

A New Day for the Civil Service

U.S. Office of Personnel Management
Human Resources Line of Business

Federal Human Resources Process Model

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UNITED STATES OFFICE OF PERSONNEL MANAGEMENT



Federal Human Resources Process Model

Agenda

- OPM Overview
- The Role of the HR LOB in Process Standardization
- HR LOB Business Reference Model (BRM)
- Practical Application of the BRM
- Business Value of Process Standardization



U.S. Office of Personnel Management

Mission, Vision and Overview

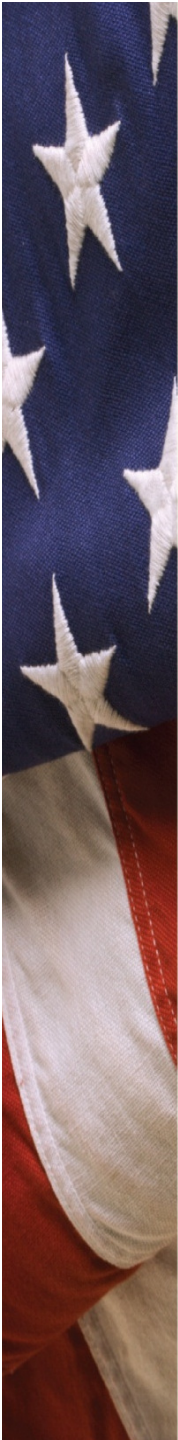
OPM Mission

Recruit, retain and honor a world-class workforce to serve the American people

OPM Vision

The Federal government will become America's model employer for the 21st century

- Central human resources agency for the Federal government:
 - HR advice and leadership
 - HR policy
 - Agency oversight
 - Merit system principles
- HR products and services to agencies on a reimbursable basis
- Direct services to Federal employees



U.S. Office of Personnel Management

Strategic Goals

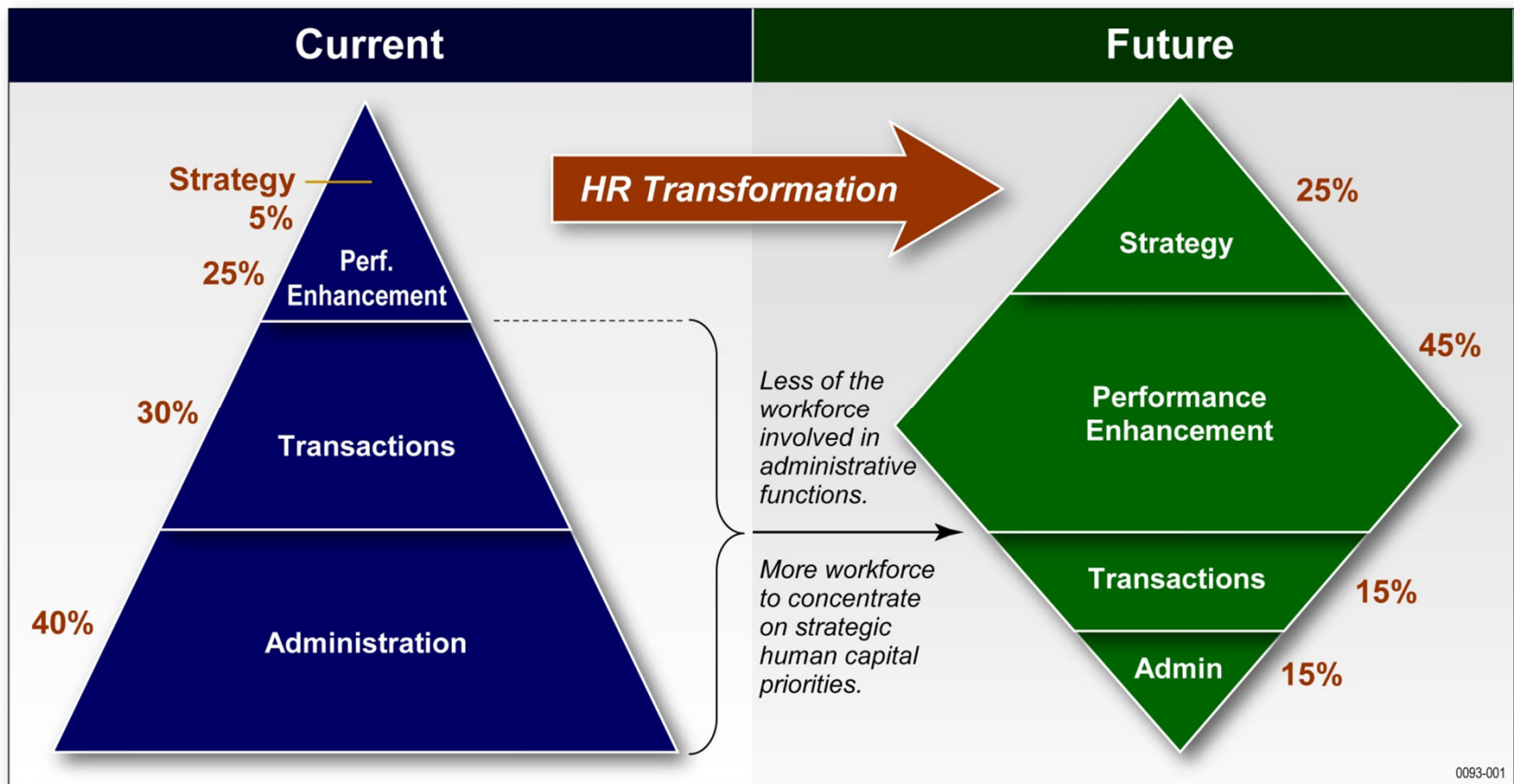
OPM's Strategic Plan 2010-2015 describes OPM's four strategic goals, which parallel the lifecycle of a Federal employee and have been designed to help OPM achieve its mission

Strategic Goal:	Goal Statement:
<i>Hire the Best</i>	Recruit and hire the most talented and diverse Federal workforce possible to serve the American people
<i>Respect the Workforce</i>	Provide the training, benefits, and work-life balance necessary for Federal employees to succeed, prosper, and advance in their careers
<i>Expect the Best</i>	Ensure the Federal workforce and its leaders are fully accountable and are fairly appraised while having the tools, systems, and resources to perform at the highest levels to achieve superior results
<i>Honor Service</i>	Ensure comparable recognition and reward for exemplary performance of current employees and honor the careers of Federal retirees

Human Resources Line of Business

The Push for Transformation

A major transformation is needed to enable HR staff to focus on strategic management of human resources and move away from the tasks that are administrative in nature





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Human Resources Line of Business

Vision and Goals

Vision: Governmentwide, modern, cost-effective, standardized and interoperable HR solutions providing common, core functionality to support the strategic management of human resources

- Goals:**
- Achieve or increase operational efficiencies in the acquisition, development, implementation and operation of human resources management systems
 - Achieve or increase cost savings/avoidance from human resource solution activities
 - Improve customer service
 - Improve the Governmentwide strategic management of human resources



Human Resources Line of Business

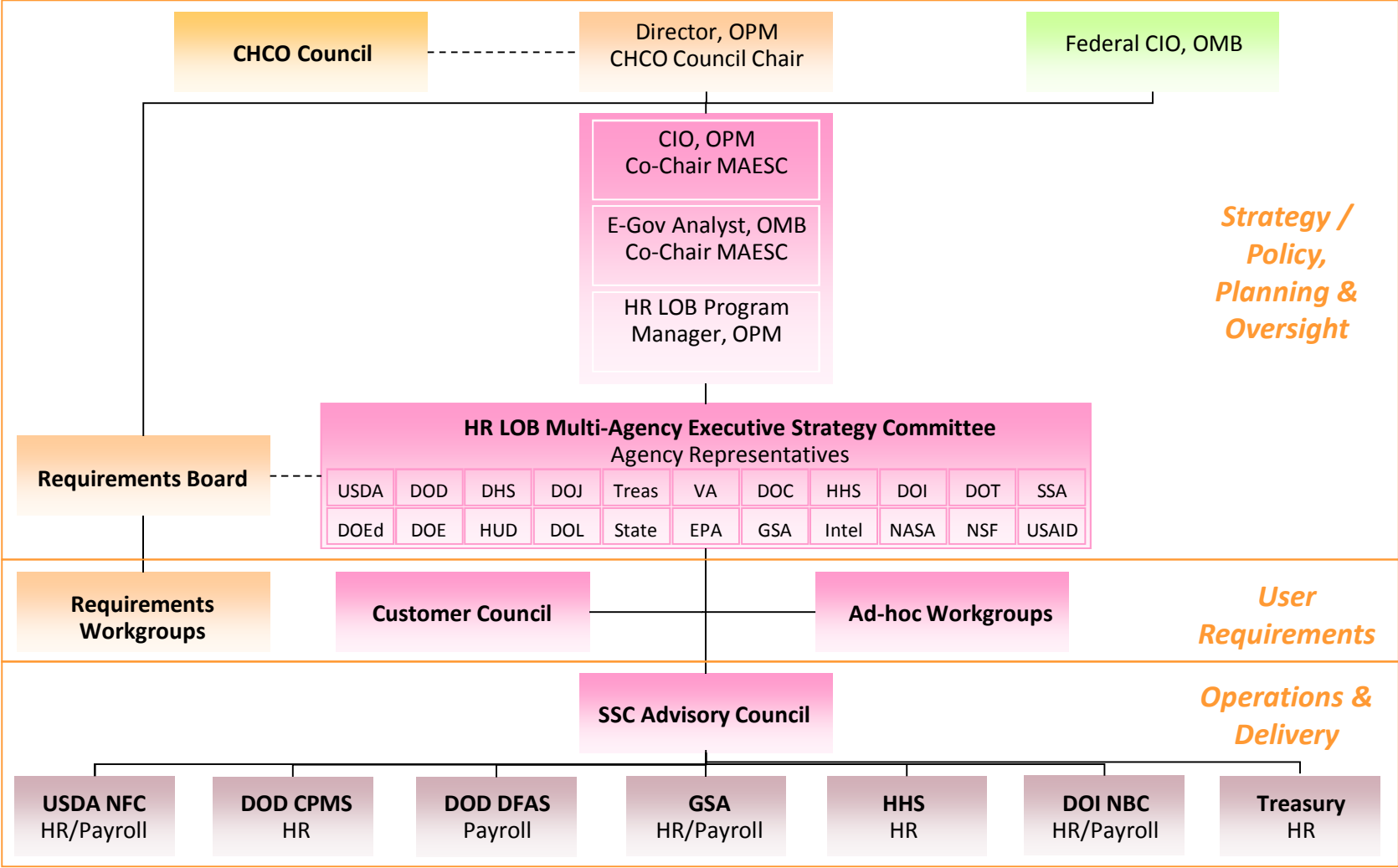
HR LOB's Focus and Role

- Support agencies' selection of and migration to Shared Service Centers (SSCs)
- Monitor SSC capability
- Support SSC modernization and service enhancement efforts
- Support OMB's plan for IT Reform
- Focus stakeholders on achieving the projected \$1.3 billion HR LOB business case



Business Value of the BRM

HR LOB Governance & Stakeholders





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HR LOB Business Reference Model

Drivers for Model Development

- **Lack of process standardization across the Federal government** – each agency had a different understanding of, and definitions for HR processes, activities, inputs, and outputs
- **Effort to centralize the HR function** – bring the Federal HR community together under the auspices of the new HR LOB governance structure
- **Different levels of automation** – some agencies operated with a high degree of automation for their HR operations while others operated largely manually



HR LOB Business Reference Model BRM Development Methodology

<i>Session 1</i>	<i># Participants</i>	<i># Agencies Represented</i>
Business Reference Model v1	271	33

The BRM was validated through a two-part process

1. The first validation occurred through a series of workshops attended by Federal agency HR SMEs that took place from September through December 2004
 - validated the process diagrams in detail
 - devolved the sub-functions and documented processes and activities
 - documented the inter-relationships between processes, sub-functions and other lines of business
 - validated process definitions, inputs and outputs
 - produced an end-to-end view of the HR LOB processes using the HR Life Cycle as a framework
 - identified current agency process-enabling technology



HR LOB Business Reference Model BRM Development Methodology

<i>Session 2</i>	<i># Participants</i>	<i># Agencies Represented</i>
Business Reference Model v2	47	14

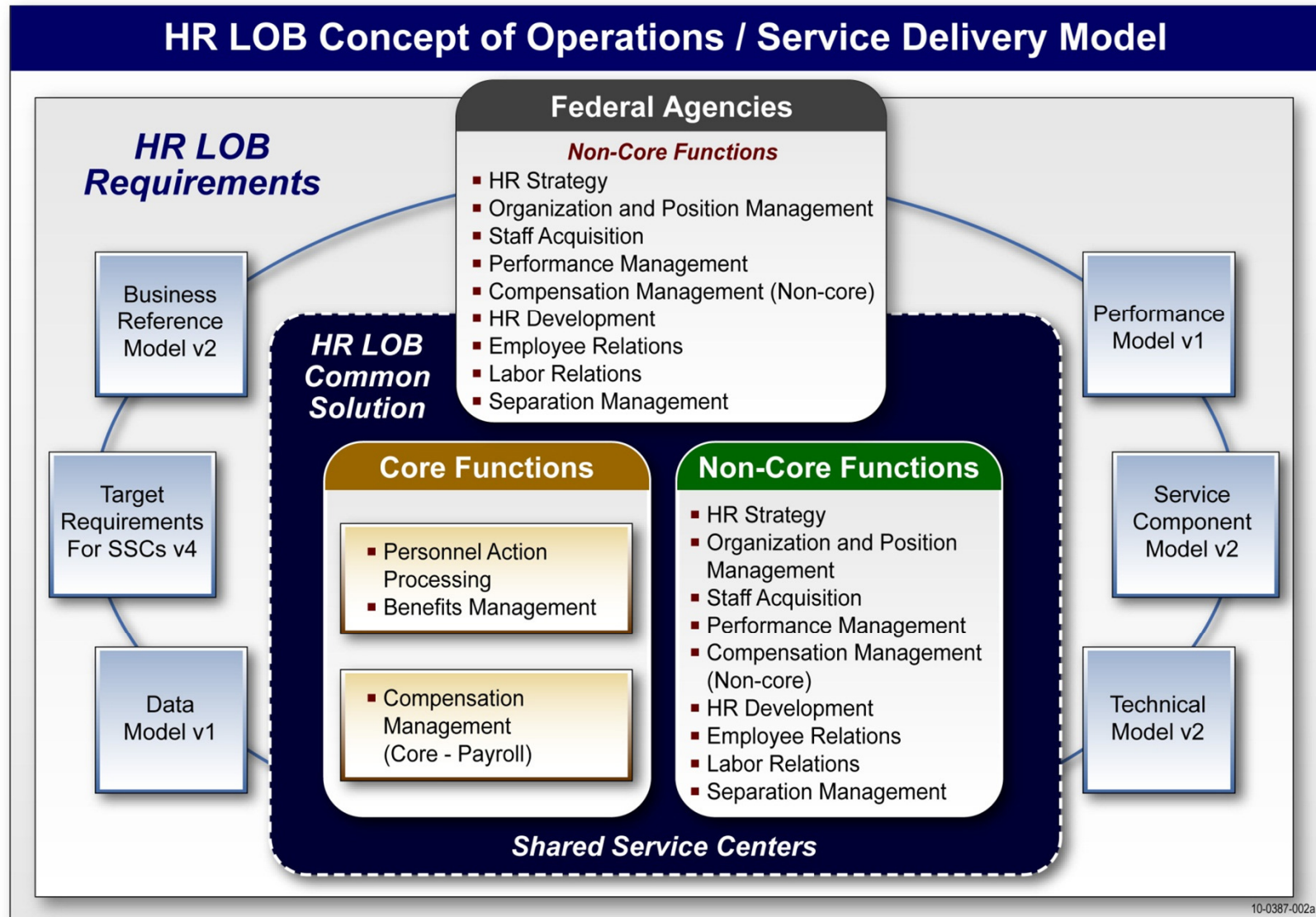
The BRM was validated through a two-part process

2. The second validation occurred through another series of workshops attended by Federal agency HR SMEs that took place from October and November, 2005
 - reviewed process diagrams and dictionaries for completeness and correctness
 - gave consideration to recommendations received prior to the workshop
 - considered the business process implications of topics that surfaced during the end-to-end walkthrough

The results were later used in the development of downstream Enterprise Architecture artifacts

HR LOB Business Reference Model

Concept of Operations – Functional View





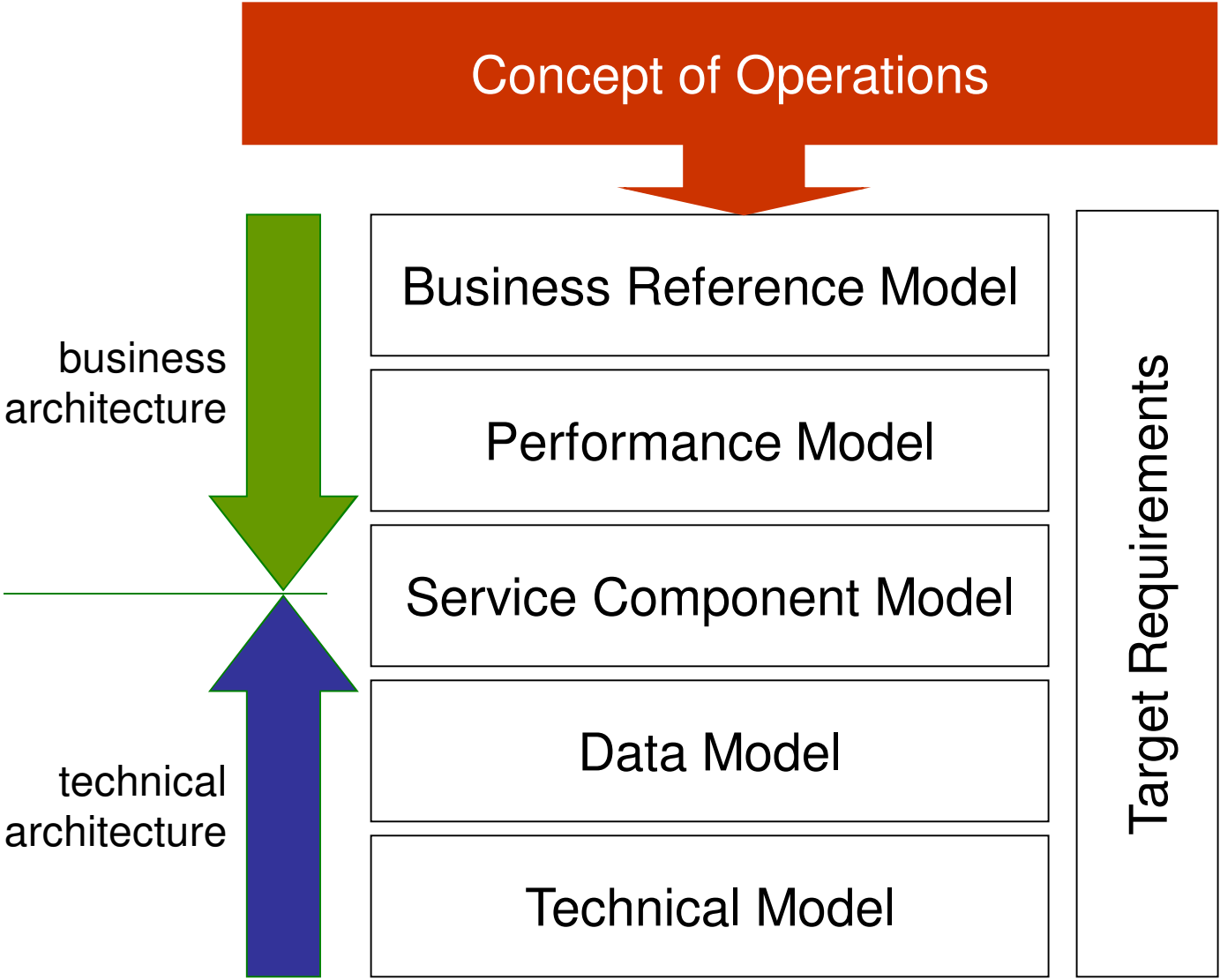
HR LOB Business Reference Model

Concept of Operations – Two Dimensions

Dimensions	
Common Solutions	<ul style="list-style-type: none">▪ Utilize shared service centers▪ Achieve economies of scale▪ Address distinct business improvements that have a direct impact on HR LOB performance goals
Standardization	Developed through a set of common and repeatable processes and tools that are compliant with the Federal Enterprise Architecture guidance
Outcomes	
Reusability	The ability to utilize a business asset in more than one context – by multiple organizations or across multiple processes
Interoperability	The ability to exchange assets for like assets without undue impact

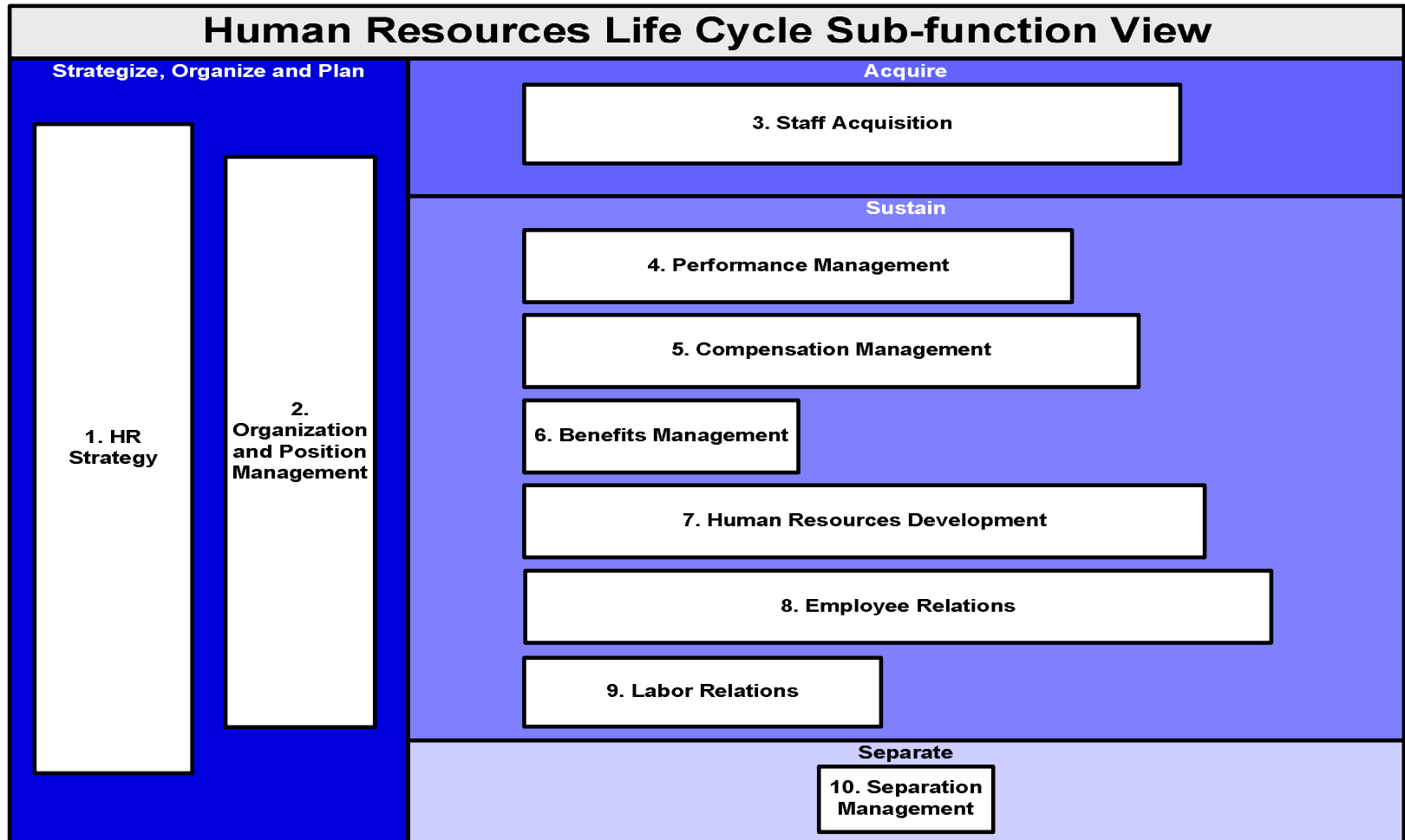
HR LOB Business Reference Model

Enterprise Architecture



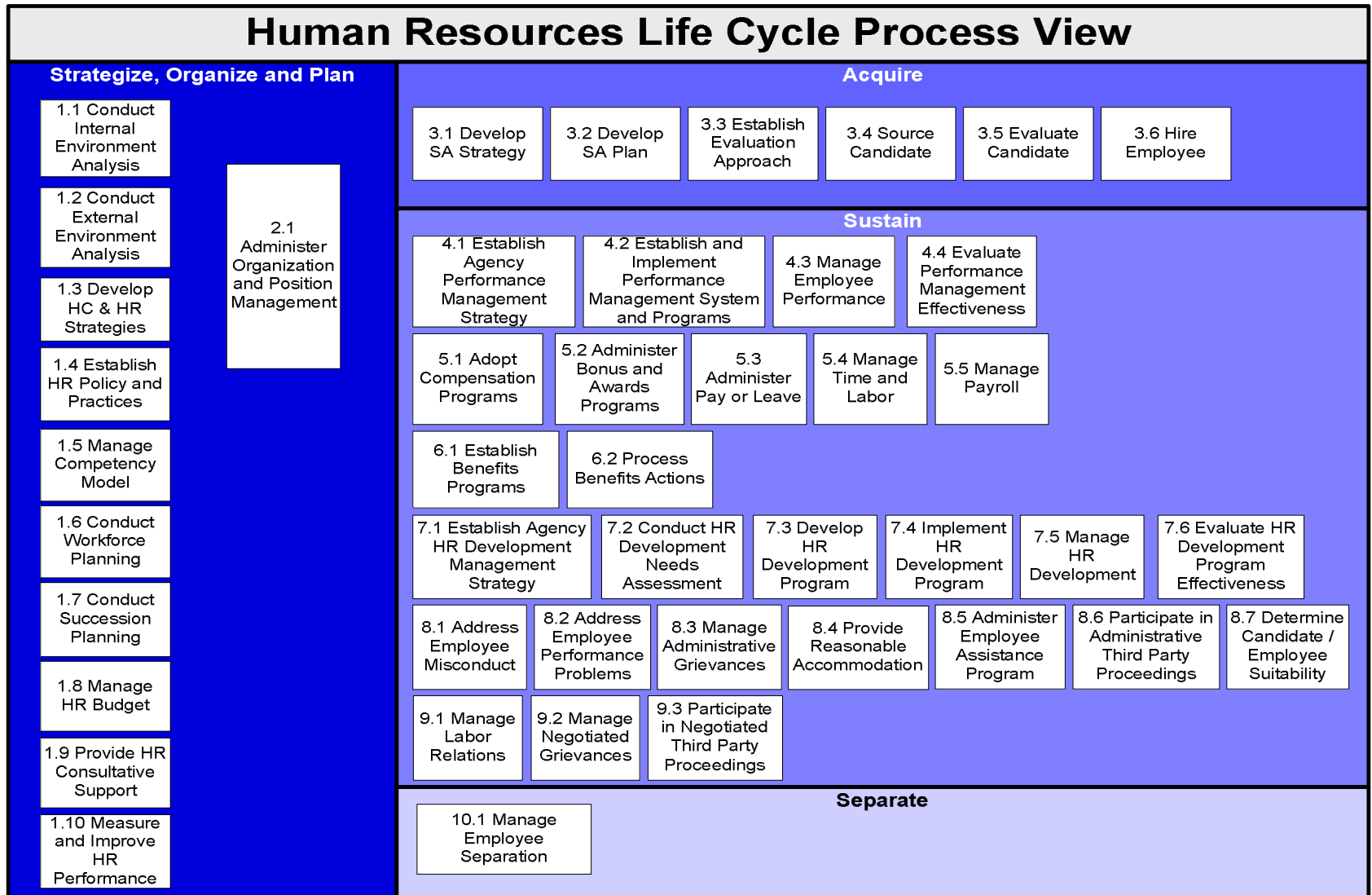
HR LOB Business Reference Module

Sub-function View



HR LOB Business Reference Module

Process View



HR LOB Business Reference Module

Process Dictionary

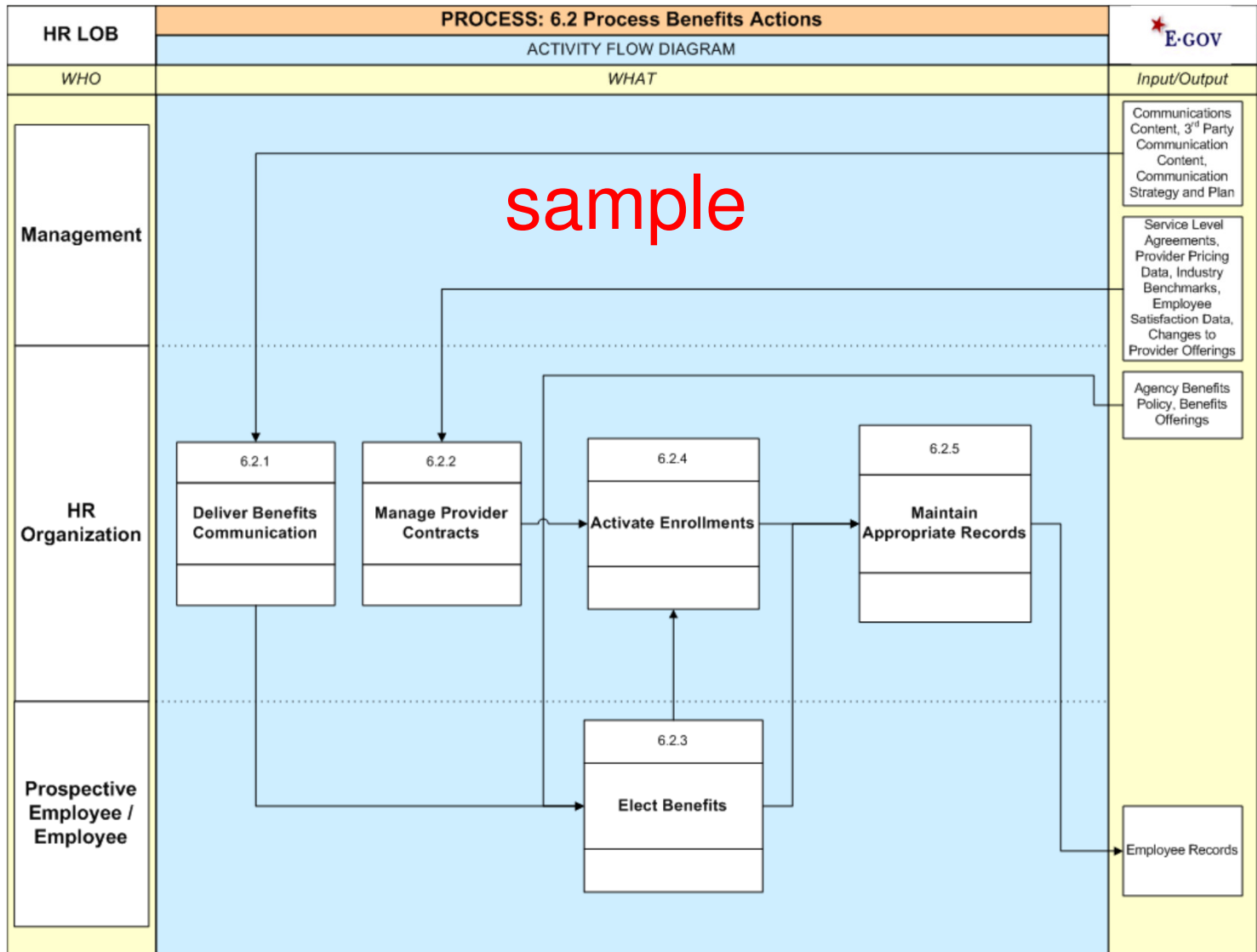
Process	6.2 Process Benefit Action	
ID	Activity Name	Activity Definition
6.2.1	Deliver Benefits Communication Role: HR Organization	Inputs: Communication Content, Third Party Communication Content, Communication Strategy and Plan Make benefits communication content available via various media (e.g., websites, brochures, one on one counseling) Outputs: Communication Materials
6.2.2	Manage Provider Contracts Role: HR Organization	Inputs: Service Level Agreements, Provider Pricing Data, Industry Benchmarks, Employee Satisfaction Data, Changes to Provider Offerings Provide benefits data to external and internal benefits providers. Monitor service levels and price with providers. Track performance over time. Renegotiate Service Level Agreements as necessary. Outputs: Benefits Provider Performance Results, Revised Benefits Provider Service Level Agreement

sample



HR LOB Business Reference Module

Activity Flow Diagram





Federal Human Resources Process Model

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- Business Value of Process Standardization



Practical Application of the BRM Target Requirements for Shared Service Centers (SSCs)

For each BRM sub-function, a set of *Target Requirements for Shared Service Centers* was compiled

- Requirements set expectations about how SSCs should support the sub-function
- 1,200 requirements were compiled for the core and non-core areas. Core areas are Compensation Management, Benefits Management, and Personnel Action Processing
- Each requirement was given a priority designation: Mandatory, Critical, or Useful
- Each requirement was also given a role designation: *SSC only* or *SSC / Agency*

Practical Application of the BRM Target Requirements for SSCs

Target Requirement

BEN098

[Back to top](#)

Description: Model and calculate estimated benefits payments.

Type: Technology

Priority: Critical

Who: Shared Service Center

Primary Reference: HR Policy

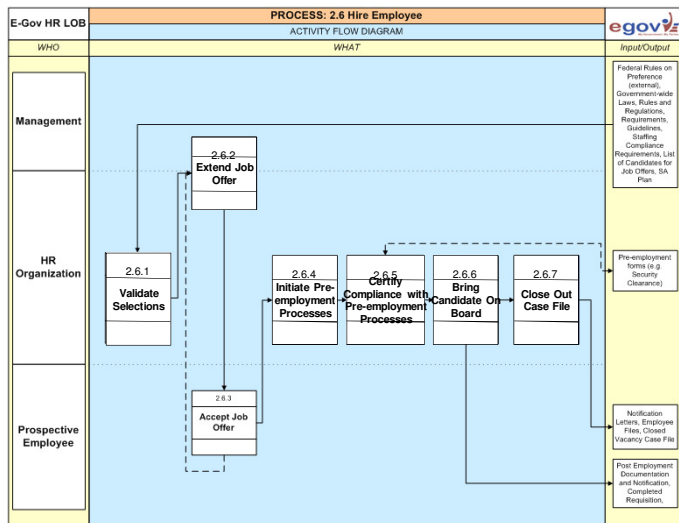
● **Activities (2):**

ActivityId	Activity	Process	Sub Function
6.1.4	Create Benefits Communications Approach and Content	Establish Benefits Programs	Benefits Management
6.2.1	Deliver Benefits Communication	Process Benefits Actions	Benefits Management

Business Processes from BRM

Practical Application of the BRM

Target Requirements for SSCs



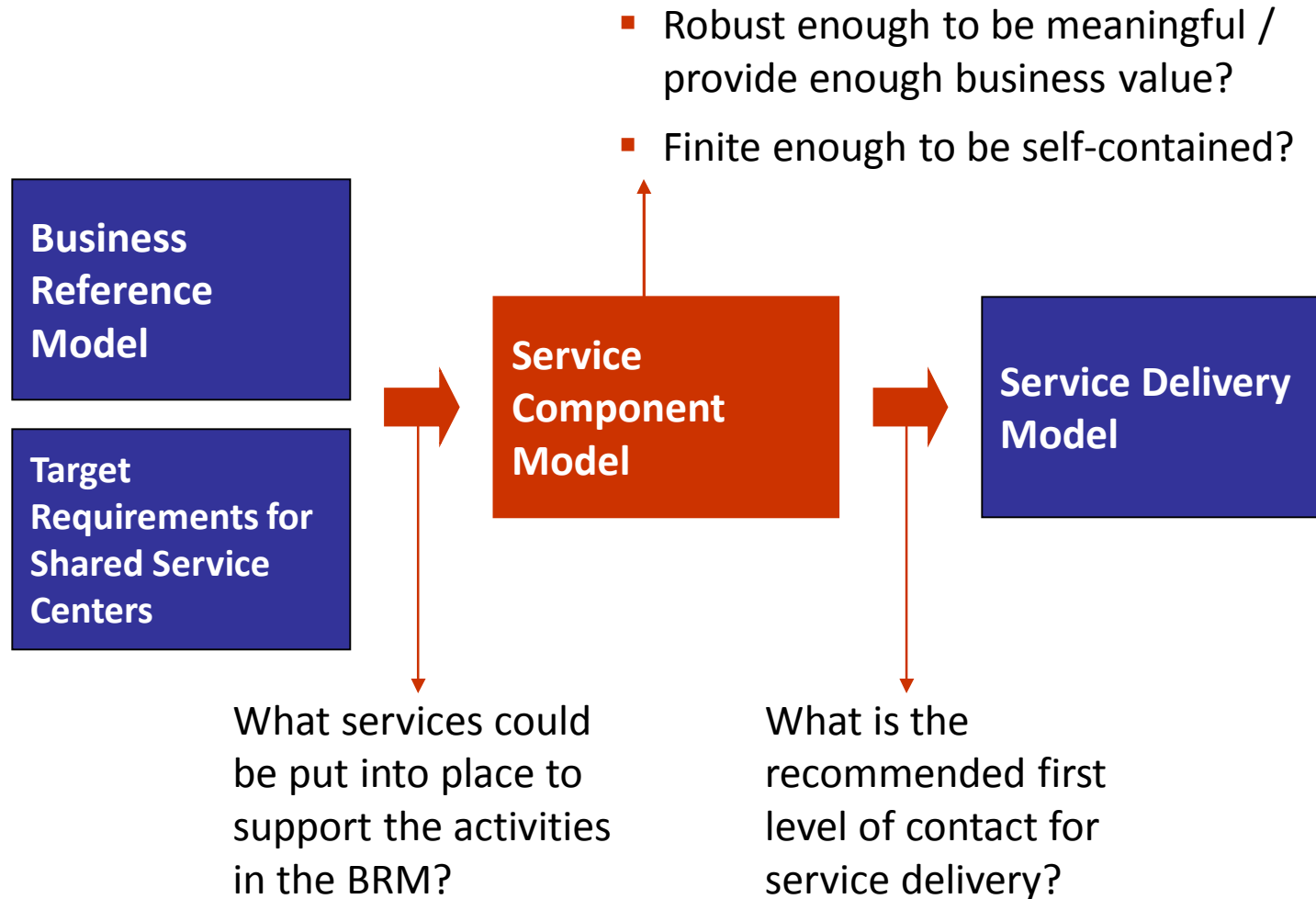
Target Requirements					
101	Collect all data and information, and process personnel actions in accordance with the Guide to Processing Personnel Actions published by DPM	Policy	Mandatory		
102	The appointing officer makes final pre-appointment determinations regarding citizenship, veterans' preferences, minimum and maximum age limits (where appropriate), suitability, qualifying experience and education.	Policy	Mandatory		
103	Collect all data in the format required by the Guide to HR Data Standards published by DPM	Policy	Mandatory		
104	Utilize automated workflow to route of electronic personnel action through pre-determined levels of approval based on role and independent of organization or location	Technical	Critical		
105	Edit all data in accordance with the Guide to HR Data Edits published by DPM	Policy	Mandatory		
106	Make system changes to edit data based on changes in the Guide to HR Data Edits within 30 days of publication	Performance	Critical		

Downstream Use –

1. SSC self-assessments against requirements
2. Agency selection of a service provider
3. Designing future solution specifications

Practical Application of the BRM

Service Component Model





Practical Application of the BRM

Service Component Model

Human Resources

- Payroll Processing
- Payroll Reporting
- Time and Attendance
- Manager Self-service
- Employee Self-service
- Pay Administration
- Benefits Counseling
- Benefits Processing
- Benefits Reporting
- Personnel Action Processing
- Position Classification
- Recruiting
- Application Management
- Learning Administration
- Workers Compensation
- Health and Fitness
- Unemployment Compensation

Human Capital Management

- Competency Management
- Succession Planning
- Workforce Planning
- Workforce Reshaping
- Organization Design
- Position Management
- Assessment Model
- Staffing
- Career Development Planning
- HRD Needs Assessment
- HRD Program Development
- Education / Training Delivery
- Human Capital Program Review and Assessment
- Performance Management
- Employee Relations
- Labor Relations

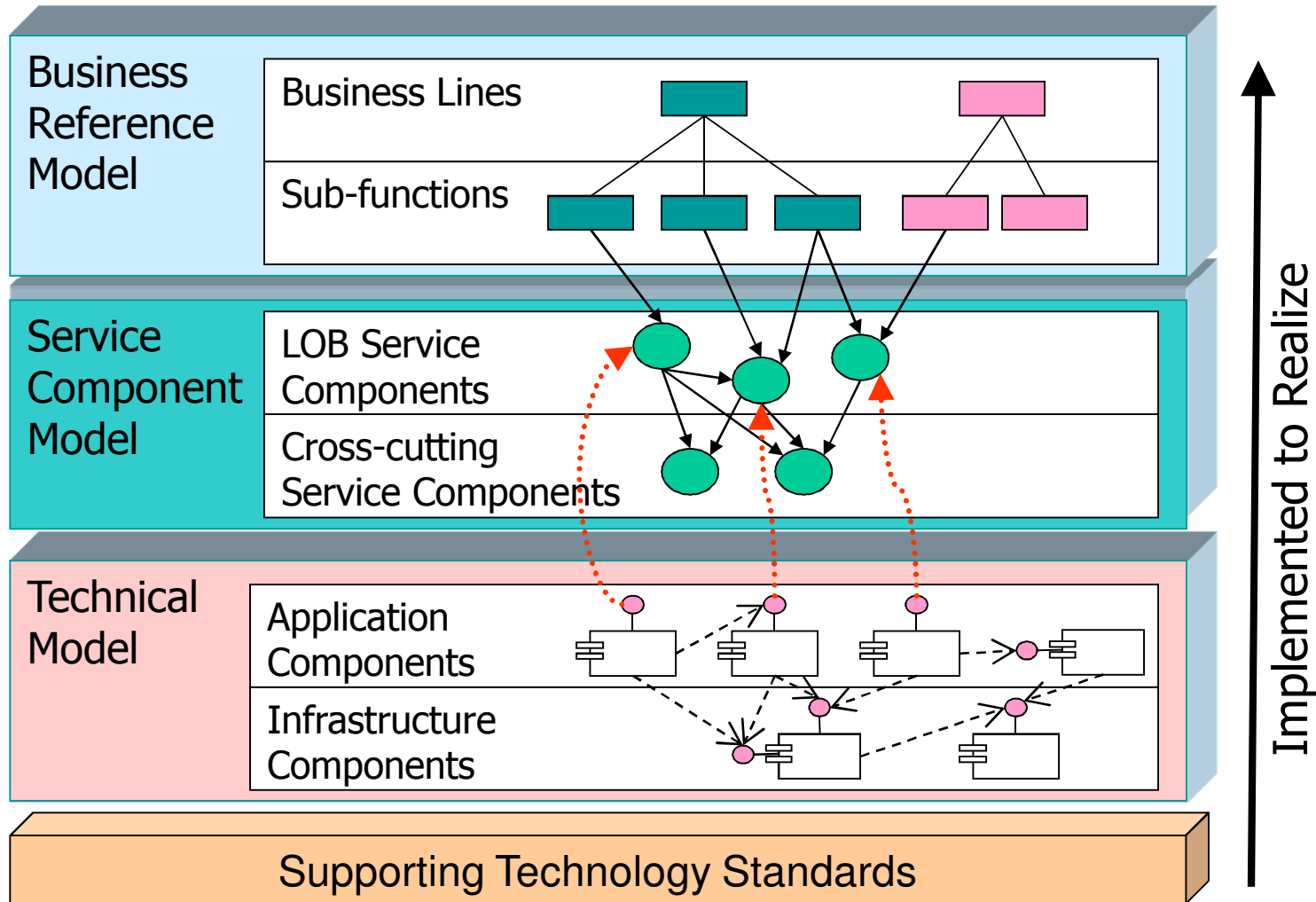
Practical Application of the BRM Service Delivery Model

Service Domain	Service Type	Service Component	HR Executive	Executive	Manager	Active Employee	Other Employees	Prospective Employee	HR Staff	Other Govt. Staff	Government Agency	External Vendor/ Org	Former Employee	Retiree	Family Member	
Back Office Services	Human Resources	Payroll Processing							0	0	0	0				
		Payroll Reporting	0		0	0	0		0	0	0	0	1	1	1	
		Time and Attendance			0	0	0		0	0	0					
		Manager Self Service			0											
		Employee Self Service				0	0		0				0	0		
		Pay Administration	3		1	1	1		1							
		Benefits Counseling	2		1	0	0		0				0	0	0	
		Benefits Processing	0						0	0	0	0	0	1	1	1
		Benefits Reporting	0						0	0	0	0	0	1	1	1
		Personnel Action Processing							0	0						
		Position Classification	2	3	0	0		0	0	0	0	0	0	1	1	
		Recruiting	2	2	2	0	0	0	0	0						
		Application Management	0	0	0	0	0	0	0	0						
		Staffing	2	2	2	0	0	0	0	0						
		Assessment Model	2	2	2					0						
		Education / Training Delivery				0										0
		Learning Administration	2	2	1	0	0			1	0					0
	Career Development Planning	2	2	2	0	0			2							
	Workers Compensation	2	2	2	1	1			2	2	2		1	1	1	
	Health and Fitness	2	2	2	1	1	1		2	2			1	1		
	Unemployment Compensation	2		2	0				2	2			0	0		
	Human Capital Management	Competency Management	3	3	2					2						
Workforce Reshaping		2	2	2					2							
Succession Planning		3	3	2					2							
Workforce Planning		3	3	2					2							
Organization Design		2	3	2					0							
Position Management		2	3	2					0	0						
HRD Needs Assessment		2	2	2					2							
HRD Program Development		2	2	2	2				2							
Human Capital Program Review and Assessment		2	0	0					2		0					

Direct Access **0** Call Center **1** Subject Matter Expert **2** Decision Maker **3**

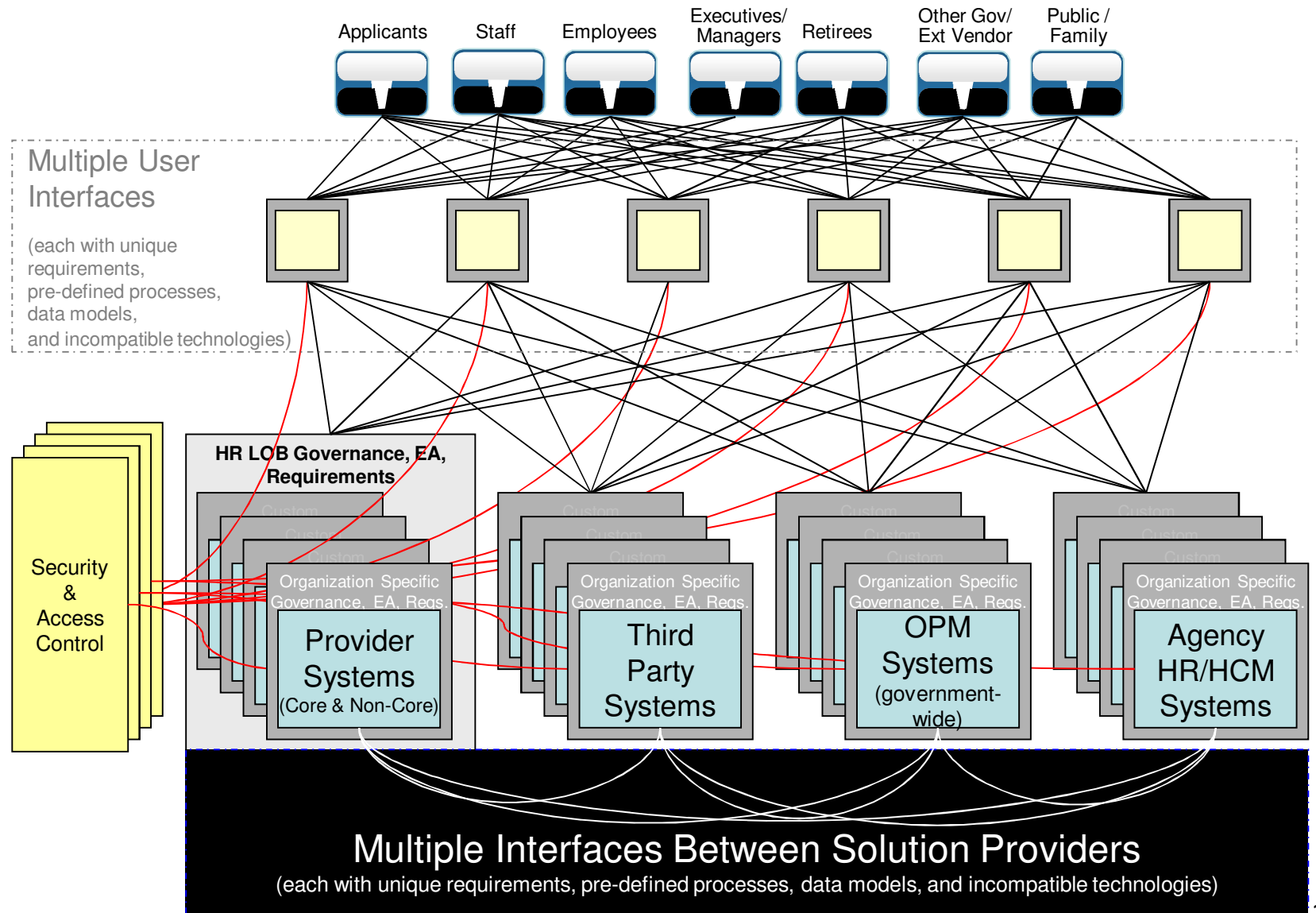
Practical Application of the BRM

Technical Model



Business Value of Enterprise Architecture

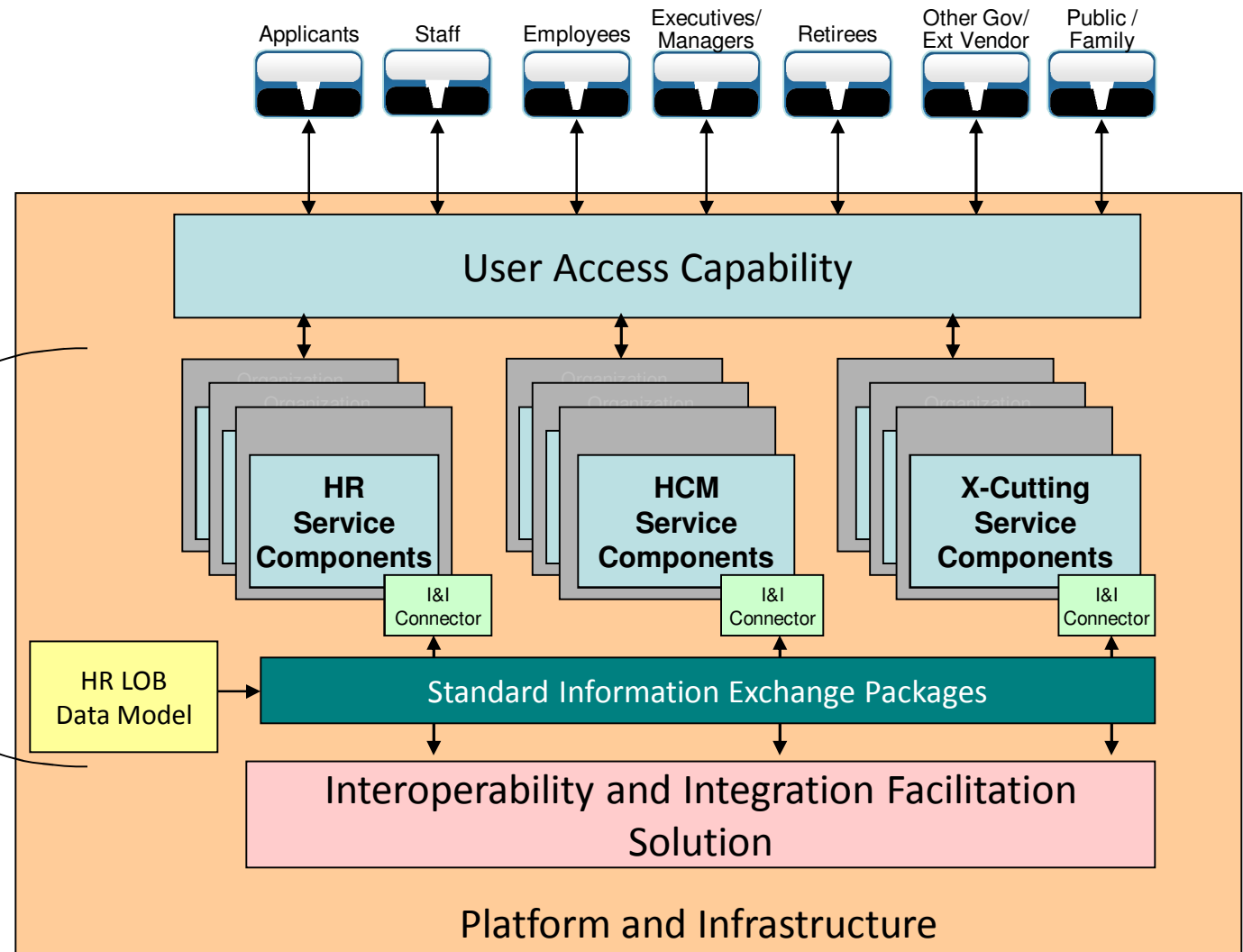
Conceptual Solution Architecture – As-is View



Business Value of Enterprise Architecture

Conceptual Solution Architecture – To-be View

*EA-driven
Target
Architecture*





Federal Human Resources Process Model

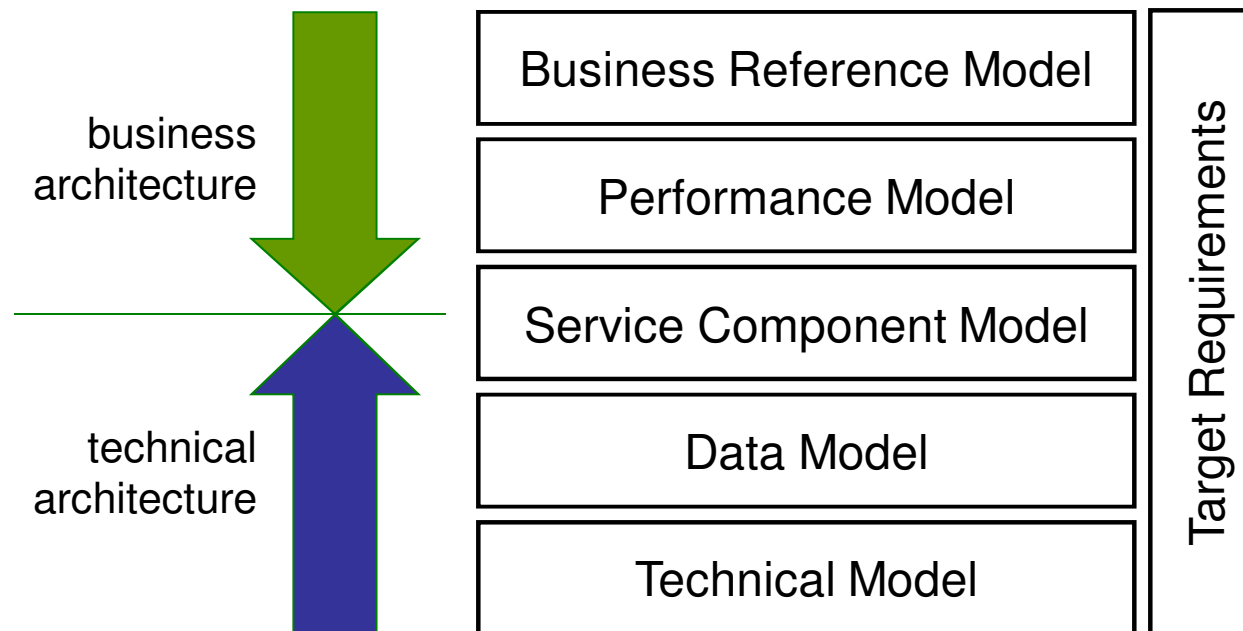
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Business Value of Enterprise Architecture

EA is the Basis for Transformation

Any business transformation effort requires a common foundation:
a common view of the business and a common vocabulary for
talking about that view





Human Resources Line of Business

EA Enables Achievement of Significant Cost Savings

COST AVOIDANCE:
Acquiring fewer
systems

+

COST SAVINGS:
Operating fewer
systems

=

\$1,373,000,000

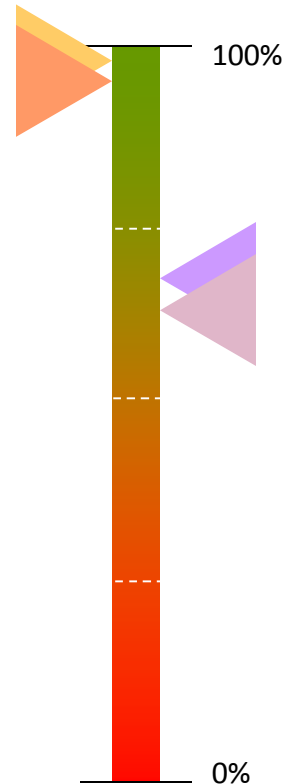
Source: 2009 HR LOB Cost Benefit Analysis

Business Value of Enterprise Architecture

Increasing Agency Alignment

Total Number of Federal Employees	2,113,980
Total Number of Federal Agencies	368

Agency Servicing by an SSC Payroll Provider		
Number of Employees	2,102,035	99.43%
Number of Agencies	363	98.64%

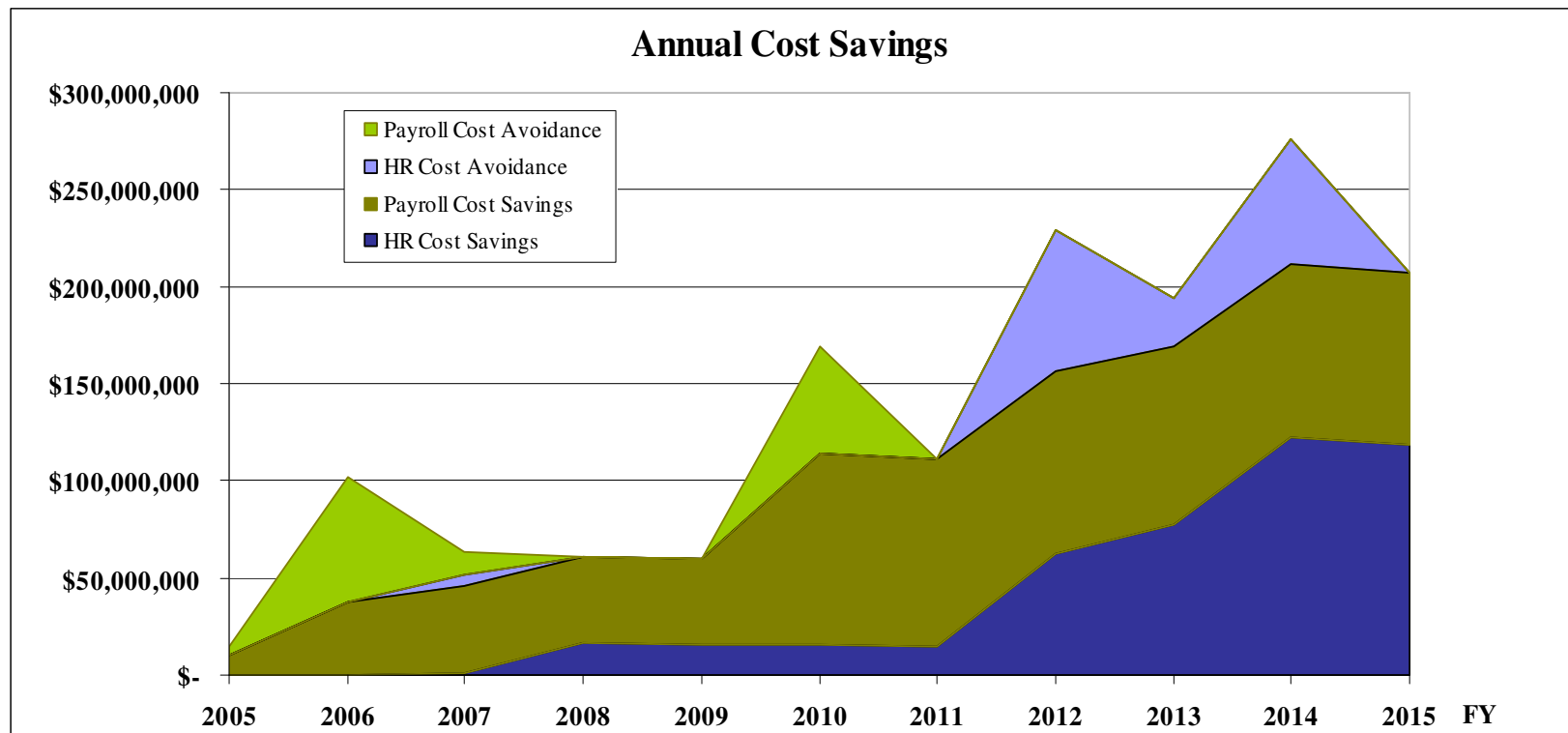


Agency Servicing by an SSC HR Provider		
Number of Employees	1,408,663	66.64%
Number of Agencies	222	60.33%

Human Resources Line of Business

Realization of Significant Cost Saving Opportunities

Annual Cost Savings Through FY 2015



- Annual payroll cost savings peaks at almost \$100 million in FY 2010 with the completion of the e-Payroll migrations
- Annual HR cost savings peaks at almost \$120 million in FY 2014 when it is estimated that HR migrations will be complete



Business Value of Enterprise Architecture

Use of The Business Reference Model

- Selection of Shared Service Centers – public & private
- Agency SSC selection and migration
- HR and Payroll benchmarking studies
- Agency HR process and organization design
- HR target conceptual solution architecture



Thank you