SPOTLIGHT PRESENTATION

Enterprise-wide Shared Services Initiative

NOVEMBER 2019
Spotlight Challenge

- Quick Summary
- History of Change at DOL
- Change Management Challenge

Spotlight Coaching

- Capture their hearts:
- Benchmarks (SLAs)
- Change their Performance Review Metrics
- Map the Journey

Next Steps

Questions
OBJECTIVE: DOL is seeking to consolidate its disparate HR, procurement, IT, and personnel security organizations (which are currently performed by a variety of agencies and staff)

GOAL: Irreversible change by September 2020

SCOPE: All DOL Agencies, staff and resources nationwide within these service areas

BENEFITS: Create a service delivery model that is streamlined, consistent, efficient and measurable, which will:

- Mitigate risks
- Improve quality of services
- Increase economies of scale
- Improve accountability
- Position the Department for external shared services
THE OUTCOMES FROM A VARIETY OF PREVIOUS INITIATIVES AT DOL TO CONSOLIDATE ADMINISTRATIVE SERVICES REGULARLY PRESENT THEMSELVES AS CHALLENGES TO THE PROJECT TEAM

Customer experiences with these large scale IT projects have resulted in:

- Lack of trust and accountability on both sides
- Lack of transparency in performance metrics and costs
- Lack of governance
- Minimization of client feedback/input for service delivery
- Perceived increase in cost
SPOTLIGHT CHALLENGE

How do you transform a current-state provider of internal services to be a collaborative client of Enterprise-wide Shared Services in the future state?

“How do you take the cook out of the kitchen?”

Agency Leadership (political and Career) are supportive of the initiative:
- Want to focus on Mission work
- Complying with the Federal directives that initiated the project

Middle Managers are not generally supportive of the initiative:
- Want to protect their portfolio of work
- Concerned for future well-being of their staff
- Rely heavily on specific staff (SMEs) and are concerned about losing the ability to direct their work
- Concern for provider’s ability to respond to their needs vs. those of other agencies receiving similar services from the same provider

Employees are supportive of the initiative:
- Interested in new opportunities
- Interested in potential upward mobility
SHARED SERVICES FORUM

CARRY OVER ISSUES
- Is there a funding strategy for QSMO's?
- Where do non-QSMO areas get addressed?
- More info on the task order review board.
- What do we mean by customer experience?
- Shared services governance board.
- Performance measures.

FM QSMO
- Core financial by mgmt. systems
- Vendors: oracle, sap, csi

TREASURY IS COMMITTED TO COLLABORATE WITH YOU

THE CHALLENGE!
- How do we take a provider & turn them into customers?
- How do we focus on all service areas?
- Space for competition will be in the service offerings area.

THE SAVINGS WILL COME
- Make all the CIO report to one overarching CIO
- Clarity on customer, scr, as a focus
- Build up skills in your insurance
- Highlight the benefits to them
- Leverage SME buy-in

AGENCY SPOTLIGHT
- Dept. of labor
- 10 HR ORGS
- 47 REGIMENT ORGS
- 23 MGRS

WHY DON'T MY AGENCIES HAVE SLA'S?
- How do we take a provider & turn them into customers?
- How do we focus on all service areas?
- Space for competition will be in the service offerings area.

THE SAVINGS WILL COME
- Make all the CIO report to one overarching CIO
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TOP HR ORGS
- Be authentic & transparent
- Use benchmarks to show the vision
- Use benchmarks to show the vision
- Keep their focus on quality of scr, to the designer
- Make all the CIO report to one overarching CIO

THE SAVINGS WILL COME
- Make all the CIO report to one overarching CIO
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IT'S OK TO SAY 'THINGS WILL CHANGE'
- We will fall forward

EACH SHARED SERVICE TRANSITION IS DIFFERENT
- What do we mean by customer experience?
- Shared services governance board.
- Performance measures.

WE ARE INTEGRATING INTO THEIR, PROCESS, & THEIR CONTRACTS

Q&A

- July 11, 2019

- Matten Bebchuk @ thecleared.com
Here is what we heard from your Spotlight feedback.

• **Capture their hearts**: It’s Ok to say things will change

• **Benchmarks**: Use Benchmarks to show the Vision

• **Review**: Change their Performance Review Metrics

• **Map**: Map the Journey
CAPTURE THEIR HEARTS:

WE TALKED TO EVERY STAKEHOLDER GROUP

40+ Peer to Peer Leadership Meetings
DOL Senior Leadership

Snapshot Newsletters
DOL All Staff
Monthly
Avg 20,000+ opens

Working Groups
Practitioners and Leadership from all Providers
Ad Hoc/Weekly Meetings

20 Open Forums & All Hands Practitioners

LaborNet Page
DOL All Staff

20 Roadshows
National & Regions

WE LISTENED TO EVERY STAKEHOLDER GROUP

25+ Leadership Interviews
DOL Senior Leadership

100+ Staff Interviews
Practitioners and Customers

90+ Focus Groups
Practitioners and Customers

Functional Project Teams
Functional Leadership from all Providers
Weekly Meetings

150+ Emails
From DOL Staff

30+ Yammer Posts
DOL All Staff

5+ Funding Mechanism Discussions
Agency Budget Leads

40+ Regional Sessions
Practitioners & Customers

20+ Union Briefings
NCFLL, Local 12, NULI
SIGNIFICANT PROGRESS HAS BEEN MADE ON THE SHARED SERVICES PROJECT TO DATE – STATUS AS OF DATE

All Agencies will participate in the Discovery Phase initially for different lengths of time. Each Wave would then stagger Analysis and Planning and Implementation as they move through the transition schedule.
USE BENCHMARKS TO SHOW THE VISION:

- **Define:** As we reviewed Service Level Agreements (SLAs) we need to let the customers understand that these are living measures that drive success

- **Measure:** We found that an SLA to some agencies was: “I ask someone to fix it, and they fix it”

- **Process:** We identified key measures with HR, IT, Procurement, and Personnel Security
  - Vetted with key agencies for feedback and fine tuning of baseline SLAs
  - Set a Base Line measurement period (6 months)
  - Instituted a feedback cadence for review
## BENCHMARKS - ESS SERVICE LEVEL AGREEMENT (SLA) APPROACH*

### KEY SLA PHASES & EVENTS

<table>
<thead>
<tr>
<th>DESIGN</th>
<th>BASELINE</th>
<th>UPDATE &amp; IMPLEMENT³</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Review existing F&amp;A Measures &amp; OASAM Operating Plan measures</td>
<td>• Measure and report on baseline service standards</td>
<td>• Coordinate customer feedback sessions after baseline ends</td>
</tr>
<tr>
<td>• Collect inputs from existing DOL providers and review practices at other agencies</td>
<td>• Client Agencies and Functional Governance Board communicate wins and address opportunities, as needed</td>
<td>• Make modifications and review/refine measures with Client Agencies, C-Suite, PMC, Functional Governance Board, and OASAM Senior Leadership</td>
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<tr>
<td>• Develop initial service standards</td>
<td>• Review/refine with Client Agencies</td>
<td>• Review/refine with C-Suite, PMC &amp; OASAM Senior Leadership</td>
</tr>
<tr>
<td>• Review/refine with C-Suite, PMC &amp; OASAM Senior Leadership</td>
<td>• OASAM Senior Leadership approves and finalizes baseline standards and measures</td>
<td>• Conduct Agency feedback sessions²</td>
</tr>
<tr>
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<td></td>
<td>• Make modifications and review/refine measures with Client Agencies, C-Suite, PMC, Functional Governance Board, and OASAM Senior Leadership</td>
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### KEY SLA PHASES & EVENTS

<table>
<thead>
<tr>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun</td>
<td>Jul</td>
<td>Aug</td>
</tr>
<tr>
<td>Today</td>
<td>Initial Gov Mtg¹</td>
<td>Performance Report #1</td>
</tr>
</tbody>
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### KEY SLA PHASES & EVENTS

- Governance body will meet in designated cadence
- Agency feedback sessions will be conducted during the refinement period of the SLA
- A baseline period may also be implemented for the FY21 SLA, depending on the extent of changes made

*IT and Procurement SLA schedules/activities are still under development but will follow a similar framework
While we could not change their measure, we could change ours.

- **Impact**: Driving a culture of customer service by embedding a customer feedback mechanism in leadership evaluations

- **VOC**: Give the customer a voice in the C-suite evaluations

- **Objective versus Subjective**: Customers have long memories so feedback needs to be based on facts and numbers
  - SLAs will play a key role in this process
Evaluations are measured against set goals and expectations through five core qualifications. Customers have the ability to influence the rating of the Executive Core Qualifications, totaling 70% of the overall performance appraisal.
Review - A SURVEY WILL BE USED TO GATHER CLIENT AGENCY FEEDBACK SEMI-ANNUALLY

PARTICIPANTS
Each agency will be asked to provide one senior leadership representative per service area for agency-specific performance feedback to the C-Suite (i.e., AO or more senior).

TIMELINE
Shortly following the end of Q2 and Q4 to correspond with collection of OASAM Operating Plan and SLA performance metrics, and the semi-annual personnel performance assessment process.

IMPLEMENTATION
In partnership with the C-Suite, OASAM Front Office drafts performance overviews/accomplishments to share with a customized survey link to pre-identified survey respondents (one per agency per service area).

METHOD
Submit the C-suite performance overviews/accomplishments and the customized survey link via email through SurveyGizmo (OASAM Front Office can leverage existing license).
MAP THE JOURNEY

Meet Stakeholders where they are

Host Briefings

Request Feedback

Establish Communication Channels

Build the Future State

Communicate New Structure

Create Feedback Mechanisms

Build Governance and Accountability Structures

Transition to future state structure

Develop Process Improvements

Reinforce changes
## TIMELINE OVERVIEW – DOL ESS PERFORMANCE APPRAISAL, SLA GOVERNANCE, & OTHER REPORTING

### PERIODS

<table>
<thead>
<tr>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>FY2021</th>
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<tr>
<td>Oct</td>
<td>Nov</td>
<td>Dec</td>
<td>Jan</td>
<td>Feb</td>
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### PERFORMANCE APPRAISALS

- **Today:**
  - Solicit Customer Feedback
- **FY2020:**
  - Prepare Mid-Year Performance Appraisal
- **FY2021:**
  - Solicit Customer Feedback

### DESIGN SLAs

- **First HR Governance Meeting**
- **HR Governance Meeting**

### BASELINE SLAs

- **SLA/Performance Report #1**

### UPDATE & IMPLEMENT SLAs

- **SLA/Performance Report #2**
- **Agency Feedback Sessions**
- **Agency Socialization Sessions**
- **Finalize 2021 SLAs**

### GOVERNANCE

- **First IRB Meeting**
- **Procurement Governance Meeting**

### REPORTING

- **Operating Plan/APG Quarterly Reporting**

### Key

- **Human Resources**
- **Information Technology**
- **Procurement**

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*Procurement SLA schedule is still under development, but will follow a similar timeline*
IMPLEMENTATION TIMELINE OVERVIEW

<table>
<thead>
<tr>
<th>FY19 Q3</th>
<th>FY19 Q4</th>
<th>FY20 Q1</th>
<th>FY20 Q2</th>
<th>FY20 Q3</th>
<th>FY20 Q4</th>
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<tr>
<td>MAY</td>
<td>JUN</td>
<td>JULY</td>
<td>AUG</td>
<td>SEP</td>
<td>OCT</td>
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<td>PC/PM; Work-Life and Engagement; Executive Resources; Budget &amp; Programs; HRIS</td>
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<td>Compensation, Retirement, &amp; Benefits; Policy &amp; Accountability; Workforce Development &amp; Inclusion</td>
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<tr>
<td>Strategic/Operational Program Planning &amp; Communications; ELMR; Staffing (including Onboarding)</td>
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Post-Transition activities will occur after the completion of each transition of function(s) or agency(ies)

NOT FOR DISTRIBUTION
NEXT STEPS

• Complete the transition of Human Resources and Personnel Security services

• Complete “Implementation” phase activities for IT Wave 1

• Continue “Discovery,” “Analysis & Planning,” and “Implementation” phases for IT Waves 2-4

• Complete “Implementation” phase activities for Procurement

• Finalize Service Level Agreements (SLAs), performance monitoring and client engagement model in partnership with agencies

• Quantify Shared Services success measurements

• Continue to optimize Shared Services functions post-implementation