OFFICE OF PERSONNEL MANAGEMENT

HR LINE OF BUSINESS

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SIGNIFICANT EVENTS

- Hosted a Multi-Agency Executive Strategy Committee (MAESC) meeting on July 10, 2012
- Hosted a MAESC principals only meeting on September 12, 2012
- Hosted the Shared Service Center Advisory Council (SSCAC) Tri-Annual Meeting on August 21-22, 2012
- Hosted SSCAC monthly teleconferences on July 17 and September 18, 2012
- Hosted a Technology Integration Board (TIB) meeting on July 25, 2012

LIZ MAUTNER—HR LOB HIGHLIGHTS

As we near the close of FY 2012, I would like to highlight the continued progress of the HR Line of Business and review planned activities moving into FY 2013.

On August 31, 2012, the HR LOB submitted the **HR LOB Service Plan and Roadmap** to the Office of Management and Budget (OMB) as requested in OMB's Federal IT Shared Services Strategy as a part of OPM's Enterprise Roadmap. The HR LOB Service Plan includes an assessment of the governance, guidance, and performance measurement activities that the HR LOB performs to support shared services in the Federal government. The HR LOB Roadmap provides a comprehensive picture of the strategy and path forward to the future state of the HR LOB initiative with detailed roadmaps that outline activities and timelines to reach our initiative goals.

Liz Mautner
Senior Advisor, OPM CIO
HR Line of Business

The HR LOB continues to oversee the migrations of four agencies—DOC, DOL, EPA, and USAID—to shared service centers (SSCs). I am pleased to announce that USAID completed its migration to Treasury for HR shared services in June 2012. Our updated statistics now show that **99.2 percent** of Federal agencies are serviced by a Federal payroll provider, and **77.3 percent** of Federal agencies are serviced by or are in the process of migrating to a Federal HR SSC. The substantial progress made in Q4 FY 2012 draws us closer to our goal of 100 percent Federal agency alignment for payroll and HR shared services.

Coinciding with the release of this quarter's HR LOB Communications Letter, the HR LOB is hosting the **HR LOB Agency Forum** on October 2, 2012. A similar Forum was held in April 2012 that focused on SSC service offerings, modernization efforts, and future plans. The Agency Forum will focus on agency HR transformation efforts and lessons learned during the migration process. Matt Perry, OPM CIO, and Scott Bernard, OMB Chief Enterprise Architect, will provide opening remarks, and Kim Holden, OPM Deputy Associate Director of Employee Services, will

LIZ MAUTNER—HR LOB HIGHLIGHTS

present on the current state of Federal HR. The event will also feature a panel discussion with representatives from currently migrating agencies and the Federal SSCs who support them to discuss their experiences during agency migrations. Finally, agency representatives from the Department of Agriculture (USDA), Department of the Treasury, the U.S. Securities and Exchange Commission (SEC), and the Office of Personnel Management (OPM) will present on strategic HR initiatives. The Agency Forum is a part of the HR LOB's ongoing effort to provide opportunities for agencies to collaborate and share effective HR practices.

The remainder of this issue of the HR LOB Communications Letter provides updates on our current workstreams and planned activities for FY 2013. Please take time to review the details of the Provider Assessment, the Government-wide HR Data Model, the Payroll and Agency HR Benchmarking studies, and HR LOB Governance. If you have any questions, please email me at HRLOB@opm.gov.

Upcoming HR LOB Communications Letter Highlights: Look out for highlights from the October 2, 2012 HR LOB Agency Forum, the final release of the FY 2011 CBA Report, updates on current agency migrations, and the results of the Provider Assessment pilot in the next issue of the HR LOB Communications Letter.

WORKSTREAM UPDATES

Provider Assessment

The HR LOB is currently preparing to pilot the Provider Assessment Customer Questionnaire. Representatives from the Customer Work Group (CWG) were asked for feedback on the new Customer Questionnaire, and 37 agency representatives were identified to participate in the pilot. As a part of the pilot, the HR LOB will conduct in-person group sessions to discuss the usefulness and completeness of the questionnaire in early October 2012. Feedback received from pilot participants during these group sessions will be incorporated into the final version of the Customer Questionnaire by the end of Q1 FY 2013. The HR LOB will continue to develop the tools and templates required for the full launch of the Provider Assessment in Q2 FY 2013.

Government-wide HR Data Model

The HR LOB drafted an approach to developing a logical data model for HR and payroll data. This model will document HR and payroll data standards across the Federal government and will conform to OPM data standards and other standards, including HR-XML and the National Information Exchange Model (NIEM). The HR LOB plans to work with data subject matter experts from agencies, SSCs, and OPM to ensure that the model accommodates the appropriate requirements and business rules. The HR LOB is currently reaching out to the Federal HR and payroll data community to seek feedback on the project approach. Please contact the HR LOB at HRLOB@opm.gov if you would like to participate.

Payroll Benchmarking Study

The HR LOB conducted Payroll Benchmarking studies in 2008, 2009, and 2011. These previous studies demonstrated the strong performance of the Federal payroll providers relative to industry benchmarks. In 2011, payroll providers' price per employee serviced was *37 percent* less expensive than industry standards, servicing ratio exceeded private industry servicing ratios by *30 percent*, and median cycle times for eW-2 distribution were *70 percent* faster than the industry median. The HR LOB will conduct a new study in 2013 to collect and analyze FY 2012 payroll data. Two new measures have been added to the 2013 study, and the Department of State will participate as a payroll provider for the first time. The Payroll Benchmarking data call will be distributed in February 2013. The HR LOB plans to

WORKSTREAM UPDATES

release the results of the 2013 Payroll Benchmarking study in May 2013.

Agency HR Benchmarking Study

The HR LOB conducted Agency HR Benchmarking studies in 2008 and 2010 with participation from a number of Multi-Agency Executive Strategy Committee (MAESC) agencies. The studies showed that mean costs per employee serviced decreased and servicing ratios increased between 2008 and 2010. In the 2013, the HR LOB is looking to expand the participation of Federal agencies in the study. Please contact the HR LOB at HRLOB@opm.gov if you are interested in participating in this study. We will continue to accept participation through October 2012. The Agency HR Benchmarking data call will be distributed to agencies in late October 2012, and a final report will be released in March 2013.

HR LOB Governance

The HR LOB held the August 21-22, 2012 SSCAC Tri-Annual Meeting in Indianapolis, IN. The two-day meeting was highlighted by presentations from Matt Perry, OPM CIO, on current OPM initiatives and challenges, Ray Kirk, OPM, on the current status of Retirement at OPM, and Tim Biggert, HR LOB, on the development of a government-wide HR data model. Additionally, the SSCAC participated in an in-depth discussion of the HR LOB Service Plan and Roadmap. The discussion focused on the role of the SSCs in accomplishing the goals set forth in the Roadmap.

The HR LOB hosted a MAESC principals only meeting on September 12, 2012. Each MAESC principal discussed their current agency projects and initiatives, challenges that they face, and how the HR LOB can assist them in addressing these challenges. The engagement of the HR LOB's stakeholder community continues to be a critical component of the initiative's success.

Please take time to review the "Upcoming Events" table below for a schedule of upcoming governance meetings.

UPCOMING EVENTS

DATE	EVENT
October 2, 2012	Human Resources Line of Business (HR LOB) Agency Forum
October 16, 2012	Shared Service Center Advisory Council (SSCAC) monthly conference call
November 6, 2012	Multi-Agency Executive Strategy Committee (MAESC) meeting
November 20, 2012	Shared Service Center Advisory Council (SSCAC) monthly conference call
December 11-12, 2012	Shared Service Center Advisory Council (SSCAC) Tri-Annual Meeting
January 8, 2013	Multi-Agency Executive Strategy Committee (MAESC) principals only meeting
January 15, 2013	Shared Service Center Advisory Council (SSCAC) monthly conference call

MIGRATION SCORECARD

The migration scorecard below shows the current migration status of the MAESC agencies to HR SSCs. As of the present date, three MAESC agencies have not selected or initiated a migration to an HR SSC. Currently, 99.2 percent of Federal agencies are serviced by a Federal payroll provider and 77.3 percent are serviced by or are in the process of migrating to a Federal HR SSC.

Agency Name	HR Migration Status
Department of Agriculture	In Progress
Department of Commerce	In Progress
Department of Defense	Complete
Department of Education	Complete
Department of Energy	Not Initiated
Department of Health and Human Services	Complete
Department of Homeland Security	In Progress
Department of Housing and Urban Development	Complete
Department of the Interior	Complete
Department of Justice	Not Initiated
Department of Labor	In Progress
Department of State	Not Initiated
Department of Transportation	Complete
Department of the Treasury	Complete
Department of Veterans Affairs	In Progress
Environmental Protection Agency	In Progress
General Services Administration	Complete
National Aeronautics and Space Administration	Complete
National Science Foundation	Complete
Office of Management and Budget	Complete
Office of Personnel Management	Complete
Social Security Administration	Complete
US Agency for International Development	Complete

Please see the following links for more information on:

- Migration Planning Guidance: www.opm.gov/egov/documents/MPG/index.asp

- Approved HR LOB SSCs: www.opm.gov/egov/about/partners/index.asp

- Exception Business Case Template: www.opm.gov/egov/documents/MPG/selectionguidance.asp

About The HR Line of Business

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

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

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

HR LOB Key Points of Contact

AREA	NAME	PHONE	EMAIL
OPM MAESC Co-Chair	Matt Perry	202-606-1416	Matthew.Perry@opm.gov
OMB MAESC Co-Chair	Andrew McMahon	202-395-7706	Andrew_S_McMahon@omb.eop.gov
Senior Advisor to CIO	Liz Mautner	202-606-1121	Elizabeth.Mautner@opm.gov
SSC Coordinator	Daniel McKay	202-606-1451	Daniel.McKay@opm.gov
Agency Coordinator	Anita Murray	202-606-4262	Anita.Murray@opm.gov
Administrative Issues	Linda Vera	202-606-4185	Linda.Vera@opm.gov

Human Resources Line of Business

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

Phone: 202-606-1800
Fax: 202-606-0530
E-mail: HRLOB@opm.gov

FOR MORE INFORMATION
VISIT US ON THE WEB:

WWW.OPM.GOV/EGOV