

Shared Services “Fiscal Accountability: Financial Management”

Session 3 – 5/24/2018

Accomplished: Discussed “Fiscal Accountability: Financial management shared services models, best practices, and challenges” with approximately 70 government and industry professionals. Heard from 3 OCFO leaders on their shared services journeys from HUD, Department of State, and Department of Justice. This paper proposes recommendations to OMB that will enable agencies to accomplish administration priorities.

Summary Recommendations:

- Expand number and use of common solutions and use of centralized services
- Promote Best-practices through proven commercial innovation and tools

Recommendations to 5 Core Shared Solution Challenges (received from break-out group work):

- 1) Old technology, outdated processes, and culture of compliance creating inflexible environment:
 - There is resistance to new processes and ways of conducting business. Recommend ample advanced notice and focused change management practices to increase success of adoption.
 - Promote actions on movement from low to higher value business analysis skillsets
 - Create environment and systems that will attract Millennial and younger talent
- 2) Enterprise-wide, there are duplicative back-office financial management services (contracts, people, and technology) at hundreds of locations
 - Promote Reimagine efforts across cabinet agencies on how to tackle inefficiencies. Establish target goals and further internal standardization and consolidation efforts.
 - Promote internal agency efficiency through culture of employee upward feedback
 - Create a culture of sharing, best processes, and broader information sharing across agencies that will promote operational improvement
- 3) There is “low” customer service satisfaction for back office administration activities
 - Providers of service should migrate to customer service orientation with SLA’s and feedback mechanisms like those used in commercial industry.
 - Recommend increased, real-time and transparent information sharing
- 4) Commercial innovation has outpaced Federal capabilities
 - Expand use of public / private partnership models from industry to bring innovation
 - Some agencies finding the budget cycle and process restrictive to acquiring new innovation. Recommend expanded use of multi-year funding and contracting and more flexible acquisition arrangements.
 - Make more R&D funding available to agencies

- 5) Commercial vs. Government benchmarks are widening
- Proceed with Federal / Industry benchmarking assessing gaps
 - Utilize tools like tight SLA's and ability to decrease costs.
 - Utilize right mix of public and private workforce and innovation automation to decrease gaps.