



HHS Assistant Secretary for Financial Resources

Grants Quality Service Management Office (QSMO) Overview

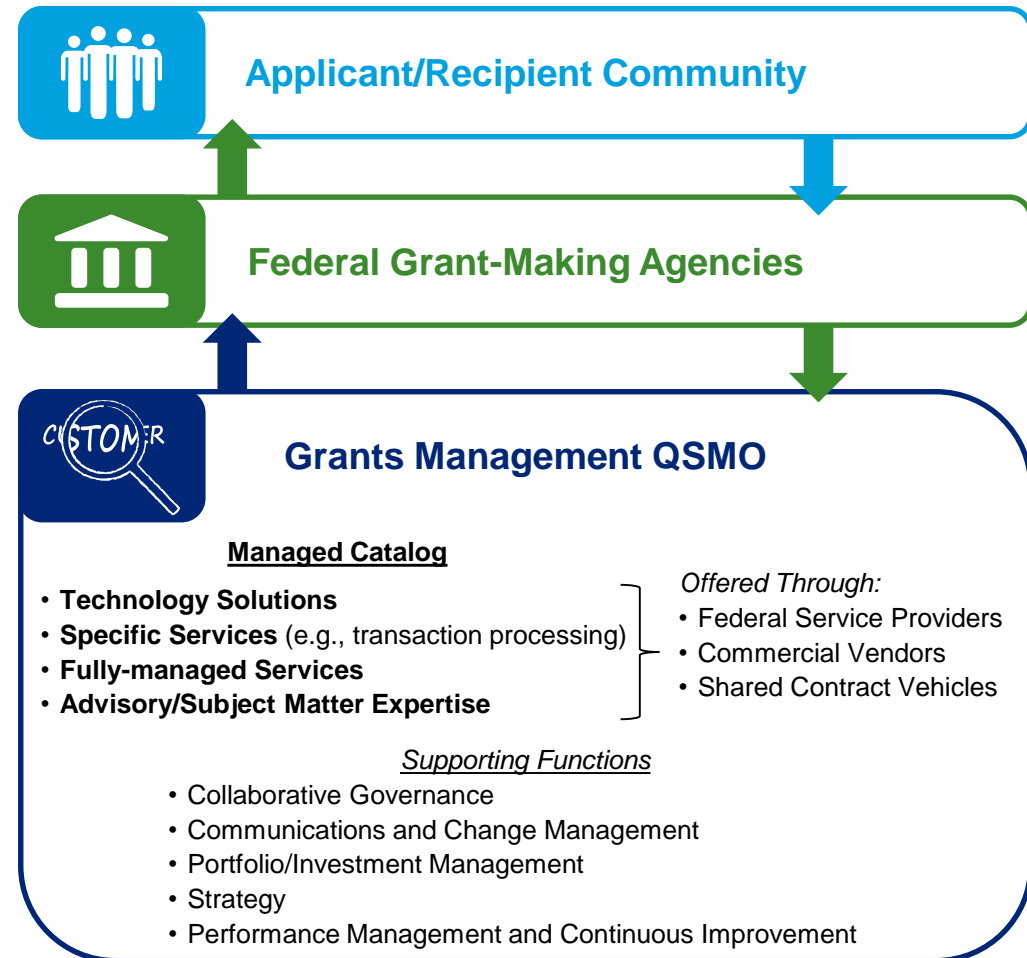
September 12, 2019

What is a Quality Service Management Office (QSMO)?

With the release of the Office of Management and Budget (OMB) Memorandum M-19-16, *Centralized Mission Support Capabilities for the Federal Government*, OMB and the General Services Administration (GSA) have directed the creation of Quality Service Management Offices (QSMOs) for select mission-support functions. **HHS has been pre-designated as the Grants Management QSMO.**

QSMO Role in Supporting Grants Management

- **Manage and sustain marketplaces of solutions and services** needed by federal agencies, offered by service providers and used by the public
- Offer **high-quality, competitive** services and capabilities, employing best practices from both public and private sectors
- Maintain **customer focus** – prioritizing customer engagement and developing responsive solutions that **address agency business needs and pain points**



Illustrative depiction of QSMO catalog/functions pending development of implementation plan and coordination with grants management stakeholders

What are the Objectives of Establishing QSMOs?

In support of the President's Management Agenda Cross-Agency Priority Goal 5, *Sharing Quality Services*, QSMOs are designed to:

- **Enhance customer satisfaction** in their given functional area
- **Modernize and automate** processes and supporting technology
- **Standardize** processes and data
- **Achieve efficiencies** in operations and maintenance

How will these Objectives Be Realized?

HHS envisions accomplishing these objectives by:

- **Addressing stakeholder pain points** through automation and service offerings
- Offering vehicles to **make it easier for agencies to acquire solutions and services**
- Facilitating agencies' adoption of interoperable solutions and services that **meet their diverse business needs**
- **Championing and maintaining standards** within offerings

Full designation as the Grants Management QSMO is contingent on HHS developing a 5-Year QSMO Plan and submitting it to OMB for review and approval

Securing Grants QSMO Designation

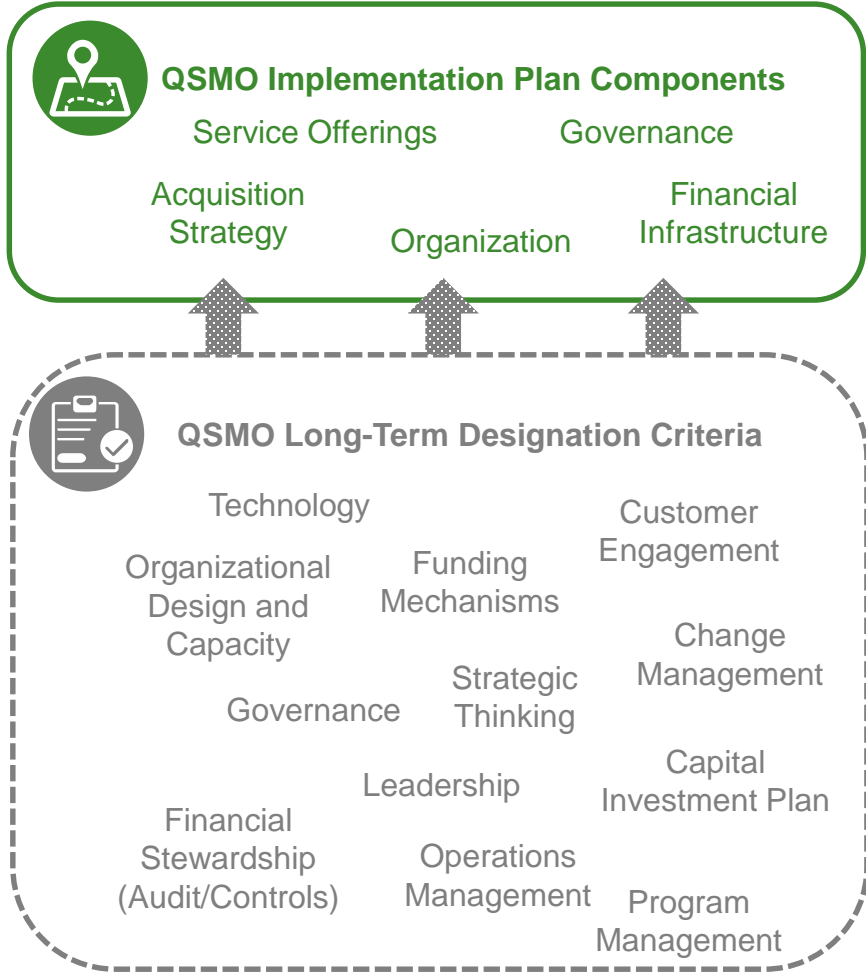
As a pre-designated QSMO, HHS will develop an initial Grants QSMO Implementation Plan. Prior to issuing the full designation, OMB, in consultation with GSA, will review for alignment with published *QSMO Long-term Designation Criteria* and HHS will refine the Plan.

Dates/Deliverables

- **Initial QSMO Cost Estimates**
 - Expected Start-Up and Run/Operate costs through FY 2022
 - Understood that estimates will evolve, are not static
- **Initial Implementation Plan**
 - Deadline set by OMB to begin review/revision/ approval process
- **Final Implementation Plan**
 - HHS to incorporate OMB/GSA feedback and complete Plan based on proposed approach

Key Takeaways

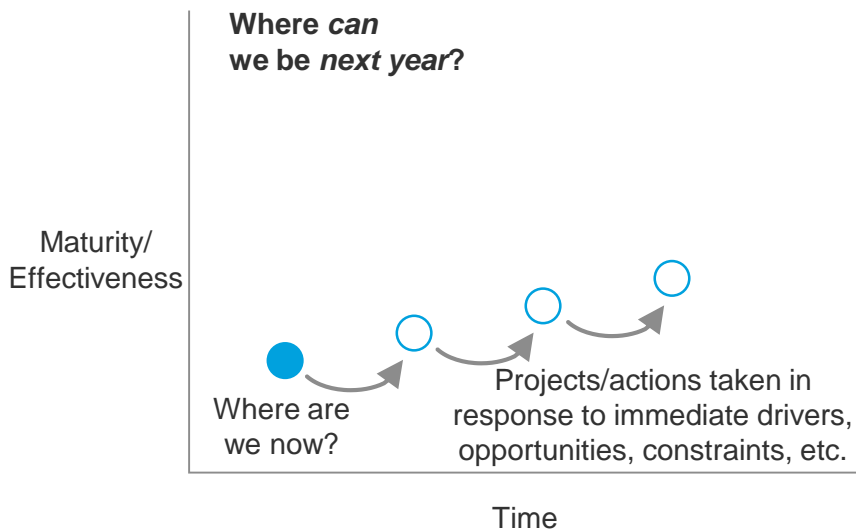
- Plan development and execution must consider **implications across a broad spectrum of internal/external stakeholders, current pain points, business needs, technologies, processes, and capabilities**
- As HHS is the largest grant-making agency in the federal government, the **Department is both uniquely positioned to lead this effort, as well as to benefit from improvements** in grants management effectiveness and efficiency



The Need for a Vision-Driven Strategy for QSMO

- Preparing HHS to be an effective government-wide QSMO is a **complex, multi-faceted undertaking**
- While significant milestones will be achieved along the way, true **success will be measured in years, not months**
- Federal shared service efforts have **struggled by either focusing on immediate actions without a clear vision OR by developing a vision without an achievable, incremental roadmap** for getting there
- **HHS requires a vision-driven strategy** that cascades throughout and aligns projects/actions.

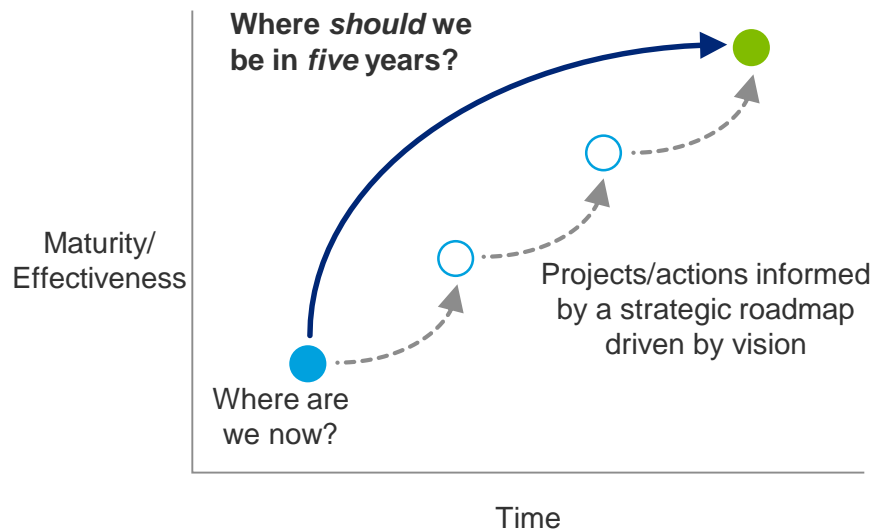
Strategy Without Vision



Result: Incrementalism

Reactive planning, stagnant growth

Vision-Driven Strategy ✓



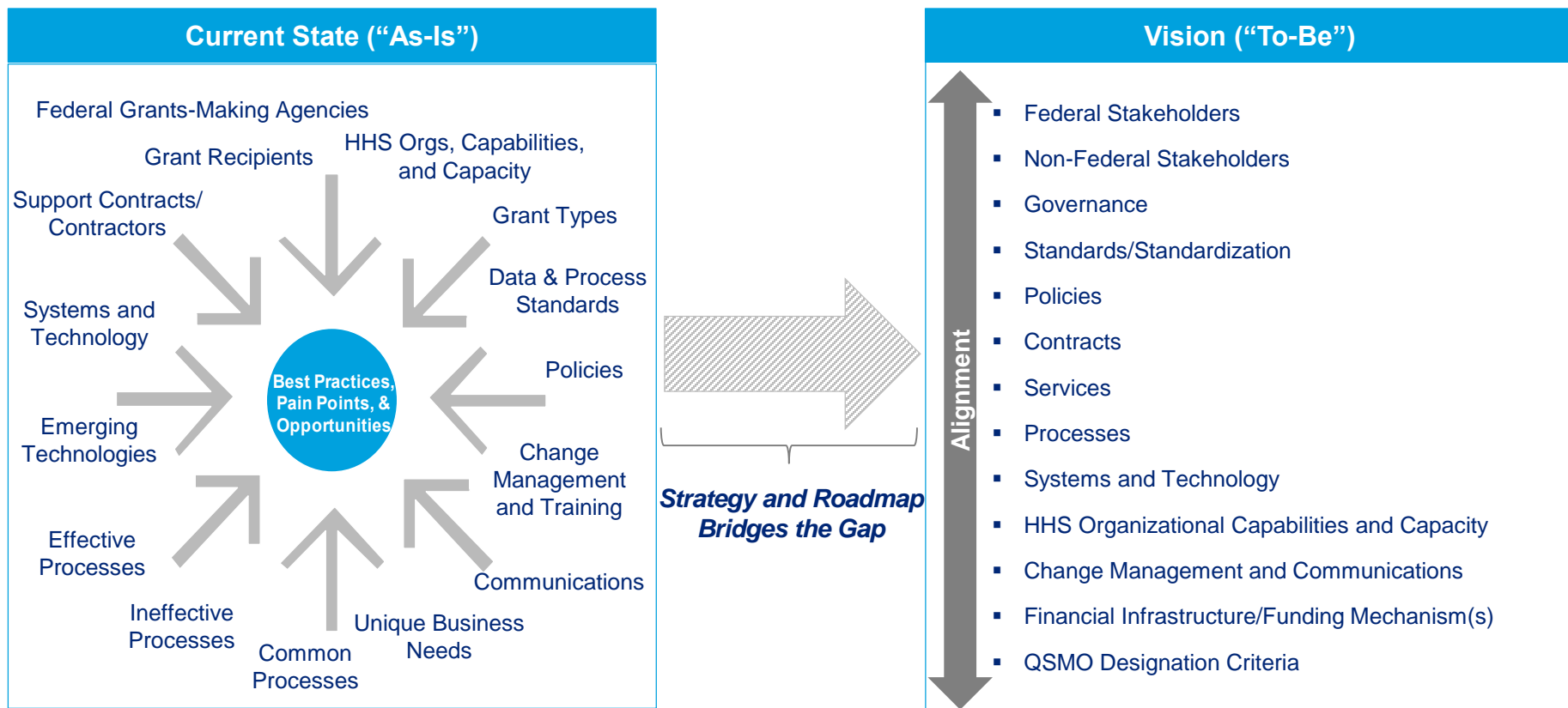
Result: Focus

Proactive planning, dynamic growth

HHS's success in becoming an effective Grants QSMO is predicated on developing a compelling vision

A Vision Grounded in Clear Understanding of Present will Become the Basis for Developing an Implementation Plan and Budget Request

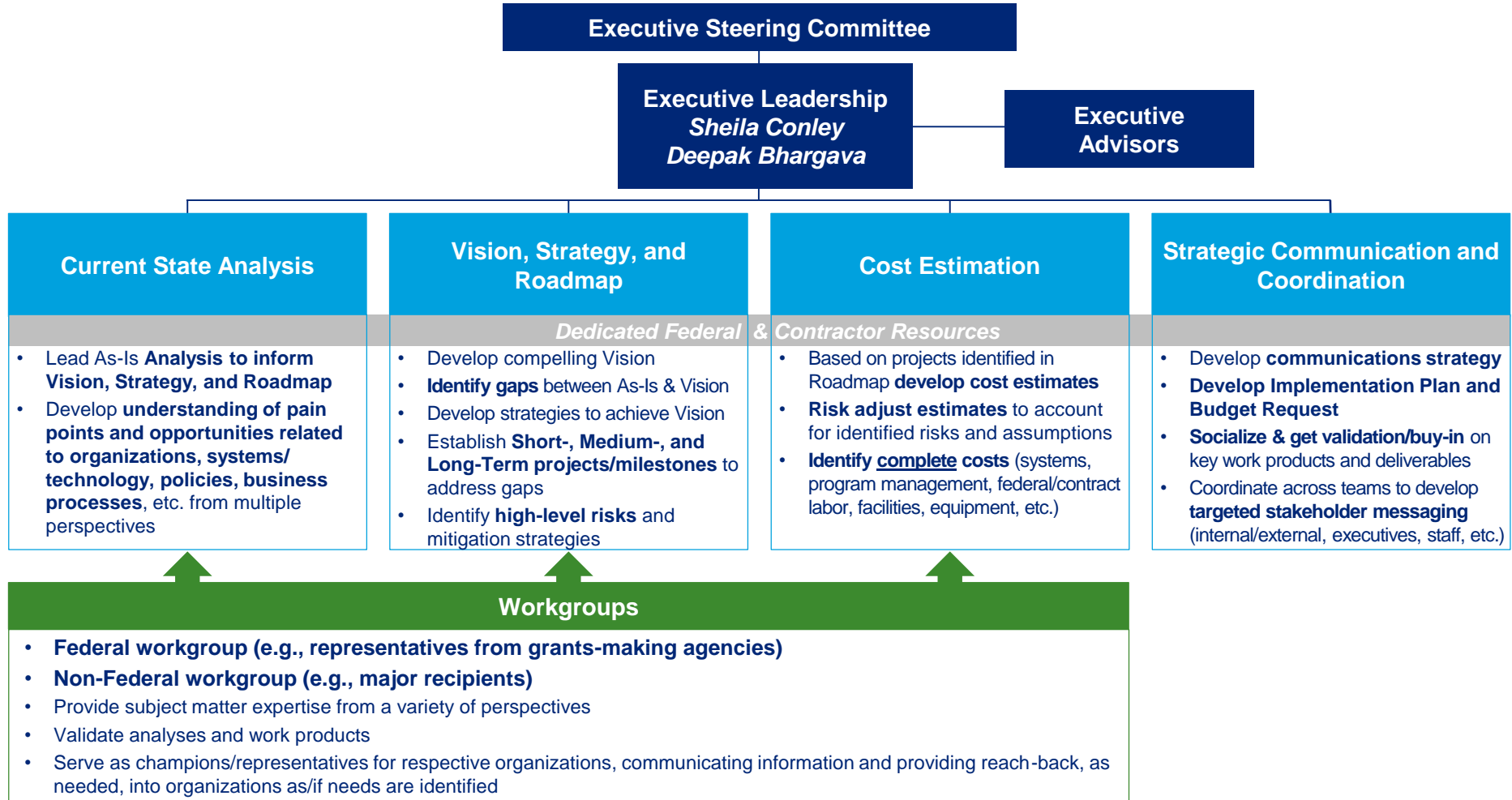
- The proposed approach starts with a **current state analysis (“As-Is”)** that will inform the Vision (“To-Be”)
- **Strategy and Roadmap set the course for addressing gaps** between the established As-Is and To-Be states
- The Vision, Strategy, and Roadmap will become the **basis for developing an Implementation Plan and Budget Request**



A compelling QSMO Vision must be aspirational and inspiring, but also realistic and relatable. This Vision – along with the Strategy and Roadmap – is essential for developing an informed Implementation Plan and Budget Request

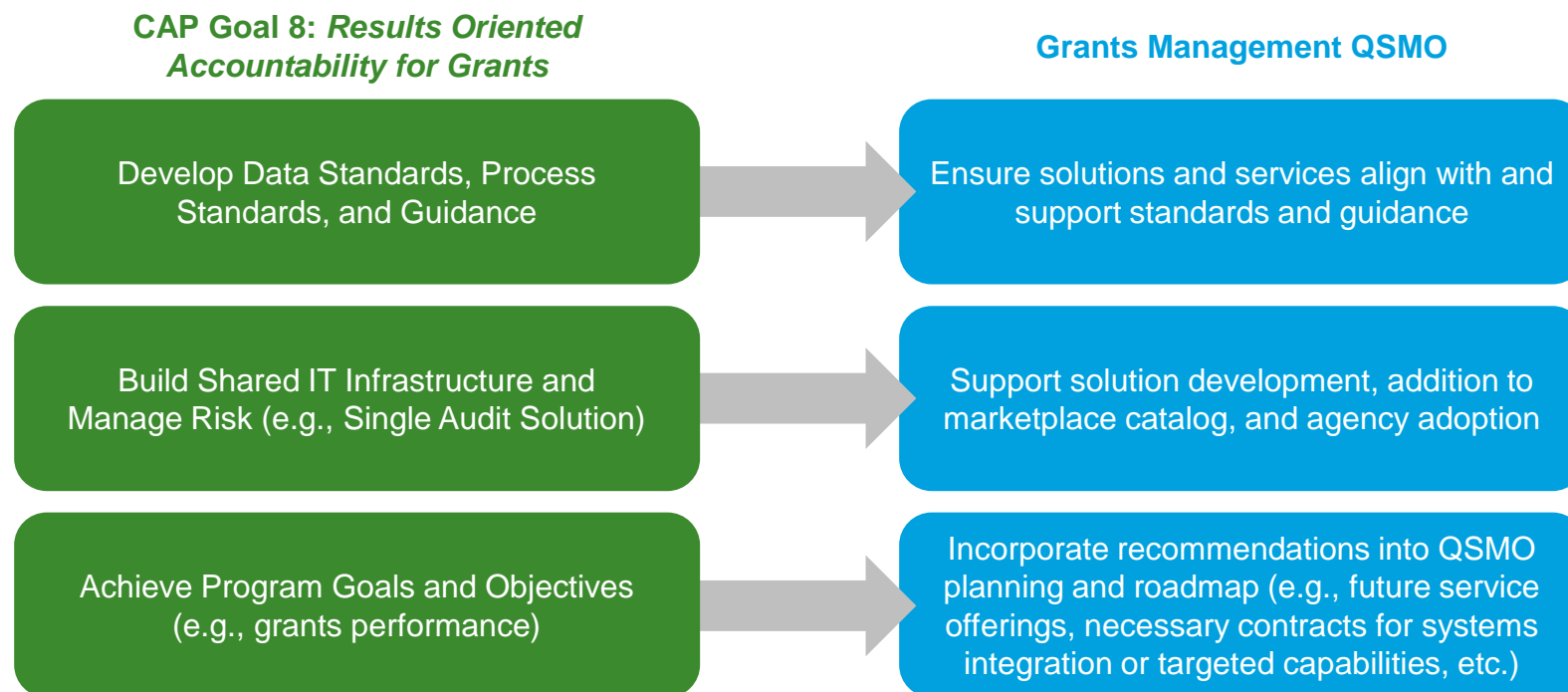
Getting There: Planning Resources and Workstreams

- The QSMO Vision, Strategy, and Roadmap – and, subsequently, Implementation Plan and Budget Request – will be developed **across four workstreams, supported by Federal and Contractor resources with oversight and direction from Executive Leadership and Advisors**
- **Two Workgroups** will provide subject matter input and validation from multiple perspectives



PMA CAP Goal 8:

- CAP Goal 8 strategies and the Grants Management QSMO will mutually support a more mature and responsive end-to-end grants management environment for all stakeholders
- The relationship between these activities will become clearer throughout QSMO planning and development of the Vision, Strategy, Roadmap, and Implementation Plan
- Conceptually, the QSMO should facilitate operationalizing and institutionalizing CAP 8 efforts, as illustrated below



A more effective, more efficient, and modernized government-wide grants management environment that supports grant-making agencies in mission delivery and maximizes the value of grant funding