

The NBC's non-HR IT services are provided only to internal NBC employees.

- **Type of special population of employees if any (e.g. the Department of Treasury employs X thousand temporary IRS workers each year).**

The Department of Interior employs temporary fire fighters each year. The numbers of temporary fire fighter positions varies drastically from year to year, based on the amount and severity of wildland fires that occur throughout the United States each year. The NBC HR IT services provide support to these firefighters for personnel action processing, time keeping systems, and payroll processing.

- **Description of any HR functions that are outsourced.**

Employee Assistance Program Services for internal NBC employees  
Unemployment Compensation Claims Processing, Billing and Reporting (TALX) for all NBC-serviced DOI and NBC customers.

- **Description of any additional information about your HR operation that explains your HR organization or operational model (e.g., your organization may have a large labor relations department due to the number of union employees you support).**

To realize the vision of becoming the Human Resources Line of Business Shared Service Center (HR LOB SSC) provider of choice in the federal marketplace and in particularly to the DOI, the NBC Human Resources Directorate's (HRD's) is focused on providing:



**Best-of-Breed Full Service HR Solutions:** At the core of the HRD offering is a comprehensive solution consisting of a modern, flexible, and integrated Federal Personnel and Payroll System (FPPS), an employee-based, Web-enabled Time and Attendance (T&A) systems (Quicktime & webTA - Kronos), a state-of-the-art analytical tool (Datamart), and a full array of other related operational services. HRD's suite of current and future offerings surpasses OPM requirements for new leading-edge integrated HR and Human Capital systems. The Secure On-and-Off Boarding and Access Management System (SOAMS) platform will provide integrated systems solutions for critical HR business processes, which will drive more efficient operations and greater access to data for effective human capital management. HRD solutions are supported by a solid, well-established infrastructure, extensive experience converting and supporting clients, and above all, a powerful customer-centric focus.

Payroll Services are the foundation of HRD's offerings. The Integrated Payroll Services of the Human Resources Directorate is the only Federal Shared Service Provider to receive ISO 9001-2000 Certification. HRD considers its payroll services to be the most comprehensive of all payroll providers, including a full range of activities necessary to provide accurate and timely pay, leave, deductions, benefits, and reports. The HRD is the only SSC to provide an integrated personnel and pay system. FPPS is consistent with the Federal Enterprise Architecture (FEA), and meets or exceeds all requirements in the Financial Systems Integration Office (FSIO) Systems Requirements, as well as all other applicable federal payroll guidelines.

**Customer Service:** Customer service excellence is a strategic focus of HRD's organization. While state-of-the-art system capabilities have been crucial to the success of the Directorate's cross-servicing activities, a strong customer focus and the quality of HRD's product are of paramount importance and are the basis for its reputation. HRD senior leaders continuously stress the importance of excellent customer service to its employees, and this emphasis on service is reflected in the organizational culture.

**Partnership:** A key factor of HRD's success is a service delivery strategy built on partnerships with our DOI and federal customers, regulatory and program oversight agencies, and commercial vendors. This strategy provides the most effective combination of federal government knowledge and influence on governing federal agencies with private sector state-of-the-art technology. In dialogue and partnership with customers, HRD can accommodate the changing landscape in civil service reform and the rollout of the HR LOB Business Reference Model (BRM).

The HRD business plan serves as both the strategic roadmap to meet the goals, objectives, and timeframes of the OPM HR LOB, and the document that guides tactical day-to-day decision making. This document is intended to be a living document, updated annually or as often as necessary, to reflect HRD accomplishments or significant HR LOB changes.

**Core Services:** FPPS and Quicktime currently serve as the primary HRD offering, accounting for 91% of the total revenue and 85% of the total staff. It is not required that customers purchase Quicktime or Employee Express to be FPPS customers. The HRD will continue to strengthen core services through reducing costs and improving systems interoperability, employee self-service capability, and Web-based availability.

**Non-core HR Operational Services:** The vision for full-service HR SSC includes a full range of HR cross-servicing support and leading-edge technology solutions. The HRD is positioning itself to expand these products and services to current customers based on existing relationships, a track record of quality and customer service, and the value of bundling both core and non-core services.

The HRD believes that as the OPM eOPF initiative is rolled-out across DOI and the rest of the federal government, eliminating the necessity to physically manage OPFs at an agency location, customer agencies may be more receptive to consider outsourcing operational HR support.

HRD is moving towards a centralized business model (discussed in greater detail below) which presents unique potential to leverage existing DOI customers who choose to outsource HR non-core services.

**Business Model:** Enhanced Service Delivery—HRD is well positioned to grow the customer base for core services through an existing, mature service delivery and pricing model. For non-core HR services, HRD has determined that a centralized service delivery model is the optimum approach for efficient processes, customer service, and cost recovery, in comparison to the current de-centralized, on-site support currently provided. To transition to this model, HRD has developed standardized HR processes, SLAs and metrics, validated pricing structures, and is monitoring the implementation of the human resource management systems to bolster HR service offerings. Further, for federal customers to derive maximum benefit from the HRD's investment in a new technology infrastructure, HRD must revise its service delivery structure to encourage customers to access and receive HR services through the lowest-cost delivery channel. For administrative transactional activities, which impact a large volume of HR services, this lowest-cost channel is the Web. Investment in this type of customer support structure would allow the HRD to drive increased realization of potential cost reduction benefits from its technology investments. Without this mechanism for encouraging change in customer behavior, HRD's improved technology may remain under-utilized, with customers continuing to invest in staff to support transactional activities. A well-implemented service delivery model will reduce the administrative burden on customer HR staffs, enabling agencies to shift the focus of their HR resources to more strategic, value-added services that advance their missions and business objectives.

**OPM Guidance**—As the HR LOB managing partner, OPM establishes guidance for Performance Model, Requirements Model, Service Component Model and Entrance

on Duty (EOD) Concept of Operations (CONOPS). HRD will monitor OPM guidance continuously to remain compliant with SSC tools and processes.

- **Description of any additional information that gives context to your measure results.**

For purposes of this report, this narrative will not address the services provided by NBC to the 150+ non-DOI, non-NBC federal organizations throughout the United States. For purposes of this report, this narrative focuses on DOI and NBC customer bases only.

The NBC's HR IT services are provided to all Department of the Interior bureaus nationwide.

The NBC's non-IT HR services are provided to 1124 NBC employees.

## **Appendix G – Department of Justice Narrative**

- **Description of the Agency**

The mission of The Department of Justice (DOJ) is to enforce the law and defend the interests of the United States according to the law; to ensure public safety against threats foreign and domestic; to provide federal leadership in preventing and controlling crime; to seek just punishment for those guilty of unlawful behavior; and to ensure fair and impartial administration of justice for all Americans.

- **Overview of the HR department including the HR functions performed (these can be based on the BRM sub-functions and described at a high level e.g. perform HR strategy instead of conduct environmental scans).**

The Human Resource offices within the agency support the agency's mission of administering justice by developing and implementing policy and programs, providing guidance, and leading efforts to attract, develop, and retain high performing employees.

- **If your organization includes multiple bureau/agencies/components please list all that the HR organization supports.**

It is the responsibility of the Human Resource organizations within DOJ to support the following agency components:

- Antitrust Division
- Asset Forfeiture Program
- Attorney General
- Bureau of Alcohol, Tobacco, Firearms and Explosives
- Office of Justice Programs
- Civil Division
- Civil Rights Division
- Community Oriented Policing Services
- Community Relations Service
- Criminal Division
- Drug Enforcement Administration
- Environment and Natural Resources Division
- Executive Office for Immigration Review
- Executive Office for U.S. Attorneys
- Executive Office for U.S. Trustees
- Federal Bureau of Investigation
- Federal Bureau of Prisons
- Foreign Claims Settlement Commission of the United States
- Immigration and Naturalization Service (now part of DHS)
- Interpol – U.S. National Central Bureau
- Justice Management Division

- National Drug Intelligence Center
- Office of Inspector General
- Office of the Solicitor General
- Office of Dispute Resolution
- Office of Intergovernmental and Public Liaison
- Office of Information Policy
- Office of Legal Counsel
- Office of Legal Policy
- Office of Legislative Affairs
- Office of Public Affairs
- Tax Division
- US Attorneys

- **Type of special population of employees if any.**

DOJ has a diverse and talented workforce of over 100,000 men and women. We lead the Nation in ensuring the protection of all Americans while preserving their constitutional freedoms. Our unique employee population of both non union and union employees consists of over 300 job series to include law enforcement personnel and attorneys.

- **Description of any HR functions that are outsourced.**

In an effort to provide optimal human resource service to the agency's 120,029 employees, the following human resource functions maybe outsourced by some of the components or divisions within the agency:

- Policy development
  - Personnel recordkeeping management
  - HR Strategy
  - Organization and Positions Management
  - Staff Acquisition
  - Performance Management
  - Compensation Management
  - Benefits Management
  - Human Resources Development
  - Employee Relations
  - Labor Relations
  - EAP and Life Management Services
  - Separation Management
  - Personnel Security/Background Investigations
- **Description of any additional information about your HR operation that explains your HR organization or operational model.**

None.

- **Description of any additional information that gives context to your measurement results.**

The costs appearing in this HR Benchmark study are incurred by the agency to support the ten sub functions of the Business Reference Model (BRM) version 2: HR Strategy, Organization and Position Management, Staff Acquisition, Performance Management, Compensation Management, Benefits Management, Human Resources Development, Employee Relations, Labor Relations and Separation Management.

## Appendix H – Department of Labor Narrative

- **Description of the Agency**

The Department of Labor fosters and promotes the welfare of the job seekers, wage earners, and retirees of the United States by improving their working conditions, advancing their opportunities for profitable employment, protecting their retirement and health care benefits, helping employers find workers, strengthening free collective bargaining, and tracking changes in employment, prices, and other national economic measurements. In carrying out this mission, the Department administers a variety of Federal labor laws including those that guarantee workers' rights to safe and healthful working conditions; a minimum hourly wage and overtime pay; freedom from employment discrimination; unemployment insurance; and other income support.

- **Overview of the HR department including the HR functions performed (these can be based on the BRM sub-functions and described at a high level e.g. perform HR strategy instead of conduct environmental scans).**

Functions:

I. HR Strategy:

1. Develops human resource programs and provides Departmental leadership and direct client services for staffing, classification, performance management, and pay administration.
2. Promotes the Department's efforts to enhance customer service, streamline organizations, and reduce costs, monitors the DOL Agencies' progress on Presidential initiatives.
3. Performs related program analysis and evaluation and manages supporting automated systems.

II. Organization and Position Management:

1. Assists DOL managers in executive management and provides advisory services related to organizational design.

### III. Staff Acquisition:

1. Assists managers in attracting, developing, and retaining a highly qualified and diverse workforce. Provides recruitment programs and initiatives, orientation for entering employees, and career counseling and progression services and programs.

### IV. Performance Management

1. Provides Departmental guidance and technical assistance in matters related to employee benefits and direct benefits counseling and services for employees.

### V. Compensation Management

1. Provides Departmental guidance and technical assistance in matters related to employee compensation services for employees.

### VI. Benefits Management

1. Provides Departmental guidance and technical assistance in matters related to employee benefits and direct benefits counseling and services for employees.
2. Provides leadership in the development of family and work life programs and initiatives.

### VII. Human Resource Development:

1. Provide online training capability through a Learning Management System provider utilizing OPM's Go-Learn contract under the e-Training Initiative.
2. Produces the Department's internal communication media, including Labor Exchange and OASAM Newsletter, and disseminates human resource management regulations and program information through paper and electronic media, e.g., LaborNet (the Department's Intranet).
3. Provide facilities and related support services for use in training, meetings, and conferences.

### VIII. Employee Relations and Labor Relations:

1. Provides leadership and expert assistance in Departmental employee relations and labor management relations matters. Administers DOL's collective bargaining agreements, provides policy and technical guidance regarding employee and labor relations issues. Represents the Department of Labor in negotiations and proceedings before various third parties.



2. Represents the Department to the Office of Personnel Management and the Merit Systems Protection Board in matters related to human resource issues and related responsibilities.

IX. Separation Management:

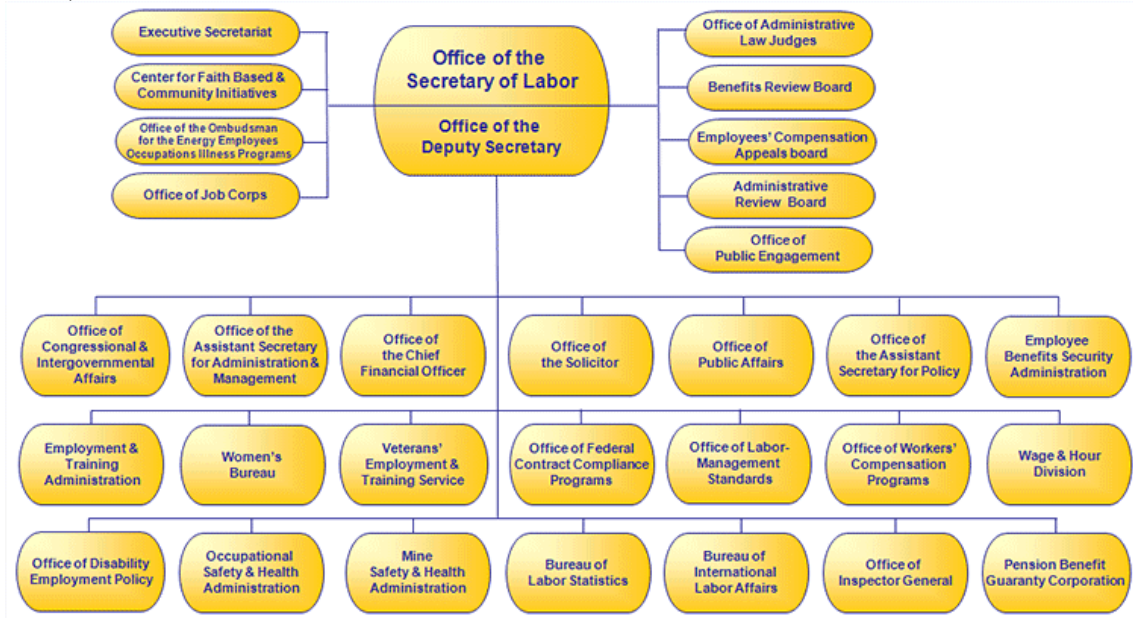
1. Provides Departmental guidance and technical assistance in matters related to separation counseling and services for employees.
- **If your organization includes multiple bureau/agencies/components please list all that the HR organization supports.**

The major components of the U.S. Department of Labor are as follows (alphabetic):

Acronym	Agency Name
ALJ	Office of Administrative Law Judges
ARB	Administrative Review Board
BLS	Bureau of Labor Statistics
BRB	Benefits Review Board
EBSA	Employee Benefits Security Administration
ECAB	Employees' Compensation Appeals Board
ES-OFCCP	Office of Federal Contract Compliance Programs
ES-OLMS	Office of Labor-Management Standards
ES-OMAP	Office of Management, Administration, and Planning
ES-OWCP	Office of Worker's Compensation Programs
ES-WH	Wage Hour Division
ETA	Employment and Training Administration
ILAB	Bureau of International Labor Affairs
JC	Job Corps
MSHA	Mine Safety and Health Administration
OASAM	Office of Asst Sec for Administration and Management
OASP	Office of the Assistant Secretary for Policy
OCFO	Office of Chief Financial Officer
OCIA	Office of Congressional & Intergov Affairs
ODEP	Office of Disability Employment Policy
OIG	Office of the Inspector General
OPA	Office of Public Affairs
OSBP	Office of Small Business Programs
OSHA	Occupational Safety and Health Administration
OSEC	Office of the Secretary of Labor
SOL	Office of the Solicitor

VETS      Veterans Employment and Training Services  
WB        Women's Bureau

The Organizational Chart for the U.S. Department of Labor (as of December 31, 2009):



- **Type of special population of employees if any.**

1. Bureau of Labor Statistics BLS Part-Time Economic Assistants

*There are approximately 360 Bureau of Labor Statistics part-time field employees who collect data for the Consumer Price Index.*

Pricing calendar and scheduled tour of duty:

The Consumer Price Index (CPI) pricing calendar establishes the 36 discrete pricing periods (3 per month) that require collection activity during the year. Based upon this pricing calendar, individual tours of duty are constructed for each BLS part-time Economic Assistant (EA) to assure that, in the aggregate, collections are across all of the days in the 36 pricing periods. The individual tour of duty documents the specific work days and specific times that the EA is scheduled to work.

2. American Recovery and Reinvestment Act of 2009 (ARRA) employees: 370 (as of September 30, 2009)

- **Description of any HR functions that are outsourced.**

None.

- **Description of any additional information about your HR operation that explains your HR organization or operational model.**

Approximately, 15,900 employees make up the U.S. Department of Labor's workforce, which are located in over 400 duty locations worldwide. They are serviced by 15 Human Resources Offices (both in Washington DC and Regional cities). Outside of the National Office, the HR division of the Office of the Assistant Secretary for Administration and Management (OASAM) Regional Offices provide HR support and activities for the other various DOL agencies.

- **Description of any additional information that gives context to your measurement results.**

None.

## **Appendix I – Department of State Narrative**

- **Description of the Agency**

The Department of State's mission is to advance freedom for the benefit of the American people and the international community by helping to build and sustain a more democratic, secure, and prosperous world composed of well-governed states that respond to the needs of their people, reduce widespread poverty, and act responsibly within the international system.

--- Department of State/USAID Strategic Plan Fiscal Years 2007-2012

The State Department is the lead institution for the conduct of American diplomacy and its mission is carried out through six regional bureaus overseas and 27 functional and management bureaus. Abroad, the Department operates more than 260 embassies, consulates, and other posts. In each Embassy, the Chief of Mission (usually an Ambassador) is responsible for executing U.S. foreign policy goals and coordinating and managing all U.S. Government functions in the host country.

Foreign Service personnel serving both overseas and domestically represented 16,558 employees at the close of FY 2009. These include Foreign Service generalists and specialist and a number of Family Member Appointment (FMA) or Part-time-Intermittent or Temporary Foreign Service appointments. Approximately two-thirds of these Foreign Service personnel are overseas.

The Department's Civil Service staff represented 11,525 employees at the close of FY 2009. Most Civil Servants are located in Washington, D.C.

Foreign Service Officers and Civil Servants work together to achieve the goals and implement the initiatives of American foreign policy. They are assisted by Locally Employed Staff (LES) who contribute local expertise and provide continuity as they work with their American colleagues to perform vital services for U.S. citizens. As of September 2009, there were over 41,000 LES.

Collectively, these three populations of employees pose unique challenges to the U.S. State Department as it manages and provides HR services worldwide.

This analysis will address Foreign and Civil Servants in their roles of HR service providers and as recipients of HR services. Locally Employed Staff (LES) will not be addressed in this analysis. LES reflect unique Department of State personnel and hiring considerations that are not subject to the HRLoB Target Requirements.

Note: The Department of State has previously excluded the LES from HR Line of Business (HR LOB) Shared Service Center consideration because they have compensation and servicing requirements that are different from American direct hire employees. Thus the analysis will address "American Direct Hires," or personnel who are in the Civil Service or the Foreign Service, located either domestically or

overseas, and are American citizens. The Department utilized the HRLoB Business Reference Model (BRM) V2 to assess the provision of HR services.

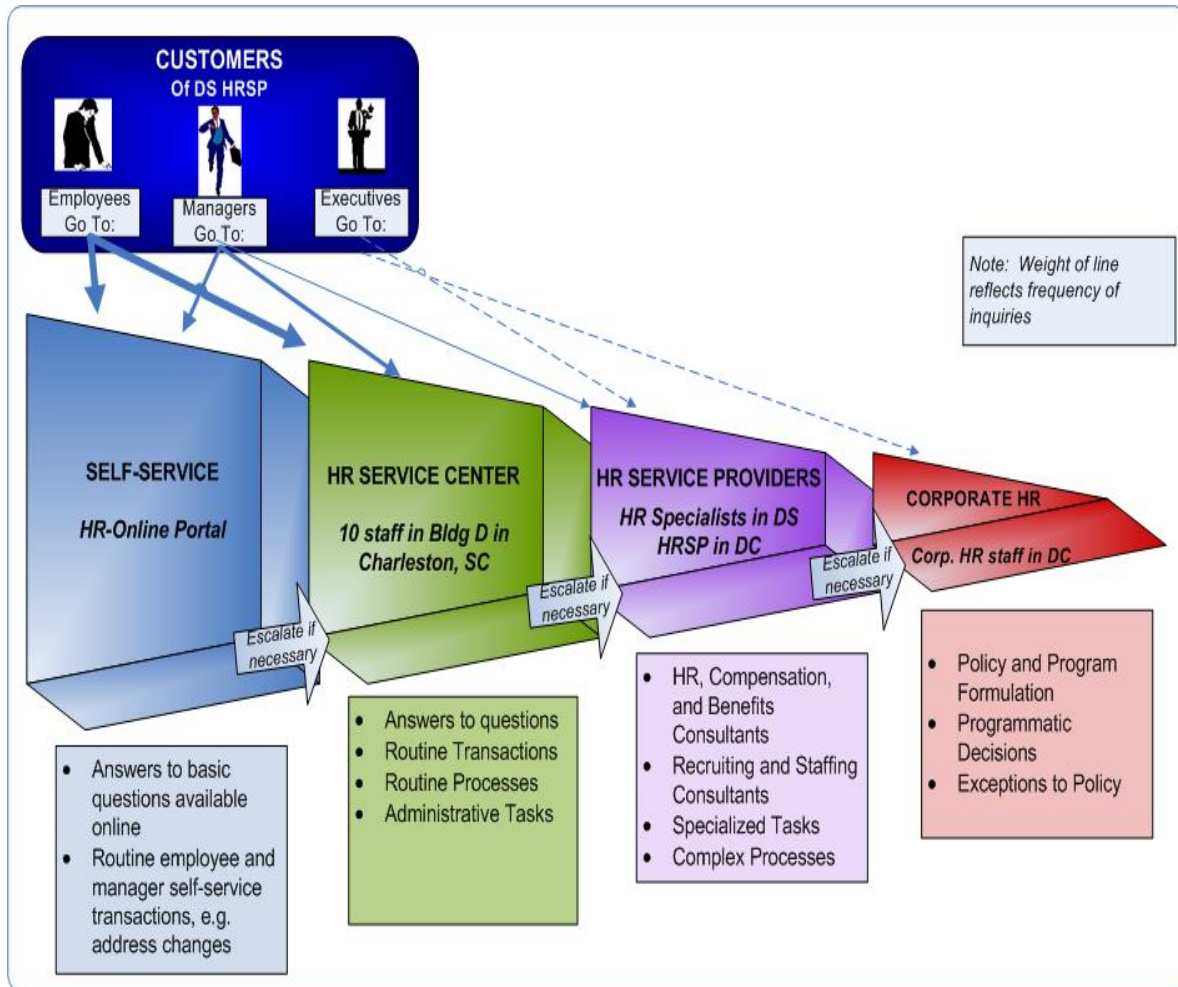
- **Overview of the HR department including the HR functions performed (these can be based on the BRM sub-functions and described at a high level e.g. perform HR strategy instead of conduct environmental scans).**

**HR Bureau:** During FY 2009, fifteen offices constituted the HR Bureau that is headed by the Director General of the Foreign Service and the Director of Human Resources (DGHR) assisted by one Principal Deputy Assistant Secretary (PDAS) and two Deputy Assistant Secretaries. The HR Bureau provides corporate-wide HR policy, strategic planning, administrative and IT services that support both the Civil and Foreign Service personnel systems.

It should be noted that other bureaus within the Department provide HR services in support their organization's mission. Nearly all FS specific HR services are performed within the HR Bureau.

- **If your organization includes multiple bureau/agencies/components please list all that the HR organization supports.**

**HR Service Strategy:** The Department is implementing a tiered HR service delivery model based upon best practice implementations from private industry and government. Such a model requires the Department to consolidate transactional, administrative and other routine services in a single self-service web portal (Tier 0) and an HR Service Center (Tier 1) which would provide a single point-of-contact for customers. More complex HR processes will be consolidated among nine HR Service Providers (HRSPs). Corporate HR (Tier 3) will consist of policy making, HR program design, data management and exception/waiver processing, among other department-wide functions.

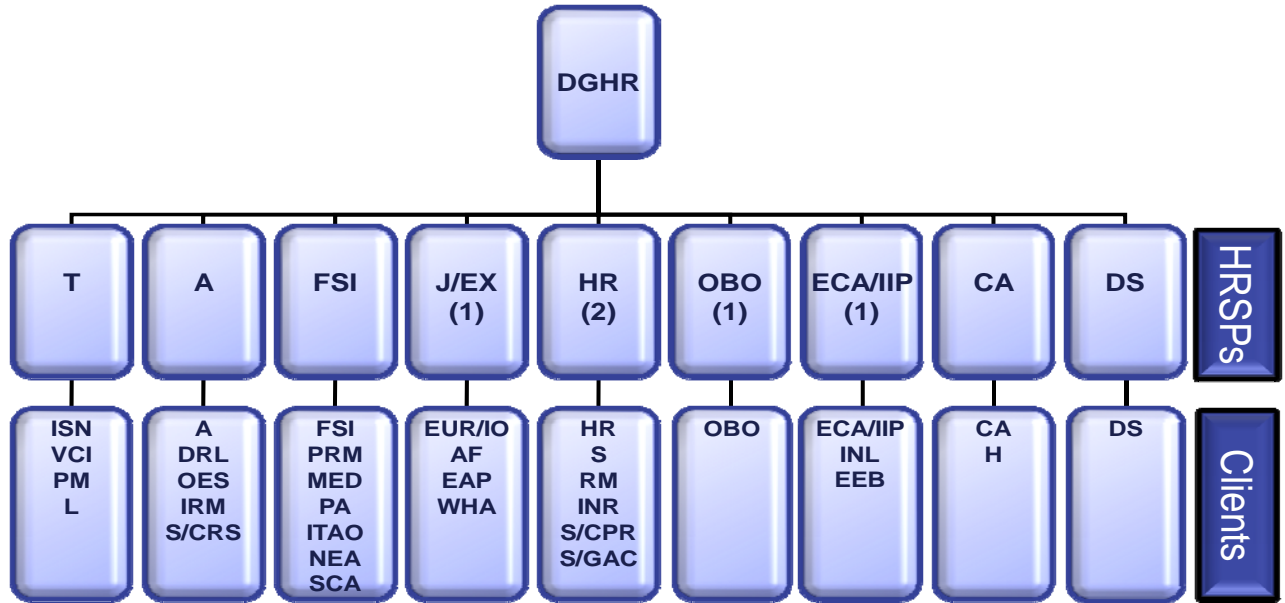


Domestic HR services are delivered through two primary mechanisms: 1) the HRSPs provide distributed HR services at the Tier 2 level; and 2) the HR Bureau provides corporate HR services at the Tier 3 level.

**Human Resource Service Providers (HRSPs):** The following display captures the HRSPs that collectively provide the range of specific HR services within the Department. The nine service providers and their client bureaus are depicted. The display warrants two nuances: 1) the HR service provider initiative was stood up at the beginning of FY 2009 and depicts an ongoing organizational evolution; and 2) a number of these HRSPs incorporate HR personnel located in the Executive Bureaus of their clients. For example, J/EX works with a number of regional bureaus that operate in the overseas environment (e.g., WHA or Western Hemisphere Affairs). The executive office, WHA/EX, also contains a number of personnel specialists.



## HR Service Providers and Clients



- (1) Classification to the GS-13 (GS-14 and above – HR); Staffing to the GS-15  
 (2) HR Service Provider – also responsible for corporate functions  
 (3) OIG does not require the services of an HRSP

1

**Use of HRLoB BRM:** The Department used the HRLoB Business Reference Model (BRM) V2 as a basis for analyzing the HRSPs and most of the offices of the HR Bureau. The instrument was used to determine how they allocated their FTEs (based on 40 hours of 2080 hours) across the BRM sub-functions and its constituent processes. Personnel data was initially gathered in 2008-2009 and was revalidated in the Spring of 2010. Both efforts included the client HR personnel located within the Executive Offices of the bureaus serviced by the HRSPs. Given the dual personnel systems existing at the Department of State, the analysis also separated FTEs devoted to Civil Service from FTEs devoted to Foreign Service. No effort was made to extend the BRM analysis to “Overseas” HR operations.

**Human Resource Officers at Post:** Career Foreign Service personnel serve as either generalists or specialists. Foreign Service Officers, by definition are generalists, and are part of the diplomatic corps. Foreign Service specialists, however, provide staff services in the day-to-day operations of U.S. Diplomatic posts abroad. These Foreign Service specialists are hired under a specific skill code as they enter the service. The skill code of a human resources specialist is “Management—Human Resources” with a code of 2201.

- **Type of special population of employees if any (e.g. the Department of Treasury employs X thousand temporary IRS workers each year).**

The Department of State hires a number of individual falling into special populations. Individuals within these populations may also provide various types of HR services.

**WAE:** The Department of State hires many former and retired employees under When Actually Employed (WAE) status. In particular, the Department appoints many retired Foreign Service officers to Civil Service appointments on a part-time, intermittent, or temporary basis. These appointments are attractive to retirees, in part, because the retirees may continue to receive their annuity as specified in 22 U.S.C. 4064. These re-hired annuitants are commonly referred at the Department as "when actually employed" or "WAE" employees. The general rule is that a WAE may serve no more than 1,040 hours per year.

**Eligible Family Members (EFMs):** Overseas, in response to job announcements issued from Foreign Service posts, Eligible Family Members (EFMs) may qualify for a Family Member Appointment (FMA). This is a Department of State mechanism used to employ US Citizen Eligible Family Members (EFM) of direct hire Foreign Service, Civil Service, or uniformed service members assigned to post and under Chief of Mission authority.

To qualify for a FMA appointment, the candidate must be a U.S. citizen spouse or an unmarried dependent child at least 18 years old, but under age 21, on the travel orders of an American Foreign or Civil Service employee or uniform service member permanently assigned to a U.S. Foreign Service post abroad and under Chief of Mission authority. In addition, the candidate must not currently receive a Foreign Service or Civil Service retirement annuity.

**Locally Employed Staff (LES):** The LES represent a large component of the Department's overseas workforce but are not included in this analysis.

- **Description of any HR Functions that are outsourced:**

None.

- **Description of any additional information about your HR operation that explains your HR organization or operational model (e.g. your organization may have a large labor relations department due to the number of union employees you support).**

The Department of State operates under a dual personnel system. The Civil Service personnel rules are governed by Title 5 U.S.C. and the Foreign Service personnel rules are governed by the Foreign Service Act of 1980, as amended.



- **Additional information that gives context to measurement results.**

**Assumptions:**

- FY 2009 data are being used.
- Personnel counts are taken at the close of FY 2009 (September 18, 2009).
- Payroll costs are computed by annualizing September 2008 monthly salaries as adjusted by the Washington DC locality pay increase for 2009 (4.78%).
- Overhead costs are computed from OMB- M-06-22 “Cost Savings Achieved Through E-Government and Line of Business Initiative.”
  - Fringe Benefits: 0.3285 of base salary
  - Liability Insurance: 0.007 of base salary
  - Overhead: 0.12 of (base salary + fringe benefits)  
Note: Overhead does not include items such as office supplies, building fees, printing/ mailing costs, etc.
- HR Contractor Costs: No data are available that captures HR contractor costs.
- Counting HR Service Providers
  - All individuals falling within the Human Resources Service Providers (HRSPs) of the Department of State will be counted as HR service providers. They will be complemented by
    - Identified and selected individuals providing HR services as defined by the HR LoB BRM model, falling within the Executive Offices of Bureaus being serviced by the HRSPs.
  - All individuals falling within the HR Bureau have been counted but are weighted in relation to the HRLoB target requirements.
  - “Overseas” personnel, defined as American Direct Hires and residing “at post,” and classified by their Foreign Service skill code, shall be counted as HR service providers.
  - “Overseas” personnel, defined as American Direct Hires and residing “at post” will be considered recipients of HR services.
- Adjustments for status of employment: Minor adjustments must be made to salary costs based on the nuances of the reporting system in considering Part-time, Intermittent, and Temporary (PIT) appointments.
  - These adjustments are reflected in Full Time Equivalents (FTEs based on 40 of 2080 hours).
  - PITS are estimated to be at 0.333 FTE, with appropriate costing adjustments taken.

**Data:** Data reported via this instrument were generated from the Global Employment Management System (GEMS) for FY 2009. GEMS is considered the HR system of record for all domestic and overseas American direct-hire employees, including Foreign and Civil Service personnel. GEMS is a fully-operational *PeopleSoft* integrated human resources system, implemented on April 19, 1999, to support human resources management business processes in the

Department of State. GEMS was designed to track the progress of a personnel action from its initial request until it is completely processed and made a part of the employee's permanent job history record. On July 17, 2006, the GEMS application was upgraded to 100% web-enabled version of *PeopleSoft*, v8.8.

## Appendix J – Department of Transportation Narrative

- **Description of the Agency**

The Department of Transportation (DOT) was established by an act of Congress on October 15, 1966, the Department's first official day of operation was April 1, 1967. The mission of the Department is to: *Serve the United States by ensuring a fast, safe, efficient, accessible and convenient transportation system that meets our vital national interests and enhances the quality of life of the American people, today and into the future.*

- **Overview of the HR department including the HR functions performed (these can be based on the BRM sub-functions and described at a high level e.g. perform HR strategy instead of conduct environmental scans).**

DOT's HR functions performed are as follows:

- HR Strategy
- Organization and Position Management
- Staff Acquisition
- Performance Management
- Compensation Management
- Benefits Management
- Human Resources Development
- Employee Relations
- Labor Relations
- Separation Management

The Departmental Office of Human Resource Management (HRM) provides leadership and direction in human resource management (HRM) by developing policies and programs that improve organizational performance. This includes ensuring that HRM programs provide effective and efficient use of human capital throughout the Department. Functions:

- Develops and implements, in cooperation with the Operating Administrations (OAs), both short and long term human capital plans that support DOT's strategic plan objectives and performance targets, and oversees the reporting, and evaluation of progress and results.
- Develops, implements, and evaluates departmental HRM policies and programs to support organizational performance in such areas as recruiting and staffing, position classification, employee compensation, career development, workforce diversity, labor and employee relations, executive resource planning, performance management, employee benefits, and work and family life.
- Concurs in the selections of OAs' Human Resource Directors.

- Recommends performance objectives and provides performance feedback on those performance objectives to the rating officers of OAs' Human Resource Directors.
- Consults with customers, including DOT senior management officials, on improving organizational performance through HRM policies, programs, and initiatives.
- Provides policy advice, technical guidance, and oversight review for all HRM policies and programs, including workforce planning, competency management, and succession planning.
- Provides for the collection, analysis, and dissemination of workforce and ceiling allocation information to management officials.
- Serves as Chairperson of the Departmental Human Resource Management Council; Chairperson of the Departmental Federal Personnel and Payroll System (FPPS) Change Control board; and facilitates the sharing of pertinent governmental and departmental human resource management activities and best practices.
- Conducts personnel operational programs for the Office of the Secretary or other designated organizations, including recruitment and placement, performance management, position classification, suitability adjudication and management of executive resources.
- Develops departmental policy with regards to, and conducts alcohol and drug programs, including random testing.
- Provides employee wellness services, including employment information, counseling, health and fitness programs, and a wide variety of related activities.
- Conducts learning and development programs, including classroom training, self-help study, distance learning, and computer-based training.
- Maintains contact with customers to assess degree to which services satisfy customer expectations and to ascertain new or changing requirements.
- Administers employee surveys, as required by National Defense Authorization Act for Fiscal Year 2004, and acts as the DOT focal point for coordinating and preparing required departmental internal human resource reports.
- Represents DOT on interagency committees and task forces that develop and approve human resources policy. (Chief Human Capital Officers Council; HR Line of Business; Multi-Agency Executive Strategy Committee; other OPM councils and user groups; etc.)
- Provides advice to the Department in regards to matters related to the development, enhancement, maintenance, and future development of HR Information Systems. (i.e., Federal Personnel and Payroll System (FPPS), Data Mart, electronic Official Personnel Folder, Employee Express, HR Line of Business system initiatives.)

Each DOT Bureau/OA has HR Offices which develop, publish, and enforce OA-specific HR policy and performs the full range of HR LOB functions and sub-functions for their organizations.

- **If your organization includes multiple bureau/agencies/components please list all that the HR organization supports.**

OAs have been added and removed over the years, and the size of the workforce has fluctuated with these and other changes. Today DOT has over 57,000 employees in the Office of the Secretary, the Surface Transportation Board, the office of the Inspector General and 10 OAs:

- Federal Aviation Administration (FAA)
  - Federal Highway Administration (FHWA)
  - Federal Motor Carrier Safety Administration (FMCSA)
  - Federal Railroad Administration (FRA)
  - Federal Transit Administration (FTA)
  - Maritime Administration (MARAD)
  - National Highway Traffic Safety Administration (NHTSA)
  - Pipeline and Hazardous Materials Safety Administration (PHMSA)
  - Research and Innovative Technology Administration (RITA)
  - Saint Lawrence Seaway Development Corporation (SLSDC)
- **Type of special population of employees if any (e.g. the Department of Treasury employs X thousand temporary IRS workers each year).**

The FAA's human resources management system is exempt from Title 5 for compensation and related matters. This extends into their executive system which is completely separate from the rest of government. To support those flexibilities, FAA has their own policy office that creates policies to meet their human capital requirements. This process is further complicated by their union's unique ability to negotiate pay and the technical nature of their jobs, e.g., Air Traffic Control Specialists, Aviation Safety Inspectors, Aerospace Engineers, etc. As they deploy NexGen, activities have begun to escalate to attract and retain appropriate technical skills for a very complex national air system.

FAA's hiring is complex due to the multiple sources for mission critical occupations such as Air Traffic Control Specialists. They hire veterans, retired military controllers, collegiate training initiative students and members of the general public.

Their process for initial testing, medical and security screening and well as interviews is extensive and exhaustive. Their compensation system and paysetting is quite complex due to the union's ability to negotiate pay and the complexities of their training requirements and career ladders. Due to these complexities, FAA owns and manages its own automated staffing solution.

Strategic planning in the form of the FAA Flight Plan is integral to FAA's pay setting and they expend considerable resources in contributing to the Organizational Excellence portion of the Flight Plan. The FAA has an employee population of 48,486 of whom 36,371 are union members.

- The SLSDC's (population 142) wage-grade employees are all union members.
- The FTA (population 548) employs 40 interns annually.
- The FRA (population 830) has 663 employees who are union members.
- RITA maintains 705 full-time equivalent employees in Washington, the Volpe National Transportation Systems Center (Cambridge, MA), and the Transportation Safety Institute (Oklahoma City, OK). RITA has 493 employees who are union members.
- The Maritime Administration (MARAD) has the equivalent of 770 full time employees, many of whom work in field offices.

- **Description of any HR functions that are outsourced.**

Some OA HR Offices provide HR services to one another via inter-agency agreements:

- FHWA provides program management services for Monster/QuickHire to OST and all of the OAs, except for the FAA and the OIG.
- OST provides program management and system development services to all of the OAs.
- OST provides HR services to the RITA headquarters staff.

The FTA employed contract staff to facilitate and promote their Leadership Development and Mentoring Programs, develop and support supervisory training curricula, and provide training.

FHWA, PHMSA, OST, and RITA employed contract staff to supplement their HR support staff.

RITA/Volpe Center employed contract staff to provide expert HR consulting, executive/managerial coaching, career planning, facilitation, and mentoring program support, and workforce planning, Learning and Development team and recruitment support.

The OST employed contract staff to support their performance management/workforce analysis efforts and to assist in the implementation of DOT's eGov initiatives.

- **Description of any additional information about your HR operation that explains your HR organization or operational model (e.g. your organization may have a large labor relations department due to the number of union employees you support).**

The FAA has non-Title 5 personnel rules in effect and has a large labor relations department due to the high number of union employees it supports.

The SLSDC has a large labor relations department due to their wage-grade employees' salaries being union-negotiated.

The FHWA HR Office services employees in all 50 states as well as in Puerto Rico. To provide effective service, the FHWA has three HR offices around the USA.

The FAA HR Office services employees in all 50 states as well as in Puerto Rico. To provide effective service, the FAA has 12 HR offices and two shared service centers around the USA.

The FRA has a large labor relations department due to the high number of union employees it supports.

The MARAD provides HR services to the United States Merchant Marine Academy.

The Volpe Center has a large labor relations department due to the high number of union employees it supports.

Each OA receives its own budget appropriation which adds to the complexity of the budget process and funding of DOT departmental HR programs.

- **Description of any additional information that gives context to your measurement results.**

DOT employees provide a wide range of critical services to the public and hold positions in extremely varied functions. Their work runs the gamut from rule-making at the policy level to large systems design; coordination with state agencies; on-the-ground examination of the nation's trucking and railroad fleets; certification of transportation professionals; oversight of the transportation of hazardous materials; education; and direct management of the nation's air traffic around the clock.

This variety of work adds complexity to managing talent and forecasting the future talent requirements for the Department as a whole, even as DOT strategy increases the need for "inter-modal" work, cooperation, and possibly increased future mobility across OAs.

The Department of Transportation is a large, diverse organization that employs a number of methods to achieve the best HR results for each of its Bureaus and Offices while embracing best practices and economies of scale by taking on and implementing the various eGov initiatives as they become active.

## **Appendix K – Department of Veteran’s Affairs Narrative**

- **Description of the Agency**

The Department of Veteran’s Affairs mission is to serve America's veterans and their families with dignity and compassion and to be their principal advocate in ensuring that they receive medical care, benefits, social support, and lasting memorials promoting the health, welfare, and dignity of all veterans in recognition of their service to this Nation.

- **Overview of the HR department including the HR functions performed (these can be based on the BRM sub-functions and described at a high level e.g. perform HR strategy instead of conduct environmental scans).**

The Assistant Secretary for Human Resources and Administration (HR&A) provides direction and oversight to five major program areas headed by the Deputy Assistant Secretaries for Administration, Human Resources Management, Diversity Management and Equal Employment Opportunity, Resolution Management, and Labor-Management Relations.

The Office of Human Resources Management (OHRM) is responsible for advising and assisting the Secretary and other VACO and field officials to meet the established mission, goals, and objectives of the Department through a strategically aligned and customer-focused human resources program.

The Office of Human Resources Management is focused on: policy development, workforce planning initiatives, human resources development, legislative changes, and civil service reform. This includes the fundamental human resources functions of staffing (recruitment and retention), classification, compensation, executive resources, workforce planning, employee relations, employee work-life and benefits, career transition, oversight and effectiveness, and employee development within the human resources community.

The functions of OHRM include liaison with OPM, representing VA before Congress, OMB, and other Federal agencies on human resources issues. Although Human Capital and Human Resources Management programs are centrally managed, the delivery of Human Resources services is on a decentralized basis and executed through approximately 140 separate HR Offices located in facilities dispersed throughout the United States and its possessions. Except for the VA Central Office local HR Office which is managed by the Office of Human Resources Management itself, the remainder of the local HR offices are under the span of control of the major sub-Agency Administrations or Staff Offices.



- **If your organization includes multiple bureau/agencies/components please list all that the HR organization supports.**

Figure 1

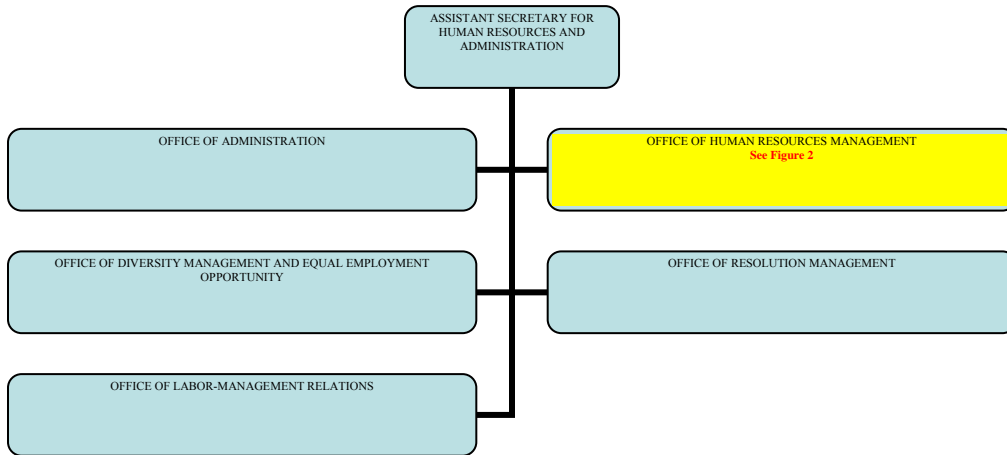
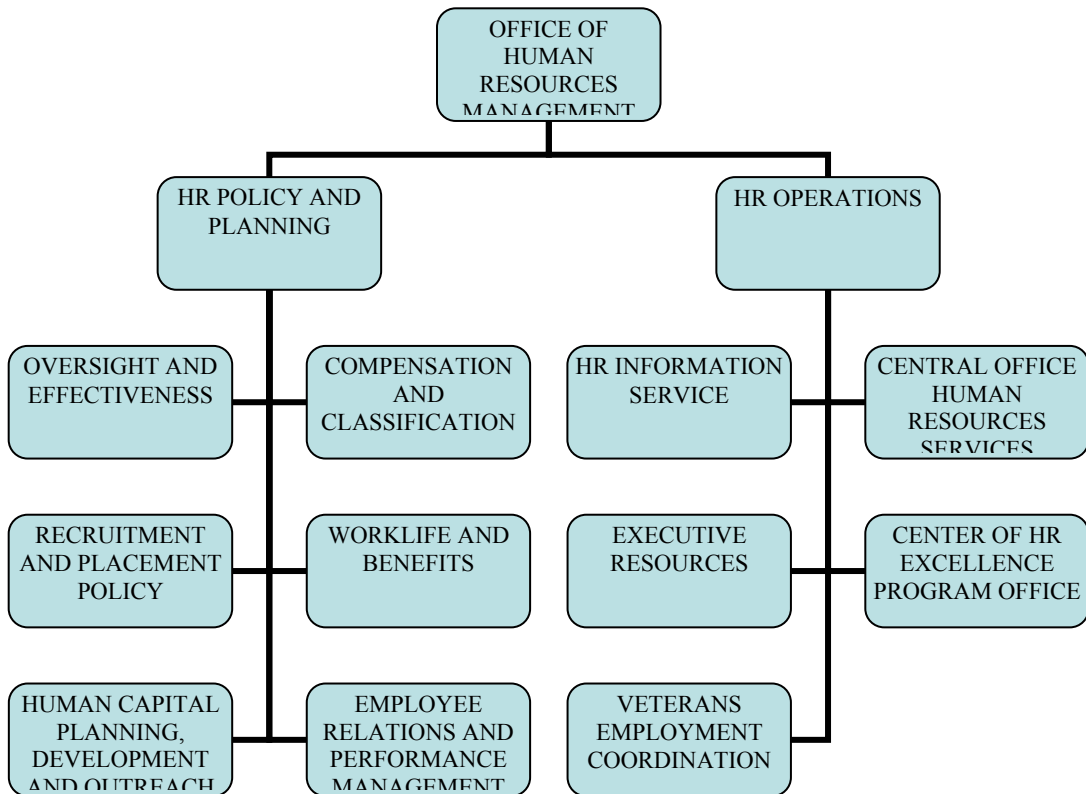


Figure 2



- **Type of special population of employees if any.**

The Department of Veterans Affairs employee population includes standard Title 5 employees but also has approximately 85,000 employees covered by unique Title 38 provisions.

- **Description of any HR functions that are outsourced.**

All HR functions for VA's Office of the Inspector General (OIG) (approximately 440 employees) are outsourced to the Bureau of Public Debt. Payroll support for these employees is provided by the National Finance Center.

- **Description of any additional information about your HR operation that explains your HR organization or operational model.**

The VA operates under a decentralized HR Service Delivery model that includes 140 separate local HR Offices that operate under the direction of local facility directors who in turn come under the operational authority of sub-Agency level Administrations or major staff Offices such as the CIO.

- **Description of any additional information that gives context to your measurement results.**

VA's corporate legacy HR/Payroll Information System is a 1960's era COBOL mainframe application that is supported by an IT based organization. The migration to DFAS for payroll has been completed and the baseline formulation for VA is currently being determined.

## Appendix L – Environmental Protection Agency

- **Description of the Agency**
  - The mission of EPA is to protect human health and to safeguard the natural environment -- air, water and land -- upon which life depends.
- **Overview of the HR department including the HR functions performed (these can be based on the BRM sub-functions and described at a high level e.g. perform HR strategy instead of conduct environmental scans)**
  - EPA is organized into 13 HQ program offices, referred to as Assistant Administrators (AAs), 10 Regional offices (Region) reporting to Regional Administrators, and five laboratories. The majority of the AA workforce is in the Washington, DC area, with the exception of laboratory and support components geographically dispersed around the country. Historically, until 2008, EPA's HQ Office of Human Resources serviced the majority of the AAs, and each Region contained an HR organization of its own. In 2008, the Agency made a significant decision to improve the efficiency, consistency, timeliness, and quality of its human resources transaction services by consolidating the major transactional functions into three internal Shared Service Centers. Consequently, EPA developed a schedule to transition its approximate 17,600 customers from 15 human resources offices to three Shared Service Centers (SSCs). The HR services of the executive workforce remained at Headquarters. The three Human Resource Shared Service Centers strategically located throughout the country. The three SSCs are responsible for staff acquisition, performance management, compensation management, benefits management, and separation management for the entire Agency. By the end of FY09, all but approximately 1,700 customers in three regional offices had been transitioned; complete transition in FY10 is on target.
  - The residual 15 HR offices are still responsible for local Human Capital management advice, guidance, employee development, employee relations, labor relations, and participation and execution of HR strategy and compliance.
  - OHR Headquarters provides national leadership and guidance in HR strategy, organization and position management, employee development programs, management development, performance management, IT system support, labor relations support and direction, employee relations guidance, special recruitment strategy. Headquarters also contains an executive support service center for SES, and other executive personnel.
- **If your organization includes multiple bureau/agencies/components please list all that the HR organization supports.**

N/A

- **Type of special population of employees if any.**

EPA's workforce does not contain any yearly population fluctuations and has remained in the 15,000 to 20,000 employee range for most of its history. The Agency is responsible for several trust funds, and is responsible for the accounting required at the employee charging level to support cost recovery efforts. The Agency uses contracts support to achieve the Agency mission, and to deal with emergency situations such as hurricane Katrina and the current Gulf oil spill.

- **Description of any HR functions that are outsourced.**

Outsourcing has been used to support HRIT efforts to provide automated tools in support of recruitment and OPM requirements enhance administrative support of HR Specialists, improve customer service to program offices, provide sign language services in support of EEOC requirements, retirement benefits counseling and support the automation of Official Personnel Folders through the OPM eOPF contract.

- **Description of any additional information about your HR operation that explains your HR organization or operational model.**

EPA's move to the Shared Service Center model for recruitment and transactional services has changed the roles of many of the Human Resource offices from an operations focus to a more strategic human capital management focus. This transition will take some time and the full benefits are in an evolutionary state at this time.

- **Description of any additional information that gives context to your measurement results.**

- The full range of Human Capital Management functions carried out in the Regions is not fully reflected in the Outsourcing costs. Local initiatives do not come through Headquarters for approval or funding. The data reflect the major initiatives initiated through the HQ Office of Human Resources.
- The Agency had a limited e-Learning contract in FY'09, reflecting costs well below a normal Agency investment. EPA anticipates that the HR LoB provider they migrate to will support the LMS requirements OPM has been pushing for several years. The Agency has not had the funds to develop this application in-house, and our figure actually could reflect fund avoidance, not savings as costs rise in the future.

## Appendix M – General Services Administration Narrative

- **Description of the Agency**

For more than a half a century, the General Service Administration (GSA) has carried out a mission of service to other federal agencies by providing superior workplaces, quality acquisition services and expert business solutions. In this role, GSA leverages its business expertise and the buying power of the Federal Government to provide innovative solutions, service and value to customers and other stakeholders. GSA consistently seeks opportunities to be the provider of choice for all federal agency workplace needs by effectively and efficiently carrying out the mission of service to other federal agencies. At its very core, mission support is GSA's mission.

- **Overview of the HR department including the HR functions performed (these can be based on the BRM sub-functions and described at a high level e.g. perform HR strategy instead of conduct environmental scans).**

The Office of the Chief People Officer (OCPO) contributes to GSA's business success by providing human capital management strategies, policies, advice, information, services and solutions that are consistent with merit system principles. The OCPO guiding principles are to: optimize the value of customer investments in the OCPO; deliver products and service that enable customers to focus on their core businesses; develop the OCPO workforce to be valued business partners; develop GSA-wide human capital solutions; and meet customer needs within the framework of applicable laws and regulations.

There are several offices that make up the OCPO organization and help contribute to GSA's business success. The *Office of Program Performance* focuses on all internal OCPO management functions and assists the OCPO organization focus its resources on delivering the best possible performance results. The *Office of Executive Resources* is responsible for the corporate management of Executive Resources and political appointees – both at an operating and policy level. The *Office of Information Technology* is responsible for the management of HR data and information including HR systems development and implementation, the Privacy Act program; and data output/reporting/interfaces. The *Office of Human Capital Management* is responsible for providing leadership, policy and national implementation support to GSA's strategic management of human capital. Last, but not least, the *Office of Human Resources Services* is responsible for all HR operational activities within the OCPO except information technology support and matters involving executive resources and political appointees.

The OCPO offers all services outlined in the HRLOB Business Reference Model to its internal customers. Internal customers receive personnel action processing across all functions, core compensation management (e.g., payroll processing, time and attendance), benefits management (including counseling), HR strategy guidance (e.g., workforce planning, reporting), organization and position management (e.g.,

classification), staff acquisition, performance management, HR development and training, employee relations, executive resources, and separation management support. In addition, OCPO customers can use self-service tools such as Employee Express to make address, tax and a variety of benefits changes.

- **If your organization includes multiple bureau/agencies/components please list all that the HR organization supports.**

Not applicable.

- **Type of special population of employees if any.**

GSA's Public Building Service (PBS) provides superior workplaces in an environment of changing real estate dynamics and increased budget constraints. PBS is the largest public real estate organization in the nation providing workspace and workplace solutions to more than 100 agencies. PBS manages 342 million square feet of workspace for a million federal employees in 2,100 American communities. GSA owns over 1,500 building which comprises 51% of inventory and leases the rest from the private sector. PBS leases space in all the buildings to Federal agencies. Approximately 50% of GSA's workforce is aligned to PBS.

Over the past few years, GSA has focused on establishing the new Federal Acquisition Service (FAS). This Service, which merged GSA's Federal Supply Service and Federal Technology Service, was created to streamline operations and provide better service to customers. FAS continues to evolve, as GSA rethinks functions and searches for new solutions to meet the demands of a 21<sup>st</sup> century marketplace. FAS provides optimized products, services, and solutions for its customers and will be in the forefront of all efforts, such as the President's Management Agenda and e-Government initiatives, to achieve common platforms for government agencies. FAS will continue to use innovative techniques and leverage government-wide buying power, its acquisition expertise and electronic tools to successfully deliver new and existing services, products, and solutions.

To enable both Services to contribute to GSA's business success they employs a large number of employees with expertise in building management, contracting, realty, administration/program management and information technology management.

- **Description of any HR functions that are outsourced.**

Not applicable.

- **Description of any additional information about your HR operation that explains your HR organization or operational model.**

GSA has 11 regions that assist in acquiring office space, equipment, supplies, telecommunications and information technology to support federal agencies

throughout the 50 states, U.S. territories and overseas. These Regional Offices are headquartered in the following cities: Boston, New York, Philadelphia, Atlanta, Chicago, Kansas City, Fort Worth, Denver, San Francisco, Auburn (Washington), and Washington, DC. Each of these Regional Offices has HR staffs that, on a fulltime basis, provide HR services to their regional customers. In September of 2009 these HR staffs were realigned to the OCPO and are no longer reporting directly to their Regional Administrators. The OCPO continues to examine its HR service delivery model to best understand how to improve and better utilize the services of all its employees.

- **Description of any additional information that gives context to your measurement results.**

None.

## **Appendix N – Office of Personnel Management Narrative**

- **Description of the Agency**

The Office of Personnel Management mission is to: “Recruit and retain a world-class workforce to serve the American people.” The mission is accomplished by:

- Providing human capital advice and leadership for the President of the United States and Federal agencies
  - Delivering human resources policies, products and services
  - Ensuring compliance with merit system principles and protection from prohibited personnel practices
  - Holding agencies accountable for their human capital practices
- **Overview of the HR department including the HR functions performed (these can be based on the BRM sub-functions and described at a high level e.g. perform HR strategy instead of conduct environmental scans).**

OPM’s Human Resources Office (OPM-HR) provides human resources management services to the OPM community. These functions include recruitment, staffing, classification, employee relations, labor relations, benefits, and work life programs. Human resources services are provided through a staff located in the headquarters in Washington, DC, and a small staff located in Boyers, PA.

- **If your organization includes multiple bureau/agencies/components please list all that the HR organization supports.**

N/A

- **Type of special population of employees if any.**

The Office of Personnel Management consists of nearly 6,000 employees nationwide in five major Divisions and a number of major Office components. The workforce is predominantly full time permanent but the agency also employs a large contingent of intermittent and part-time Test Administrators who provide reimbursable testing services for other Federal agencies, as well as military testing.



- **Description of any HR functions that are outsourced.**

OPM-HR does not outsource any of its HR functions. The agency contracts with GSA to use their automated HR data system but the work is performed by in-house staff.

- **Description of any additional information about your HR operation that explains your HR organization or operational model.**

The staff of the OPM-HR Office (OPM-HR) provides the full range of human resource services to the managers and employees of the Office of Personnel Management. We have been successful in meeting a variety of Governmentwide human capital goals and standards. We have been successful in making improvements toward the government-wide 80 hiring model. Staff also provides leadership in succession planning, supervisory training, performance management as well as benefits management and employee and labor relations.

- **Additional information that gives context to measurement results.**

N/A

## Appendix O – Industry Benchmark Narrative

- **Saratoga**

Saratoga's annual 2009/2010 Human Capital Effectiveness Report reveals hundreds of metrics and thousands of unique benchmarks focused on productivity, turnover, staffing, labor cost, training, and HR cost and structure. The report contains results from over 300 organizations throughout the United States, representing 12 industry sectors. The average company in the report has annual revenue of \$5.7 billion and roughly 17,000 employees.

Saratoga, formerly EP-First & Saratoga, is a global leader in the measurement and benchmarking of human capital. They work with 40% of FTSE 100 and Fortune 500 companies and consider intelligent measurement to be fundamental to performance improvement. Their benchmarks cover a broad spectrum including country, workforce, size and sector. Data is collected to strict definitions ensuring resultant benchmarks reflect a like-for-like comparison<sup>1</sup>.

The following organization size made up the participants:

Company Size	Percent of Total
1 - 500	3.6%
501 - 1,000	7.2%
1,001 - 2,000	12.1%
2,001 - 5,000	20.3%
5,001 - 10,000	19.0%
10,001 - 25,000	19.3%
25,001 - 50,000	7.5%
50,000+	10.8%
<b>TOTAL</b>	<b>100.0%</b>

The following industry distribution made up the participants:

Industry	Percent of Total
Banking	3.6%
Communications/Media	7.6%
Engineering/Manufacturing	14.2%
Hospitals	21.8%
Insurance	8.7%
Other Finance	2.5%
Pharmaceutical	3.3%
Professional Services	12.4%
Public Sector	8.7%

<sup>1</sup> <http://www.pwc.com/gx/en/hr-management-services/saratoga-global-human-capital-measurement-benchmarking-services.jhtml>

Retail and Leisure	2.2%
Technology	5.5%
Utilities	9.5%
<b>TOTAL</b>	<b>100.0%</b>



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