

# Cross Agency Priority Goal

## Quarterly Progress Update

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### Benchmark and Improve Mission-Support Operations

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FY2014 Quarter 2

# Mission-Support Benchmarking: Overview

## Goal Statement

- Improve administrative efficiency and increase the adoption of effective management practices by establishing cost and quality benchmarks for mission-support operations, giving agency decision makers better data to compare options, 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

- Over the next three years, the benchmarking initiative will result in markedly higher efficiency and better performance from Federal mission-support functions, and identify opportunities to apply, where appropriate, private sector standards.
- 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 received.

# Progress update

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- Federal interagency management councils (CxO Councils) were engaged in the benchmarking effort and a Cross-Council Advisory group of CxOs was formed to provide guidance on scope and agency buy-in – *completed Q1 2014*
- Work groups for each function, including representative agency CxOs, selected Phase I metrics designed to inform agency decisions and spur actions to improve administrative efficiency and service levels – *completed Q1 2014*
- Work groups collaboratively developed standard definitions for Phase I metrics to achieve consistency and comparability across Federal agencies and their bureaus/components – *completed Q1 2014*
- Phase I data was collected and quality-checked, then prepped for analysis by the 24 CFO Act agencies, as well as OMB and GSA from a government-wide perspective – *completed Q2 2014*

# 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>CxO Councils agree on Phase I metrics for their respective functional areas, based on information needed to drive efficiency and service-level improvements</li> <li>Work groups for each function develop standard metric definitions and collect Phase I data at bureau/component level at 24 CFO Act agencies</li> <li>Agencies analyze their Phase I benchmarks, identify areas for near-term focus and opportunities to increase administrative efficiency; agencies collaborate with OMB/GSA/OPM to develop resourcing and implementation plans</li> <li>Work groups and CxO Councils analyze government-wide benchmark results to identify drivers of success at top-performing agencies and bureaus/components</li> <li>Finance, HR and IT Management work groups coordinate with Federal shared service providers to gather cost and quality benchmarks that will inform agency decisions on shared services adoption</li> <li>Phase II begins in early FY15, with emphasis on defining and collecting government-wide benchmarks focused on quality of administrative services</li> <li>Goal team monitors agency progress against targets in years two and three, while working to improve data quality and gather additional rounds of benchmark data</li> </ul>	<p><b>Year One</b></p> <ul style="list-style-type: none"> <li>% of agencies contributing all data within each of the five functions</li> <li>% of bureaus/components contributing all data within each of the five functions</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> <p><b>Years Two and Three</b></p> <ul style="list-style-type: none"> <li>Increase in shared services adoption among 24 CFO Act agencies for selected processes in IT, Human Capital and Financial Management</li> <li>Cost savings – or some other indicator of efficiency improvement, such as reduction in square footage of Federal property – resulting from benchmark-related actions in each of the five functions</li> <li>Improvement in service quality and/or customer satisfaction for each of the 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>		

# Work Plan

Milestone Summary				
Key Milestones	Milestone Due Date	Milestone status	Last quarter	Owner
Agencies analyze their Phase I benchmarks, identify areas for near-term focus and opportunities to improve administrative efficiency	July 2014	On track	N/A	24 CFO Act Agencies
OMB and GSA analyze benchmark results government-wide to identify and broadly share effective practices at top-performing agencies and bureaus	July/August 2014	On track	N/A	OMB, GSA
Leadership teams at each agency meet individually with OMB/GSA to share key findings, discuss opportunities for improvements in administrative efficiency, and consider implementation/resourcing options	July/August 2014	On track	N/A	OMB, GSA, 24 CFO Act agencies
Finance, HR and IT Management work groups collect cost and quality metrics from Federal shared service providers to inform agency decisions on shared services adoption	July/August 2014	Partially on track	N/A	OMB, GSA, OPM
CxO Councils review benchmark results for their function, share effective practices	July/August 2014	On track	N/A	OMB, GSA
Cross-Council Advisory group leads assessment of first round of benchmarking to apply “lessons learned” to subsequent rounds and to improve data quality in the future	August/September 2014	On track	N/A	OMB, GSA
Work groups for each function select Phase II metrics (likely with emphasis on measuring quality and level of service in mission-support functions) and develop standard definitions	TBD per the lessons learned in Phase I	TBD	N/A	OMB, GSA
Phase II metrics collected and quality-checked		TBD	N/A	OMB, GSA

# Key Indicators

Key Implementation Data						
Year One Metrics	Source	Baseline	Target?	Frequency	Latest data	Trend
<ul style="list-style-type: none"> <li>• % of agencies contributing all data within [function]</li> </ul>	Agency Data Calls	2014	N/A	Annual	N/A	
<ul style="list-style-type: none"> <li>• % of bureaus/components contributing all data within [function]</li> </ul>	Agency Data Calls	2014	N/A	Annual	N/A	
<ul style="list-style-type: none"> <li>• Overall % of metrics data collected within [function]</li> </ul>	Agency Data Calls	2014	N/A	Annual	N/A	
<ul style="list-style-type: none"> <li>• Overall % of metrics data collected across all five functions</li> </ul>	Agency Data Calls	2014	N/A	Annual	N/A	

Indicators in Development – Years Two and Three Metrics
<ul style="list-style-type: none"> <li>• Increase in shared services adoption among 24 CFO Act agencies for selected processes in IT, Human Capital and Financial Management</li> <li>• Cost savings – or some other indicator of efficiency improvement, such as reduction in square footage of Federal property – resulting from benchmark-related actions in each of the five functions</li> <li>• Improvement in service quality and/or customer satisfaction for each of the five functions</li> </ul>