

# Cross Agency Priority Goal

## Quarterly Progress Update

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### **Benchmark and Improve Mission-Support Operations**

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FY2015 Quarter 3

# Overview: Mission-Support Benchmarking

## Goal Statement

- Improve administrative efficiency and increase the adoption of effective management practices by establishing cost, quality, and customer satisfaction benchmarks for mission-support operations, giving agency decision makers better data to set priorities, allocate resources, and improve processes.

## Urgency

- Federal agencies lack a complete set of tools and reliable data to measure their performance in key administrative areas. This discourages agency executives from taking necessary steps to reduce costs, efficiently deploy resources, and improve quality of service.
- Agencies are often hesitant to adopt shared services for mission-support functions without “apples-to-apples” data that allows them to compare options, quantify potential savings, and ensure equal (or better) service quality.
- Finally, the absence of government-wide benchmarks can hamper the identification and sharing of effective management practices, because OMB and agencies lack full visibility into which agencies or shared service providers are the top performers in a given function.

## Vision

- The benchmarking initiative will result in markedly higher efficiency and better performance from Federal mission-support functions, and identify opportunities to apply private sector standards where appropriate.
- The effort will encompass five administrative functions – acquisition, financial management, human capital, IT management, and real property – at major bureaus/components within the 24 CFO Act Federal agencies. Lessons and best practices will be shared with all agencies and applied where the greatest benefits will be realized.

# Progress update

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- In Q3 2015, the General Services Administration (GSA) and the Office of Management and Budget (OMB) partnered with all 24 CFO Act agencies to complete collection of the second round of Efficiency benchmarks and the first round of Effectiveness benchmarks. In all, there are 40 cost/efficiency measures and more than 30 quality measures spanning five mission-support functions.
- To gather feedback from the internal customers of agency mission-support functions, GSA conducted an extensive customer satisfaction survey which yielded more than 23,000 detailed responses from supervisors and executives across agencies. This represents a 17.3% overall response rate, with many agencies achieving response rates of 30% or greater. The results provide insight into customer perceptions of the importance and effectiveness of 25 different service areas provided by the Contracting, Human Capital, Finance and IT functions.
- GSA and OMB worked closely with agency CxOs and their teams to validate all of the data collected, conduct analysis and design visual representations to best enable agencies to interpret the results. The availability of cost, quality and customer satisfaction benchmarks provides CxOs and agency leadership with a comprehensive view of mission-support performance, including the relationship between expenditures and service quality.
- Each agency was provided with a detailed report on their benchmarking results, enabling CxOs to compare their mission-support performance to peer agencies, compare their own components against one another, and to components across government.
- Agencies and OMB used the benchmarking reports as a key input to data-driven FedStat meetings in Q3 2015. FedStat meetings brought together senior officials from OMB and GSA with each CFO Act agency's leadership to examine key mission-support challenges and determine solutions. 23 Agency FedStat meetings were completed and OMB issued follow-up memos to each agency to provide support and track progress against action items.

# Action Plan Summary

Sub-Goal	Actions to Achieve Impact	Key Indicators
Reduce administrative costs and improve service quality in <b>acquisition functions</b>	<ul style="list-style-type: none"> <li>• Workgroups for each function refine original set of Efficiency metrics and select Effectiveness metrics to measure service quality and customer satisfaction with mission-support functions</li> <li>• GSA, OMB and OPM collect and validate Round 1 of Effectiveness metrics (including customer satisfaction survey responses) and Round 2 of Efficiency metrics</li> <li>• Finance, HR and IT Management workgroups collect operational quality metrics and customer satisfaction measures from Federal shared service providers, to inform agency decisions on shared services adoption</li> <li>• GSA updates government-wide benchmarks website with data collected in early 2015, including new user functionalities to analyze and chart cost, quality and customer satisfaction measures.</li> <li>• GSA and OMB develop customized benchmark findings for each agency and incorporate them into high-level management assessment meetings for agencies to identify priority actions</li> <li>• OMB, GSA and OPM work with CxO Councils to review Effectiveness and Efficiency benchmark results for each function, identify the drivers of top performance and share leading practices government-wide</li> </ul>	<ul style="list-style-type: none"> <li>• % of agencies contributing data within each of the five functions</li> <li>• % of bureaus/components contributing all data within each of the five functions*</li> <li>• % of CFO Act agencies participating in benchmarking evaluation meetings with OMB/GSA*</li> <li>• Overall % of metrics data collected within each of the five functions</li> <li>• Overall % of metrics data collected across all five functions</li> </ul>
Reduce administrative costs, improve service quality, and increase use of shared services in <b>finance functions</b>		
Reduce administrative costs, improve service quality, and increase use of shared services in <b>human capital functions</b>		
Reduce administrative costs, improve service quality, and increase use of shared services in <b>IT management functions</b>		
Reduce administrative costs and improve service quality in <b>real property functions</b>		

\* These indicators have proven more difficult than anticipated to accurately measure, because some bureaus and components do not have functional capabilities, and therefore cannot be benchmarked. To compensate, we have added an indicator measuring agency involvement in high-level assessment meetings with OMB/GSA.

# Work Plan (2015)

## Milestone Summary

Key Milestones	Milestone Due Date	Milestone status	Owner
Workgroups for each function refine original set of Efficiency metrics and select Effectiveness metrics to measure service quality and customer satisfaction with mission-support functions	November/December 2014	Complete	GSA, OMB, OPM
GSA, OMB and OPM collect and validate Round 1 of Effectiveness metrics (including customer satisfaction survey responses) and Round 2 of Efficiency metrics	January/February 2015	Complete	GSA, OMB
GSA updates government-wide benchmarks website with data collected in early 2015, including new user functionalities to analyze and chart cost, quality and customer satisfaction measures.	June 2015	Complete	GSA
GSA and OMB develop customized benchmark findings for each agency and incorporate them into high-level management assessment meetings for agencies to identify priority actions.	July 2015	Complete	OMB, GSA
OMB, GSA and OPM work with CxO Councils to review Effectiveness and Efficiency benchmark results for each function, identify the drivers of top performance and share leading practices government-wide	September 2015	On track	GSA, OMB, OPM
Workgroups for each function refine existing set of Efficiency and Effectiveness metrics to measure service quality and customer satisfaction with mission-support functions	November/December 2015	On track	GSA, OMB, OPM

# Work Plan (2016)

## Milestone Summary

Key Milestones	Milestone Due Date	Milestone status	Owner
GSA, OMB and OPM collect and validate Round 2 of Effectiveness metrics (including customer satisfaction survey responses) and Round 3 of Efficiency metrics	January/February 2016	On track	GSA, OMB
Finance, HR and IT Management workgroups collect operational quality metrics and customer satisfaction measures from Federal shared service providers, to inform agency decisions on shared services adoption	Q1 FY 2016*	On track	OMB, OPM (HRLOB), Treasury (FIT)
GSA updates government-wide benchmarks website with data collected in early 2016	June 2016	On track	GSA
GSA and OMB develop customized benchmark findings for each agency and incorporate them into high-level management assessment meetings for agencies to identify priority actions.	July 2016	On track	OMB, GSA

\* Efforts to gather benchmarking data from shared services providers are ongoing, with varying progress across the FM, HR and IT functions. However, due to the intensive focus in the near-term on analyzing data that was collected directly from agencies, as well as conducting FedStat meetings with the benchmark results, the shared services benchmarking milestone due date will be moved to early FY 2016.

# Key Indicators

Key Implementation Data						
Efficiency Metrics, Round 2 Effectiveness Metrics, Round 1	Source	Frequency	2014	Target for 2015	2015 Actual	Trend***
% of agencies contributing data within [function]	Agency Data Calls	Annual	100%	100%	100% for all functions	Flat
% of bureaus/components contributing all data within [function]*	Agency Data Calls	Annual	N/A	N/A	N/A	N/A
% of CFO Act agencies participating in benchmarking evaluation with OMB/GSA, as part of FedStat meetings	GSA project team	Annual	100%	100%	96%	Decrease
Overall % of metrics data collected across all five functions**	Agency Data Calls	Annual	93%	100%	91%	Decrease

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\* This indicator has proven more difficult than anticipated to accurately measure, because some bureaus and components do not provide mission-support services, and therefore cannot be benchmarked. To compensate, we have added an indicator measuring agency involvement in high-level assessment meetings with OMB/GSA.

\*\* Calculated at the agency level. If an agency submitted a data point for a given metric, that metric was considered “complete” for the agency. Excludes customer satisfaction survey responses.

\*\*\* Note that the 2015 collection consisted of many more metrics than 2014, so indicators are not entirely comparable year-over-year.

# Key Indicators (continued)

Key Implementation Data (continued)						
Efficiency Metrics, Round 2 Effectiveness Metrics, Round 1	Source	Frequency	2014	Target for 2015	2015 Actual	Trend**
Overall % of metrics data collected within Acquisition*	Agency Data Calls	Annual	100%	100%	96%	Decrease
Overall % of metrics data collected within Financial Management*	Agency Data Calls	Annual	91%	100%	91%	Flat
Overall % of metrics data collected within Human Capital*	Agency Data Calls	Annual	94%	100%	91%	Decrease
Overall % of metrics data collected within IT Management*	Agency Data Calls	Annual	96%	100%	93%	Decrease
Overall % of metrics data collected within Real Property*	Agency Data Calls	Annual	90%	100%	80%	Decrease
Overall response rate on customer satisfaction survey	GSA-led survey	Annual	N/A	No target for first deployment	17.3%	N/A

\*Calculated at the agency level. If an agency submitted a data point for a given metric, that metric was considered “complete” for the agency. Excludes customer satisfaction survey responses.

\*\* Note that the 2015 collection consisted of many more metrics than 2014, so indicators are not entirely comparable year-over-year.



# Contributing Agencies and Programs

## Contributing Agencies and Programs:

- All of the CFO Act agencies are contributing to the Benchmarking goal, both in shaping the metrics and in submitting data about their agency's functions.
- The federal interagency management councils (Chief Acquisition Officers Council, Chief Financial Officers Council, Chief Human Capital Officers Council, Chief Information Officers Council, Federal Real Property Council) – in collaboration with the Office of Management and Budget – are serving as the primary forum for analyzing cross-agency benchmarking results. Their objective is to identify shared challenges, drivers of high performance, and common solutions for mission-support functions across government.

# Acronyms

- CxO – Shorthand for any heads of functions within federal organizations, including Chief Acquisition Officer, Chief Financial Officer, Chief Human Capital Officer, Chief Information Officer, and Chief Operating Officer)
- FIT – Office of Financial Innovation and Transformation
- FY – Fiscal Year
- GSA – General Services Administration
- HR – Human Resources
- HRLoB – Human Resources Line of Business
- IT – Information Technology
- N/A – Not Available
- OMB – Office of Management and Budget
- OPM – Office of Personnel Management