



NewPay

April 2020



Purpose and Goals for Discussion

- Provide a current overview of the NewPay Program
- Engage in group discussion

Federal Payroll Landscape – Case for Change



- Oldest system is over 40 years old
- Long lead times for updates and modifications
- Lack of data interoperability between providers
- Different policy interpretations
- Changes are replicated 5 times
- No common user experience
- Lack of funding model to support routinized IT modernization



- Changing employee demographics & expectations
- Growing cybersecurity vulnerabilities
- Decreasing funds
- Stable path toward modernization



TIME4 NEWPAY

- T – TRANSPARENCY AND TECHNOLOGY
- INNOVATION
- MODERNIZATION FOR TODAY AND TOMORROW
- 4E'S – ENHANCED **EMPLOYEE EXPERIENCE, ENTERPRISE EFFICIENCY**

Between 2003 and 2008, the consolidation of 26 payroll systems to 4 shared services providers, plus the State Department achieved over \$1 billion in cost avoidance over 10 years. **Since then, there have been no major payroll modernization efforts.**



NewPay PMO Team Vision and Mission

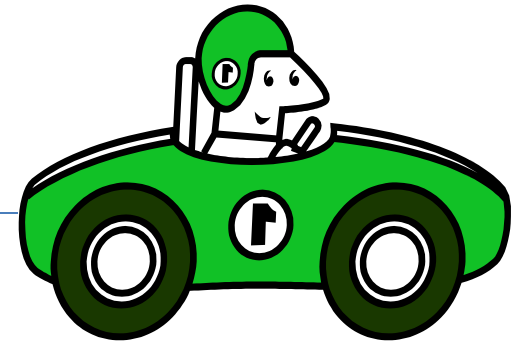
Vision: A world where employees' professional experience is consistent and agnostic of time and place across the government.

Mission: Demonstrate the application of standards and employ the use of innovative technology to modernize payroll processing and create opportunities for economic efficiencies, and reduce cyber security risks to employee data.

- Modernize the way the Federal government processes payroll and time and attendance by aligning policy, processes, data standards, and technology to enhance payroll calculation precision and facilitate a more consistent user/employee experience



- GSA awarded NewPay BPA in September 2018
- Task Orders Awarded on September 11, 2019
- HRLoB released Human Capital Information Model v2.1 on October 31, 2019; On
- M3 templates and samples developed
- Bi-weekly engagement with SSPs and monthly leadership meetings
- NewPay Workstreams: Technology, Policy/Data Standards, Customer Relationship Management, Outreach/Education



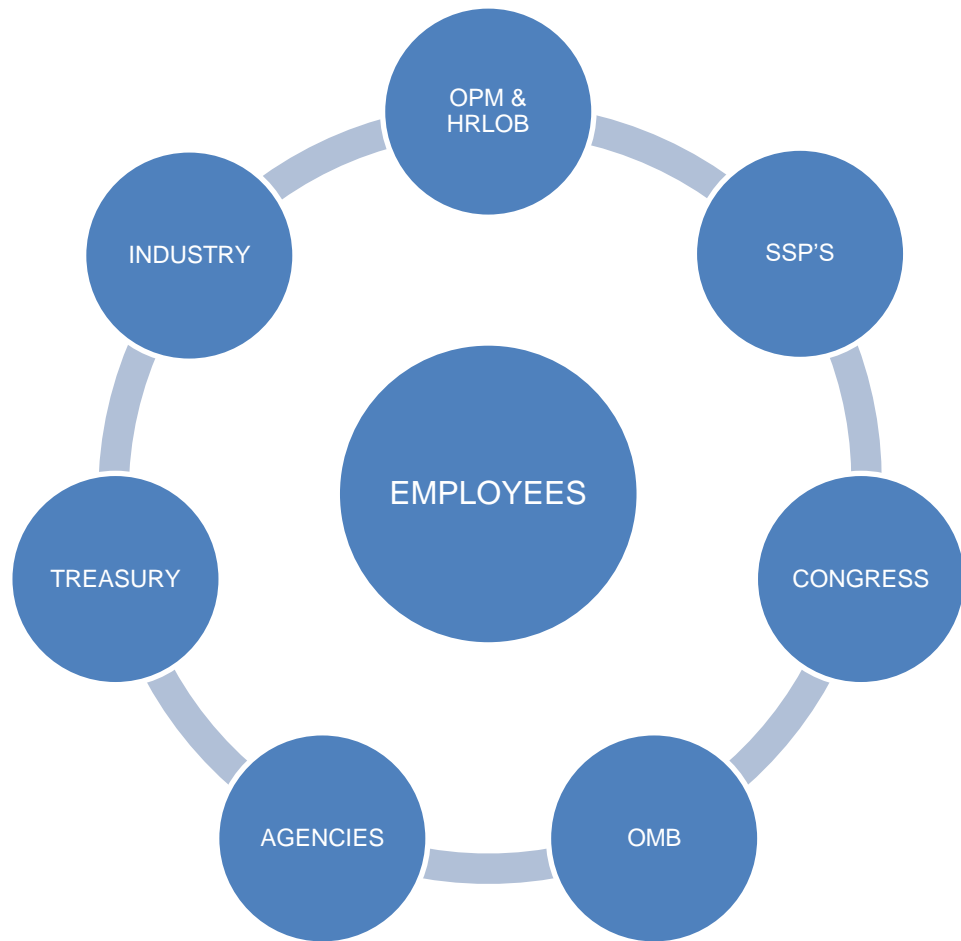
- **Common Standards** - NewPay is built on common capabilities tied to authoritative sources and designed to meet a variety of diverse agency IT requirements, including new and emerging technologies.
- **Software-as-a-Service** - Price based on consumption and builds on economies of scale by pulling negotiating power of multiple agencies. Software updates will be included in subscription price, helping agencies predict expenses and stay modern.
- **Enables Long-Term Planning** - NewPay SaaS solutions will have a ten-year base period and three one-year additional performance based award term periods.
- **Constant Innovation and Modernization** - SaaS by definition provides for constant modernization and updates; the Federal Government will continually be moved to the latest version of the software as updates are completed and not lag behind.
- **Efficiency Gains from Common Data Standards** - Common data standards will allow for, “build it once and reuse it many”. Common data standards will facilitate data exchange across multiple organizations.

Stakeholders are Shareholders in our NewPay Future

Current Stakeholder Engagement

Activities

- ✓ Bi-weekly meetings with current Shared Service Providers (SSPs)
- ✓ Participation in SSP Customer Forums
- ✓ Routine engagement with HRLOB to support NewPay Data Standards
- ✓ Monthly meeting with OPM policy team
- ✓ Participation in Federal/Industry events such as the Shared Services Coalition and AGA Shared Services Forum
- ✓ Engagement with QSMO Community
- ✓ Briefings for OMB and Hill as needed



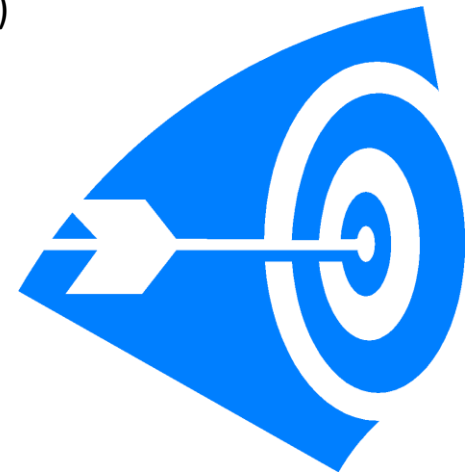


NewPay Overall Approach - Operationalizing Data Standards

- Using data standards means that the data can be repurposed to solve emerging business problems/opportunities
- Using data standards means that the data is commonly understood, has common definition, and is interoperable
- We recognize the importance of data standards into the process of delivering a common experience for 2.2 million employees
- We recognize the importance of the interconnectivity with other human resources data, financial data, tax data, and other domain data
- We recognize that the path to an E2E modernization is through the use of data standards

NewPay Overall Approach - Payroll

- Target baseline – Configure 65 most common pay plans (~ 89% of fed exec branch employees)
- Phased testing/validation approach to address requirements of the 65 pay plans:
 - Minimal viable product (MVP) will reflect the phased configuration strategy
 - General schedule; (~ 68% of fed exec branch employees)
 - GSA/GSA customers;
 - SSP common pay plans;
 - SSP-specific pay plans;
- Disciplined approach to testing and development*
 - Incremental approach to testing
 - Technical milestone reviews (e.g. TRR, IATT, ORR)
 - Robust testing, including SSP data and ~2000 user acceptance stories to validate/test and deliver MVP
- Vendors solutions must be FedRAMP compliant to protect PII



*** Receiving data from every SSP is critical to effectively testing all plans.**



NewPay Workstreams and Current Activities

Support Strategic Objective

SSP ENGAGEMENT

Completed draft project charter and key planning activities

Completed NP FAQ's

SSP engagement on: DUA, IMS, Payplans

Established MAX website to share/track EPLC related docs

Launched Bi-Weekly SSP Policy dialogue on matters impacting NP technical MVP

OUTREACH AND ADOPTION

Designed "Early Adopter" Framework

Presentations to 2 SSP CABs, MAESC, initial conversations with potential early adopter agencies

Initiated communications strategy and branding efforts

Presentation to Privacy Officer Council

Launched Payroll CoP March 2020

STRATEGY AND GOVERNANCE

Initiated design of policy/tech change intake and decision process

Initiated overall NP governance framework

Established mechanism (JIRA) to track all policy/process affecting tech dvlpt

Developing common cost framework for migration and operations

DATA STANDARDS

HRLoB released Human Capital Information Model v3.0 April 2020

Designed HR/Payroll Data Standards Information Model reducing resources needed to dvlp, validate, and visualize data stds

Designed HR/Payroll Natural Language Model to improve the categorizing and reconciling domain values from 4 SSPs

Partnered with OPM to analyze 4000 domain values across 10 data elements into 1 standard

TECHNOLOGY DEVELOPMENT

Completed initial configuration based on law, reg, policy

Completed pre-production demos w/ inclusion of SSP reps to refine initial understanding

Formulated comprehensive testing methodology

Working thru Security protocols to facilitate testing data against tech design



Opportunities for You to Assess, Plan and Prepare

- ❑ Agencies should be working with their SSPs now to determine transition timing, impacts to processes and systems, and FY21-FY24 budget estimates
- ❑ Items for Agency Assessment Include (but not limited to)
 - What is most urgent business need - Payroll or Payroll and WSLM/Time and Attendance
 - What type of agency software is being used now to support either of these business capabilities
 - Do you have legacy technologies at your agency which support either of these business capabilities
 - What are your business processes supporting these capabilities today
 - How much time/notification must be given to your current SSP to indicate a move to NP
 - Which pay plans support your current workforce – are there any unique statutory/regulatory requirements associated with those pay plans
 - Agency IT modernization strategy – what is your timeframe and funding model to plan, prepare and migrate
- ❑ Agencies should participate in existing SSP customer forums to understand SSP-specific plans to migrate toward NewPay
- ❑ Agencies are welcome to reach out to the NewPay Team if you want to learn more
 - ❖ Amy.Haseltine@GSA.gov

What Have we Learned Along the Way

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- A blue, multi-pointed starburst graphic with a white outline, containing a list of five items.
- 100% learning
 - Transparency
 - Partnership
 - D3
 - Resilience



- While technology may be part of the solution, it is only one part of the challenge
- Verification that benefits of modern technology are driven by policy, process and standards
- Range of interpretation of policy, process, and decision making authority
- Iterative technical development ensures continuous learning, identifies challenges early to ensure overall progress
- Importance of the 5 C's – customer, clarity, communication, continuous learning/change, C-Suite
- Embrace, understand, plan to mitigate risk



THANK YOU!