



Sharing Quality Services: Improving Efficiency and Effectiveness of Administrative Services Across Government

Goal Leaders:

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FY18 Q2 Quarterly Update



Questionnaire (internal only)- Do not exceed one slide

1. Assessment of Progress

Using the phrases below, describe the progress of your effort regarding milestones and measures. Delete the response options below that do not apply.

- Milestones (choose one): Mixed
- Measures (choose one): On target

All milestones are on track with the exception of the milestone to “Establish common contract for modern commercial technology for payroll and time & attendance solutions”. This milestone is “at risk” because the RFQ needs the authoritative sources from OPM, the owner of Payroll and Time & Attendance policy, to be published. It was scheduled to be released on 4/30/18 and is now on a day-for-day slippage with an award date.

2. Changes in Strategy or Plans

Are there any changes in strategies or plans since last quarter?
No

3. Requests for Assistance

What assistance do you need to make further progress on the goal (decisions, resources, removing barriers, etc.)?

- Several decisions (shared within OMB by Karen Pica) will need to be made by OMB in the coming months to drive the CAP goal forward and be successful.

4. Key Risks & Mitigation Strategies

What, if any, potential high risks could hinder progress? What are your mitigation strategies to address these risks?

If OPM does not add authoritative sources to the government-wide Payroll requirements, then the payroll modernization effort will be halted.

This risk has become an issue and it is being addressed by OMB/GSA/OPM senior leadership.

If the right agencies are not designated as SMOs, then the future model is in jeopardy.

GSA SSPI team is drafting SMO criteria which will be submitted to OMB in June 2018. SSPI will also propose a SMO accountability model, which it will be up to OMB to implement.

If agencies are not mandated and budgeted to adopt the government-wide standards and use the common solutions, then the government-wide efficiencies stated will not be achieved.

OMB has been made aware of this risk. The information received from the PMC Readiness Assessment results from agencies will help inform next steps.

If there is not early communication with labor unions and legislators whose districts are impacted about the future strategy and the impact on their members/constituents, then the strategy may be halted and the benefits will not be achieved.

OMB has been made aware of this risk.

5. Success Stories

Are there any success stories that should be shared with internal or external audiences? Delete the response options below that do not apply.

- Yes – Not already included in update slides (please provide description below)

In a step that will help the government adopt standards, completed portions of the Federal Integrated Business Framework (FIBF) - standards - for Financial Management, Grants Management, Human Capital, Procurement and Travel are all publicly available together in one place (www.ussm.gov/fibf).





Goal Structure – Sharing Quality Services

Establish a strategic government-wide framework for improving the effectiveness and efficiency of administrative services by 2020 that leads to continual improvements in performance, operational cost savings of 20% annually once at scale or an estimated \$2B over 10 years, and improved customer experience.



Enhance Mission Effectiveness

by creating a shared government where the tools and expertise for administrative services are available/pooled across agencies. Sharing administrative capabilities will reduce taxpayer costs by 20% annually once implemented or an estimated over \$2B over 10 years while also increasing satisfaction with those services. Changing how we manage administrative activities will reduce the resources needed and result in faster hiring to secure the border, faster payments to small businesses so the economy can continue to grow and thrive, and simplifying grants applications so more resources are directed to results rather than compliance.



Establish a Strategic Foundation

that creates a flexible, competitive environment for shared government-wide capabilities. Setting and adopting government-wide standards will allow better partnerships with the private sector and supports long-term innovation. Identifying targeted functions and capabilities over a 10 year period creates stability for agency and industry planning.



Goal Statement

Establish a strategic government-wide framework for improving the effectiveness and efficiency of administrative services by 2020 that leads to continual improvements in performance, operational cost savings of 20% annually once at scale or an estimated \$2B over 10 years, and improved customer experience.



Challenges

- Outdated processes, old technology, and a culture of compliance have created a complicated and inflexible administrative environment.
- Common administrative services such as processing hiring transactions, managing Federal finances, contracts, and payroll costs taxpayers an estimated \$28.6B annually. Rather than economizing by sharing across the Federal government, we duplicate contracts, people, and technology across hundreds of locations.
- Fifty-percent of Federal leaders report low satisfaction with administrative support.
- Industry innovation has outpaced Federal capabilities.
- Past efforts have focused on the short-term rather than a strategic vision that creates an architecture for an innovative, flexible, and competitive environment.



Opportunities for transformation include converging around common standards for administrative activities to reduce “unique” requirements and duplicate contracts and:

1. Leveraging commercial solutions and innovative practices, to include separating technology from services in order to maintain innovation and competition (*see Modernizing IT to Increase Productivity and Security*).
2. Providing the Federal workforce with modern tools and access to experts that will improve delivery of services for citizens (*see Shifting from Low-Value to High-Value Work and Developing a Workforce for the 21st Century*).
3. Establishing a 10-year plan for continuous improvement and delivery of quality services and technology for administrative services by:
 - a) **Expanding the number and use of common solutions** to reduce duplication and costs. This includes common technology or contracts that increase choices that can be shared by multiple agencies (*see Increase Adoption of Category Management Solutions*).
 - b) **Improving the quality and delivery** of shared services by using common solutions, standard administrative operations, and core performance metrics.
 - c) **Increasing availability and use of centralized services** for highly standardized processes or outcomes to eliminate redundancy and reduce risks.



Overview – Sharing Quality Services

The Executive Branch will reduce the performance and innovation gap between commercial and government administrative services by (1) expanding the number and use of common solutions; (2) improving the quality and delivery of shared services; and (3) increasing the availability and use of centralized services.

Common Solutions	Shared Services	Centralized Services
Technology and/or contracts that can be used by more than one Federal agency. May be government-to-government or citizen-to-government.	Consolidating routine or standard operations to a limited number of organizations. Uses common solutions (technology and contracts) and sharing of human resource expertise either within an agency or across agencies.	Creating a single Federal-wide location for highly standardized activities, allowing organizations and users to benefit from consistent and uniform processes.
Why a common solution?	Why a shared service?	Why a centralized service?
<ul style="list-style-type: none">✓ When replicable and repetitive outcomes are expected across multiple agencies.✓ When commercial solutions or services are available and leveraging the government's buying power will save taxpayer dollars.➤ Examples include shared contracts that leverage Federal purchases of IT, professional services, and other common spending.	<ul style="list-style-type: none">✓ When replicable and repetitive outcomes are expected across multiple agencies.✓ When the primary outcome is transaction processing or expertise in Federal unique practices.✓ When it is in the best interest of the taxpayer to have more than one location for expert services➤ Example: managing Federal payroll.	<ul style="list-style-type: none">✓ When the expected outcome is driven primarily by Federal statute, regulation, or policy that is the same across the Federal government.✓ When lack of a central location will increase burden or costs.➤ Examples include medical certification for commercial pilots and USAjobs for federal job announcements.





Overview – Sharing Quality Services

(1) Summer 2017 President's Management Council answered a set of questions to identify sharing opportunities.

- How Standard is this Process?
- How Likely is it to be Performed Elsewhere?
- How Significant for Cost or Duplication Reduction?
- What is the Single Factor that is the Greatest Barrier to Standardization?
- How Standard is this Process vs. How Likely to be Performed Elsewhere?
- How Standard is this Process vs. How Significant for Cost Reduction?

(2) The answers from the PMC were added to a list of activities already in process such as:

- Researching what is available
- Identifying what agencies need
- Reviewing Existing Policies

(3) Several agencies then offered to do more sharing in certain areas.

- Initiatives aligned with agency mission and reform efforts

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- Contract Writing
- Purchase Cards
- Electronic Payments
- Grants
- Employee Lifecycle Management

- E-Invoicing
- Payroll/ Employee Lifecycle management
- “Core” Financial Management

- Fleet
- IT Data Exchange
- Employee Digital Record
- Travel
- Financial management
- Grants



Goal Structure – Sharing Quality Services-Aligning ideas with strategies.

Mission Support Service	a. Expanding the number and use of common solutions.	b. Improving the quality and delivery of shared services.	c. Increasing availability and use of centralized services.
Human Resources transactions	<ol style="list-style-type: none"> 1. Increase use of common solutions (<i>Increase Adoption of Category Management Solutions</i>) 2. Establish and begin implementing modern commercial technology for processing HR transactions for payroll, time and attendance, and employee lifecycle management. 	<ol style="list-style-type: none"> 7. Designate Federal organization(s) responsible for payroll. <p>Increase satisfaction with human resource transactions.</p> <p>Transition to common solutions.</p>	<ol style="list-style-type: none"> 8. Eliminate paper employee records by creating a standard employee digital record. 9. Designate Federal organization responsible for HR transactions and storefront.
Financial Management	<ol style="list-style-type: none"> 3. Establish and begin implementing modern commercial technology solutions for core financial management. 4. Increase use of purchase cards as payments and rebates. 	<p>Increase satisfaction with financial management.</p> <p>Transition to common solutions.</p>	<ol style="list-style-type: none"> 10. Designate Federal organization responsible for financial management storefront. 11. Increase Federal electronic payments.
Procurement	<ol style="list-style-type: none"> 5. Implement common solutions for contract closeout. 6. Implement common solutions for contract writing. 	<p>Increase satisfaction with procurement.</p> <p>Adopt common solutions.</p>	<ol style="list-style-type: none"> 12. Centralize aspects of management of Federal purchase cards to reduce burden and costs. 13. Implement electronic invoicing for Federal contracts. 15. Designate Federal organization responsible for contracting storefront.
Grants Management	See <i>Results-Oriented Accountability for Grants</i>	Adopt centralized services.	<ol style="list-style-type: none"> 14. Centralize certifications and representations for those interested in Federal grant awards. 15. Designate Federal organization responsible for grants management storefront.
Operations Support		Transition to centralized services.	<ol style="list-style-type: none"> 16. Consolidate Federal fleet management to reduce costs.
Information Technology	See <i>Modernizing IT to Increase Productivity and Security and Improving Business, Financial and Acquisition Outcomes through Federal IT Cost Transparency</i>	<p>Transition to common solutions.</p> <p>Increase satisfaction with IT.</p>	<ol style="list-style-type: none"> 16. Designate Federal agency to provide IT infrastructure for administrative support services. <p>See IT Modernization CAP goal for embracing cloud email, single log-in for citizens and CDM.</p>





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Implementation Officials

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Key Milestones – Expand the Number and Use of Common Solutions

Key Milestones	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Anticipated Barriers or other Issues Related to Milestone Completion
Benchmark industry performance to identify gap with Federal performance	3Q2018	On track	No change	GSA	Availability of comparative data
Establish common contract for modern commercial technology for payroll and time & attendance solutions	1Q2019	At risk	No change	GSA	Finalization of authoritative sources needed Completion of standards, availability of commercial technology, common IT infrastructure designation
Establish common solutions to enable data capabilities for advanced data analytics	3Q2019	On track	No change	GSA	See CAP goal for <i>Improving Business, Financial and Acquisition Outcomes through Federal IT Cost Transparency</i>
Establish common solution for multiple contract closeout services	2Q2020	On track	No change	GSA	Completion of standards, timely contract award, contractor access to Federal systems
Establish common contract for modern commercial technology for financial management solutions (accounts payable, accounts receivable, general ledger, and reporting)	2Q2020	On track	No change	GSA	Completion of standards, availability of commercial technology, common IT infrastructure designation
Establish common solution(s) for contract writing technology	3Q2020	On track	No change	GSA	Completion of standards, availability of commercial technology, common IT platform
Increase use of purchase cards for contract payments and rebates	4Q2020	On track	No change	PMC	Identify and overcome barriers to use of purchase cards, IT interfaces may need to be developed/changed, contract identifier implementation in financial management systems





Key Milestones – Improve Quality and Delivery of Shared Services

Key Milestones	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Anticipated Barriers or other Issues Related to Milestone Completion
Benchmark industry performance to identify gap with Federal performance	3Q2018	On track	No change	GSA	Availability of comparative data
Increase satisfaction of Federal officials with administrative support services	2Q2019 - 4Q2020	On track	No change	Service & solution Managers	Adoption of standards, availability and adoption of solutions
Increase Federal electronic payments	4Q2020	On track	No change	Treasury, GSA, DoD, PMC Agencies	Analysis of appropriate scope, completion of high-level architecture, adoption of standardized processes
Transition HR transaction processing for payroll and time & attendance to modern commercial technology	4Q2020 (phase 1)	On track	No change	USDA, GSA, Interior, DOD	Resources and expertise for agencies to transition, strategy for modular implementation, timely contract award, adoption of standards





Key Milestones – Increase Availability and Use of Centralized Solutions

Key Milestones	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Anticipated Barriers or other Issues Related to Milestone Completion
Benchmark industry performance to assess gap in Federal performance	3Q2018	On track	No change	GSA	Availability of data
Identify central capabilities that support Federal agencies transitioning to modern solutions	1Q2019	On track	No change	GSA	
Create a single location for Federal grantees to provide required representations and certifications	2Q2019	On track	No change	GSA	Adoption of policy and workforce changes
Centralize defined aspects of managing Federal purchase cards to reduce burden and costs	4Q2020	On track	No change	GSA	Adoption of standard processes, data sharing, completion of analysis of opportunities, implementation of Smartpay3
Eliminate paper employee records by creating a standard employee digital record	4Q2020	On track	No change	OPM & Lead Tech Agency	Completion of prototype, identification of common IT platform, establishment of modular approach for modern commercial technology for employee lifecycle management
Implement electronic invoicing for Federal contracts	4Q2020	On track	No change	Treasury, DOD, PMC Agencies	Standards for certain Federal contract invoices, interoperability of IT, data sharing across Federal agencies
Consolidate Federal fleet management to reduce costs.	2Q2019-4Q2020	On track	No change	GSA, PMC Agencies	Data and resources available for transitioning management of fleet





Key Indicators –Improve Efficiency and Effectiveness of Administrative Services across Government.

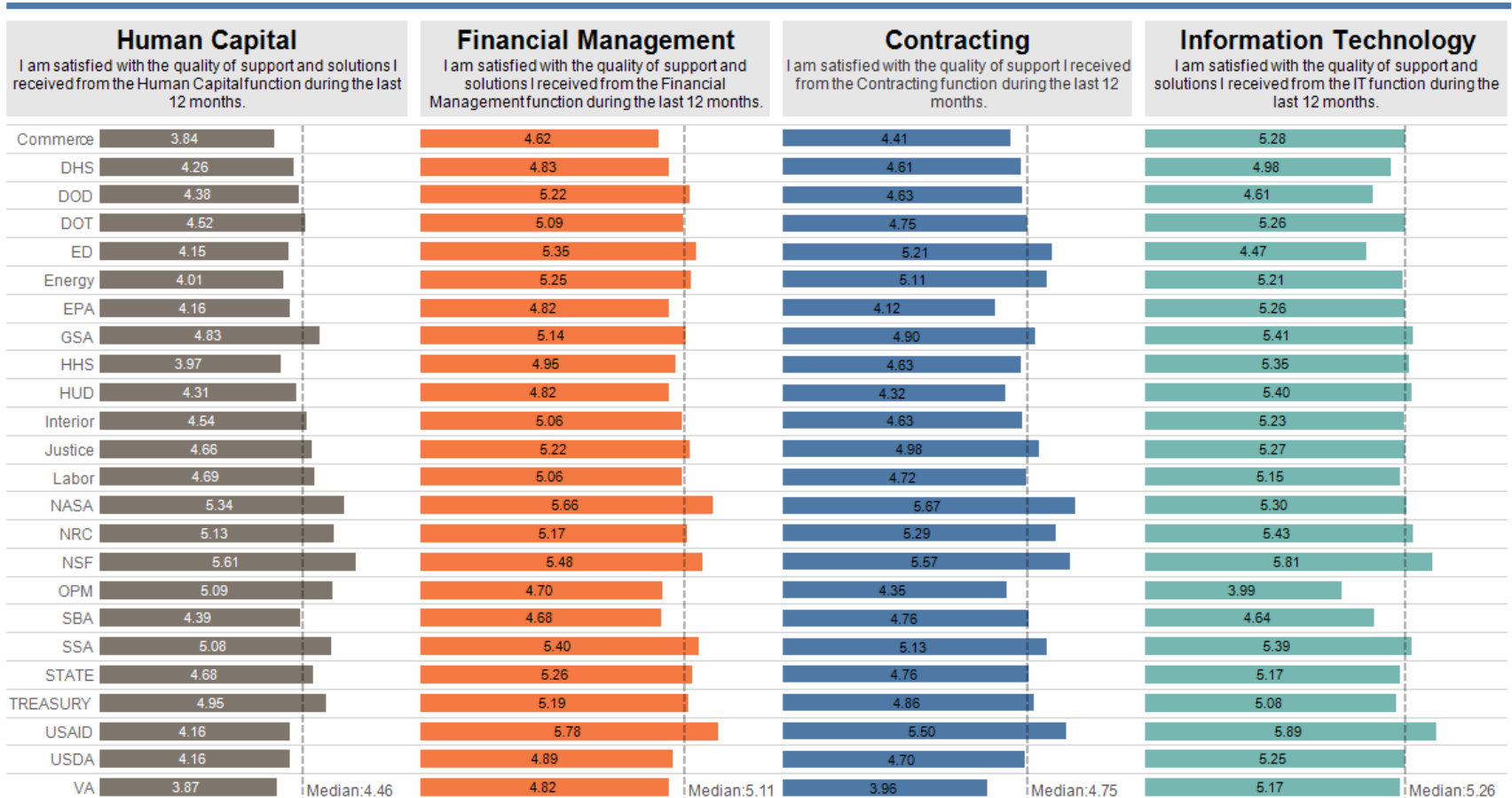
Capability	Milestone	Scope of Measure	Metric
Overall measure	Increase satisfactions scores for administrative services.	PMC Agency	Annual customer service satisfaction benchmark.
Human Resource Transactions	Faster hiring time <ul style="list-style-type: none">Develop and deploy an automated hiring assistant for managers.Enable paperless transfers through a standard employee digital record.	PMC Agency	<ul style="list-style-type: none">% of hires supported by automated assistant% of standard digital employee records in Federal government
Grants management	Use digital tools to modernize compliance processes.	Federal-wide	% grantee certifications through central solution
Financial Management	Increase Federal electronic payments.	PMC Agency	<p>% invoices through electronic solutions</p> <p>% increase use of and rebates for card and cardless payments</p>
Procurement	Increase Adoption of Category Management Solutions	PMC Agency	Spend under management by agency



Administrative Services Satisfaction- 2017

Customer Satisfaction Scores

Function Area Scores among 24 CFO Act Agencies



SATISFACTION RESPONSE KEY

1 Strongly Disagree 2 Disagree 3 Somewhat Disagree 4 Neutral 5 Somewhat Agree 6 Agree 7 Strongly Agree

Customer Satisfaction Survey (CSS): In early 2017, GSA surveyed all senior supervisory employees (GS-13 to GS-15 supervisors, SES and equivalents) at 23 of the 24 CFO Act agencies, asking about their satisfaction with mission-support services across the previous 12 months. Collectively, the 43,000+ responses provide a detailed picture of satisfaction with 18 service areas within Contracting, Financial Management, Human Capital, and IT services. An additional 250,000+ responses were gathered from non-supervisory employees on their satisfaction with IT services. Please note that at DOD, the survey was deployed only to senior supervisory employees. Also note: USAID conducted their survey separately and results were incorporated into CSS results where applicable.





Progress in use of Centralized & Common Solutions

	FY 2018				FY 2019			
Agency	HR - % employee digital records	FM - % Increase in electronic payments	Grants - % reps and certs done centrally	Procurement - Spend Under Management	HR - % employee digital records	FM - % Increase in electronic payments	Grants- % reps and certs done centrally	Procurement - Spend Under Management
Commerce								
DHS								
DoD								
DOT								
ED								
Energy								
EPA								
GSA								
HHS								
HUD								
Interior								
Justice								
Labor								
NASA								
NRC								
NSF								
OPM								
SBA								
SSA								
State								
Treasury								
USAID								
USDA								
VA								
Federal-wide								





Appendix – Strategic Vision Governance & Operating Model

OMB

President's Management Council (PMC) :
OMB and GSA serve as the Mission Support CAP Goal Leaders

Governance Objectives

Define overall strategy for mission support services and identify key priorities.

Set Council goals specific to community of practice (FM, HR, etc.) and in alignment with PMC goals and CAP goal leaders.

Advise on cross-functional implementation of mission support services goals, includes GSA for implementation strategies.

Provide subject matter expertise and cross-functional integration of standards

Define and coordinate government-wide standards through the management of Change Control Boards

Identify ongoing and emerging operational needs via the working groups and change control boards

Shared Solutions
Governance Board (SSGB)

PIC

CFO
Council

CHCO
Council

CAO
Council

CIO
Council

Business Standards Council

GSA
Services

Grants
Mgmt

Treasury FIT

OPM HRLOB

Acquisition

IT

Service Area Leads run Cross-Agency Working Groups and Change Control Boards to establish and manage standards following a common framework

Federal Agencies

Provide expert representatives to Service Area specific Working Groups and Change Control Boards (as designated by CXO Councils)

GSA OGP (USSM & Exec Councils)

Service Area
Leads





Appendix – Strategic Vision Governance & Operating Model

USSM/SSGB/PMC/OMB Governance
(see above slide)

Roles and Responsibilities

Define overall strategy for mission support services and identify key priorities.

Federal Agency Users

Task Order Review Board

Purchase mission support services through the Service Management Office. Adopt and implement standards.

Review all task orders for compliance with standards, approve any Federal-unique requirement, and coordinate with SMO.

Service Management Office (SMO)

Federal storefront to the commercial service providers. Subject Matter Experts drive standardization (per FIBF), respond to user concerns, manage the creation of Federal unique micro-services, and manage the integration of commercial suppliers. Accountable for overall performance of service.

SMO Services

Customer Service

IAs

Vendor Mgmt

Service
Integration

Subject Matter
Expertise

Standardization

Demand Mgmt

Develop
Microservices

Software Auth
Official

PMO

Configuration
Manager

Technology
Contracts*

Vendor A

Vendor B

Vendor C

Implementation &
Integration Support
Contracts*

Vendor D

Vendor E

Vendor F

Help Desk and
Transaction Support
Contracts*

Vendor G

Vendor H

Vendor I

COMMON SOLUTIONS: Deliver services to the Federal government that enable the SMO to scale, innovate, and help drive standardization and cost reductions in mission support functions.

** Number of vendors is notional;
however competition is necessary.*

