HR QSMO Program Update for the Shared Service Leadership Coalition

December 2024

Agenda

- General 2024 / 2025 HR QSMO/HRLOB Overview
- Development of Federal HR IT Requirements to Facilitate Agency HR IT Modernization
- Path to Onboarding Commercial Service Providers to the HR QSMO Marketplace

HR QSMO / HRLOB: General Overview

- The Federal Government spends over $2B* annually to maintain a fragmented patchwork of aging HR/Payroll systems
- This creates risk, inefficiency, duplicative effort and cost, and makes it difficult to obtain high-quality data for making government-wide workforce / policy decisions
- Agencies and Federal SSPs recognize these risks and many are accelerating plans to modernize
- As key influencers in the Shared Services ecosystem, we can lead coordination efforts to:
  - Reduce duplicative effort and cost
  - Make better decisions about where government builds vs buys solutions
  - Drive process and data standards
- If we do not assist in the coordination of this transition:
  - Agencies will expend duplicative effort, spend more money, and purchase similar solutions
  - They will waste budget dollars on custom add-ons to bridge “perceived” requirement gaps in commercial solutions
  - Sharing of best practices will be inconsistent and success/failure ratios erratic
  - It will be difficult to leverage data standards and collect data needed to make system-wide workforce / policy decisions

* The HR QSMO has begun a project to identify this number more precisely

HR QSMO / HRLOB Major Recent Accomplishments

- Enhanced, completed and published HR business and data standards
  - Published for industry comment and use for first time in 2023
- Created and published first Government-wide HR IT Inventory (refreshed annually since 2022)
- Launched HR QSMO Marketplace on GSA's Acquisition Gateway (2024)
- Played key advisory role in TMF funding for DOE Core HR Modernization (2024)
- Engaged as an advisor in most or all major CFO Act HR and Payroll modernization projects – partnership agreements signed with NFC, IBC, HHS, DOE
  - In particular, supporting payroll modernization efforts at NFC, IBC, GSA
- Stood up Agency Human Capital Data Champions / grew HC Data Analytics Community of Practice to 750+ members (2024)
- Developed standard SSP performance metrics, and launched "SSP Network" (SSPN) to encourage collaboration and common messaging between Federal Payroll and HR Providers (2024)

HR QSMO / HRLOB Major Targets (FY25 and Beyond)

What We Are Delivering	Examples / Why This Matters
Onboard Commercial Service Providers into the HR QSMO Marketplace (slated for first delivery in FY25)	• Features federal and commercial solutions side-by-side • Expands field of choices to agencies • Encourages private sector jobs / market competition • Institutionalizes process and data standards
Begin delivering federal baseline HR IT Requirements (first published release in FY25)	• Reduces duplicative effort / admin burden • Enables agencies to communicate better with industry (i.e. what is a "federalized" solution) • Drives agencies towards standardization
Continue to advise and assist major HR IT modernization efforts – particularly NFC, etc.	• HR QSMO serving as "air traffic control" to coordinate modernization of Federal HR IT • Critical to obtaining quality HR data at OPM
Help agencies and vendors achieve concrete improvements in Federal hiring/onboarding via standardized workflows and data structures	• Working with vendor partners to incorporate HRLOB standards • Reduces time and effort to deploy modern solutions and improve hiring/onboarding processes
Improve the quality of data flowing from agencies to OPM and insights from OPM back to agencies	• Working with SSPs and agencies to identify and fix data quality issues

Development of Federal HR IT Requirements to Facilitate Agency HR IT Modernization

December 2024

The Need for Federal HR IT Requirements – The Why

Antiquated systems

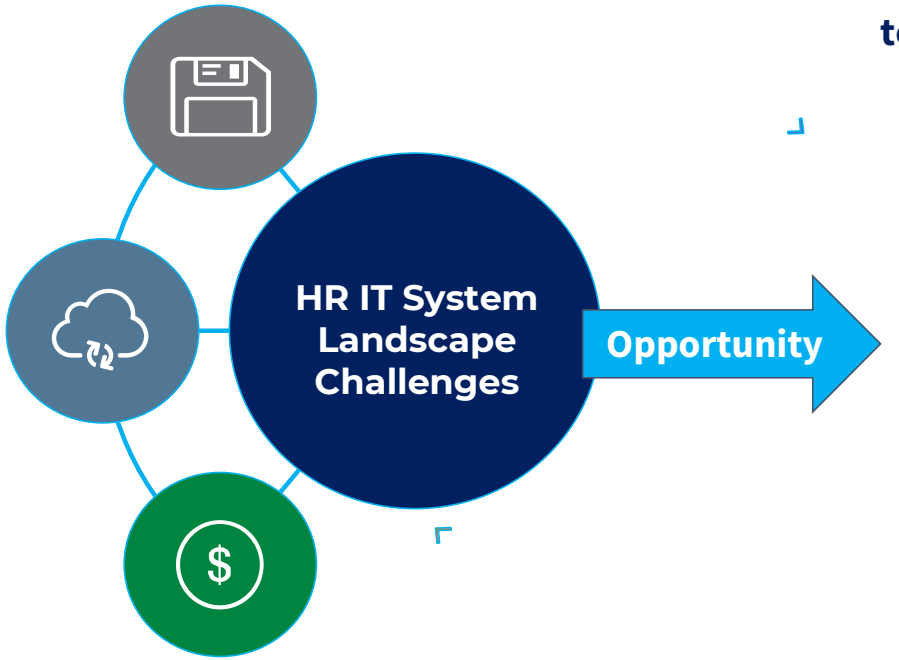
Aging systems fail to use tech innovations to improve experiences for practitioners and employees.

Lack of integrations

Lack of data standardization leads to poor interoperability

Limited funding

Tight budgets make agencies do more with less



Establish IT requirement sets to:

- Take advantage of the latest technical capabilities
- Align to federal business capability and data standards for improved interoperability
- Provide an initial set of requirements for agencies to leverage in IT modernization efforts

Our Approach – The How

Gather requirements
Agencies and SSPs to provide current and historical HR IT requirements.

Map requirements
Map the requirements to the HC-FIBF/HCIM and develop a traceability matrix.

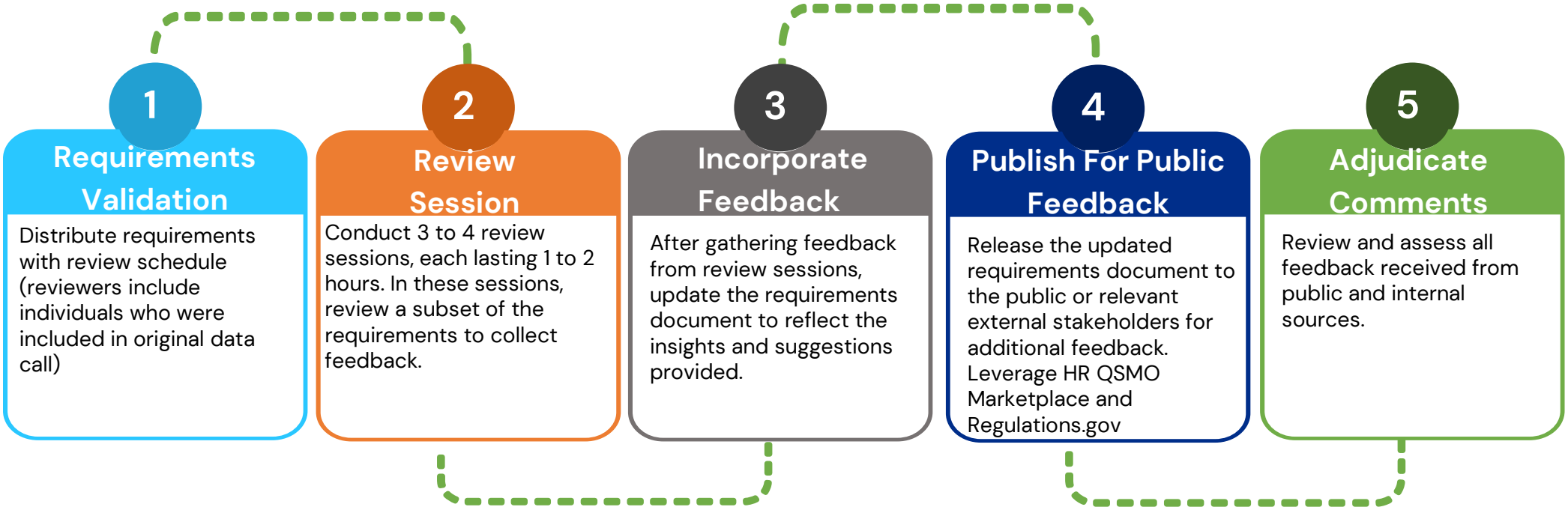
Analyze requirements
Identify requirements similar functionality among other agencies.

Community review
Validate and confirm requirements with agency points of contact

Operationalize requirements
Promote adoption as agencies and SSPs work to modernize their HR IT ecosystems

Continuous feedback
Engage stakeholders to refine requirements over time

Repeatable Review Process



Employee Lifecycle

A2 Talent Acquisition

- **A2-1** Talent Acquisition Management
- **A2-2** Candidate Sourcing & Recruitment
- **A2-3** Candidate Sourcing & Recruitment
- **A2-4** Applicant Screening, reciprocity Investigation
- **A2-5** Vetting Adjudication
- **A2-6** New Hire In Processing & Onboarding

A3 Talent Development

- **A3-1** Talent Development Planning
- **A3-2** Talent Development & Training
- **A3-3** Learning Administration

A4 Employee Performance

- **A4-1** Employee Performance Management
- **A4-2** Recognition Management
- **A4-3** Performance Appraisal Sys Cert for SEC & SL/ST

A5 Compensation and Benefits

- **A5-1** Compensation Management
- **A5-2** Work Schedule & Leave Management
- **A5-3** Benefits Management
- **A5-4** Work-Life Wellness/ Employee Assistance

A6 Separation and Retirement

- **A6-1** Separation Counseling
- **A6-2** Retirement Planning & Processing

Our status today and the journey ahead

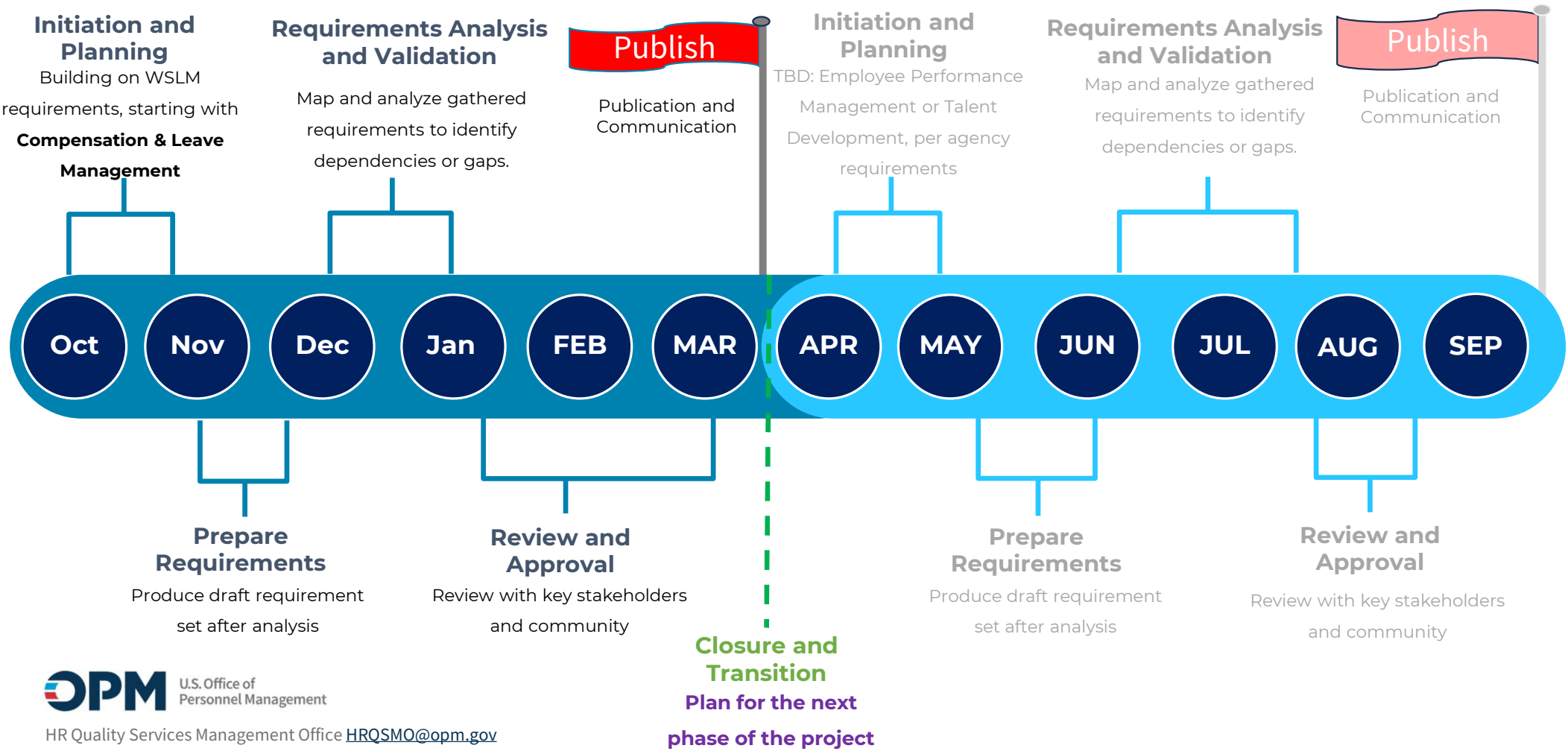
In review

Future Areas

U.S. Office of Personnel Management

HR Quality Services Management Office HRQSMO@opm.gov

FY25 Requirements Milestones



U.S. Office of Personnel Management

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Example Of Final Product

Standardized Requirements	Business Service Activity
The system shall provide the ability to input and track payments that were returned to the POD from the Treasury, allowing Review and Analysis staff to view the information. This data shall be a copy of the official information maintained in FBMS history.	HCM.A5-1.050 Payroll Processing
The system shall provide the ability to view historical pay and leave data.	HCM.A5-1.050 Payroll Processing
The system shall allow employees to donate up to half of the leave they accrue each year.	HCM.A5-1.050 Payroll Processing
The system shall allow employees to view, but not change, their Timesheet Profile and Timesheet Details pages. All fields in the Employee Profile shall be read-only except for Password, Email Address, and Start Page.	HCM.A5-1.050 Payroll Processing
The system shall support the mass processing of personnel actions, including but not limited to Realignments, Awards, Salary Adjustments, Non-pay Status, Return to Duty, and Changes in Data Elements.	HCM.A5-1.050 Payroll Processing
The system shall display different expiration dates for each type of leave on every leave and earnings statement. The expiration date shall be the last day of the pay period in which the leave will expire. The system shall allow for the configuration of set expiration dates for specific types of leave.	HCM.A5-1.050 Payroll Processing
The system shall generate annual leave lump sum payments (LSP) for separated employees two pay periods after the separation date, except for US Tax Court Law Clerks who do not receive a generated LSP. This process shall coincide with the certification of the SF-1150.	HCM.A5-1.050 Payroll Processing
The system shall provide the ability to initiate, change, and view an employee record for Summer Payout. Users may initiate the effective date and select one of three disbursement methods: a lump sum payment after contract completion, equal payments while in non-pay status, or an immediate refund.	HCM.A5-1.050 Payroll Processing
The system shall provide the ability to process leave adjustments through separate OTAs with a processing pay period of XX02, which typically reflects the last processing pay period of the leave year.	HCM.A5-1.050 Payroll Processing

HR QSMO Marketplace Approach
The Path to Onboarding Commercial Service Providers (CSPs)

December 2024

HR QSMO Responsibilities via OMB Memo M-19-16

- Drive the implementation of **federal standards** through the collaborative governance process
- Offer and **manage an information marketplace of solutions** for common technology, services, or fully managed services to **respond to agency needs**;
- Guide and govern the **long-term sustainability of the services and solutions**; and
- Institute a **customer engagement and feedback** model that allows for continuous improvement and performance management of solutions

HR QSMO Marketplace Rationale for Onboarding CSPs

- Federal agencies expressed interest in options beyond those solutions currently available from existing Federal Service Provider (FSPs)
- FSPs may or may not choose to meet all federal agency business needs
- Commercial Service Providers (CSPs) could bridge solution gaps and provide meaningful competition
- Ensures HR QSMO alignment with other Federal QSMOs, all of which include CSPs in their marketplaces
- Leveraging Commercial Sector Expertise
- Keeping Pace with Industry Innovation

Why Onboarding CSPs is Important to Private Industry (SSLC)

- Parallel ***consistent, criteria, transparent*** entry processes and timetables for government and industry providers
- Ensure a ***level playing field*** at ***qualification, market research*** and agency ***purchasing*** stages
- Government and industry providers **held to same standards** for **keeping pace** with **best practices and compliance** with federal law, policy and regulations

Key Actions to Onboarding CSPs in HR QSMO Marketplace

- Announce and Host HR QSMO Marketplace Industry Day
- Release RFI via Home | SAM.gov
- Receive RFI Questions
- Post RFI Q&A to Home | SAM.gov
- Review RFI responses
- Onboard CSPs in HR QSMO Marketplace

Appendix

Industry Day Objective – Understand the Federal HR Standards

"Drive the implementation of **federal standards** through the collaborative governance" (per OMB Memo M-19-16)

Use the HR QSMO Marketplace Industry Day to:

- Create **awareness** and underscore the benefits of **adherence to standards** to private industry
- Present and field questions about HCBRM/HC-FIBF/HCIM
- Connect **successful utilization of standards** and "federalizing of HR solutions and services" for federal agency application

Industry Day Objective – Crosswalk Standards with Solutions

"Offer and **manage an information marketplace of solutions** for common technology, services, or fully managed services to **respond to agency needs**;" (per OMB Memo M-19-16)

Communicate to private industry how the HR QSMO Marketplace will:

- Provide a "one-stop-shop" of viable solutions for agency choice
- Highlight existing federal provider options
- Introduce a selection of competitive commercial service provider options

Industry Day Objective – HR QSMO Marketplace As An Agency Market Research Enabler

"Guide and govern the **long-term sustainability of the services and solutions**;" (per OMB Memo M-19-16)

- HR QSMO Team serves as key influencers in federal HR community and requested "advisor" in agency HR modernization efforts
- HR QSMO Marketplace manages and sustains a dynamic environment of viable solutions and services

Industry Day Objective – Facilitator of Federal HR Community Engagement

"Institute a **customer engagement and feedback** model that allows for continuous improvement and performance management of solutions" (per OMB Memo M-19-16)

Our HR QSMO and HRLOB team:

- Fosters ongoing customer agency engagement as an integral part of our mission and standard operations
- Engages with service providers and OMB to define performance measures, drive process improvement and improved customer experience (Industry Day Panel)