OFFICE OF PERSONNEL MANAGEMENT

HR LINE OF BUSINESS

ISSUE 36, SEPTEMBER 2009

E·GOV

HIGHLIGHTS

- Hosted the Multi-Agency Executive Strategy Committee (MAESC) meeting on September 1, 2009

- Hosted Provider Assessment workgroup meetings on September 2 and October 1, 2009

- Hosted E-Authentication workgroup meetings on September 9, 2009 and September 30, 2009

- Accomplished goals of e-Payroll initiative by completing migration of Department of Veterans Affairs (VA) payroll to Defense Finance and Accounting Service (DFAS) on September 13, 2009

- Hosted Customer Council meeting on September 16, 2009

- Submitted HR LOB FY 2011 Capital Asset Plan on September 18, 2009

REGGIE BROWN PROVIDES HR LOB UPDATES

The Federal HR community is delivering real, positive results that enhance HR service delivery, streamline operations, and achieve significant cost savings. On September 13, 2009, the final agency migration scheduled under the e-Payroll initiative was completed. The e-Payroll initiative has been a long and successful journey. Since 2002, the initiative has consolidated 26 Executive branch Federal Payroll providers into four at DFAS, GSA, NBC, and NFC. Among other benefits, this effort has resulted in significant savings by reducing operating costs and avoiding duplicative payroll systems across the Federal government. Further, this consolidation sets the stage for standardization and modernization of Federal payroll, which will bring further savings to the government.

Reggie Brown,
Director of Modernization and
HR Line of Business

To mark this key milestone and the success of e-Payroll, OPM and OMB will hold a celebration event on October 21, 2009 at OPM in the Campbell Auditorium. I am looking forward to celebrating the achievements of the e-Payroll initiative with those of you who played a critical role in making the initiative a success over the past seven years.

We continue to share our approaches to improving the delivery of HR solutions and our lessons learned with government colleagues from abroad. Recently, I have had the pleasure of briefing delegations from Canada, Iraq, and Sri Lanka on the HR LOB initiative's efforts to implement world-class HR solutions across Federal agencies. The feedback I received during these discussions has been overwhelmingly positive. I see it as a testament to our ability to work together as an initiative and make progress in spite of the significant challenges we all work to resolve every day. With the end of a productive FY 2009, I wish to thank our partner agencies for their active participation in the HR LOB activities and their continued focus on making the Federal Government more effective and efficient.

FY 2009 HR LOB ACCOMPLISHMENTS

Some of the major milestones the HR LOB achieved during FY 2009 include:

- Performed first-ever HR Benchmarking study of SSCs and agencies providing a snapshot of current HR operational performance and set a baseline of performance in 2009 against which to compare future progress.

- Developed the criteria and detailed process for the Provider Assessment program that meets the needs of both customers and providers.

- Updated the HR LOB Cost Benefit Analysis and established a new baseline for measuring cost savings and cost avoidance associated with the initiative.

- Completed version 1.0 of the *Integration Support Project* which provides the first-ever end-to-end integration view of governmentwide HR systems at OPM. Building on version 1.0 of the ISP, the HR LOB also launched an effort to address multiple feeds and redundant data, and enhance the user experience of OPM governmenwide systems.

- Established an E-Authentication workgroup to develop a standardized approach for implementing E-Authentication across agencies and governmentwide systems.

- Mapped HR LOB Target Requirements to the Service Component Model to provide customers and providers a common understanding of HR services that can serve as a basis for negotiating service-delivery expectations.

- Updated the Payroll Benchmarking study which continues to demonstrate the success of the four Federal e-Payroll providers when compared to industry benchmarks.

WORKSTREAM UPDATES

Provider Assessment

The HR LOB completed the develop phase of the Provider Assessment. The Provider Assessment customer workgroup met on September 2 and October 1, 2009 to finalize the detailed assessment process. The workgroup finalized the process based on SSCAC recommendations to replace customer interviews with customer surveys to reduce customer burden and compress the time frame for completing the first full cycle of assessments. The customer workgroup will present their recommendations to the Customer Council on October 15, 2009 for approval. The HR LOB will deliver a complete briefing of the detailed assessment process to the MAESC on November 3, 2009.

Integration Support Project

The HR LOB continues to collaborate with organizations throughout OPM to understand their initiatives and efforts to make their systems and applications integrated and interoperable. The goal is to map governmentwide OPM systems in terms of their interrelationships and opportunities for integration. The HR LOB continues to meet with OPM system owners to inform them about the Integration Support Project and to establish the project governance.

The E-Authentication workgroup continues to meet to develop a unified approach for enabling agencies to consistently implement E-Authentication for governmentwide systems that are managed outside of the agency. This standardized approach for implementing E-Authentication across agencies and governmentwide systems will be forwarded to the CIO Council for possible adoption as a governmentwide standard. The workgroup continues to work closely with the Identity, Credential, and Access Management (ICAM) sub-group of the CIO Council to achieve this goal. The next workgroup meeting is scheduled for October 14, 2009.

WORKSTREAM UPDATES

Cost-Benefit Analysis

The HR LOB completed the effort to update its Cost-Benefit Analysis (CBA). The updated CBA presents a status quo and migration scenario for each agency. Using these scenarios, the CBA calculates the cost savings and avoidance that will be realized across the government as a result of the HR LOB initiative and agency migration of core HR IT and payroll services to an HR LOB SSC or Payroll provider. By the end of FY 2015, the HR LOB is projected to generate over $1.3 billon in total cost savings and avoidance for the government. After FY 2015, the HR LOB is expected to generate over $200 million in cost savings annually. The HR LOB will publish a report documenting its detailed methodology and findings and continue to track savings against this baseline established by the updated CBA moving forward.

HR Benchmarking

The HR LOB is finalizing the HR Benchmarking study. When complete, the HR LOB will distribute individual HR benchmarking reports to the participating agencies and SSCs. The MAESC will receive one HR Benchmarking report including agency Federal aggregates and narrative descriptions for all participating agencies and another HR Benchmarking report including SSC Federal aggregates and narrative descriptions for all participating SSCs.

The HR LOB will conduct a second HR benchmarking study in FY 2010 to build upon and expand the initial study done this past year. In FY 2011, the HR LOB plans to analyze the FY 2010 results from the HR benchmarking study for best practices at agencies and SSCs.

Payroll Benchmarking

The HR LOB is finalizing the 2009 Payroll Benchmarking report, which will include the process description, results, and Federal aggregates from the Payroll benchmarking study. The results from the report were presented to the MAESC at the September 2009 MAESC meeting. In FY 2010, the HR LOB will reconvene the Payroll benchmarking workgroup to analyze the Payroll benchmarking data. Additionally, the workgroup will meet as necessary to review and/or update measures over time to build a more complete picture of payroll-related performance across the government.

UPCOMING EVENTS

DATE	EVENT
October 14, 2009	E-Authentication workgroup meeting
October 15, 2009	Customer Council meeting
October 21, 2009	E-Payroll Celebration
October 28, 2009	E-Authentication workgroup meeting
November 3, 2009	Multi-Agency Executive Strategy Committee (MAESC) meeting
November 18, 2009	Customer Council meeting
December 2-4, 2009	Shared Service Center Advisory Council conference
December 10, 2009	Multi-Agency Executive Strategy Committee (MAESC) meeting (*1:30 pm start time*)

About The HR Line Of Business

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

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

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

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