Initiating Business Transformation

A look into the Administrative Resource Center's decision to pursue business transformation and the initial steps to begin executing the multi-year effort.

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Agenda

Understand Current State

Set Direction for the Future

Establish Baseline Plan

Prepare Organization for Change

Begin Implementation

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Understand Current State
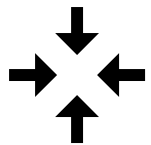
Reasons For Business Assessment
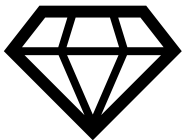
Position for Growth

Provide Future Direction
- *Bolster Support of Treasury's Financial Management Vision[1]*

Prepare for External Changes
- *Rapidly Evolving Technology*
- *Quality Service Management Office (QSMO)*

Increase Value to Customers

Areas of Opportunity

➢ **Organization & Culture**
Remove Silos & Enhance EX

➢ **Customer Knowledge & Engagement**
Utilize Human-Centered Design & Create CX Focus

➢ **Technology & Data**
Unlock Data Value

➢ **Process Optimization**
Create Scale Through Standardization & Automation

[1]*To learn more on the FM Vision and the future of federal financial management, visit https://fmvision.fiscal.treasury.gov*

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Set Direction for the Future

North Star Vision
We make complex simple.

Strategic Direction

SHORT-TERM: Build capabilities to create scale and improve customer experience.

LONG-TERM: Achieve scalability and remove transition barrier for new customers.

Business Model Considerations

- Review Value Proposition

- Define Customer Segments

- Assess Service Offerings

- Establish Key Strategies

- Review Operating Model

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Initial Transformation Roadmap

KEY

Foundational Non-negotiable investments	Incremental Meets short-term strategic direction	Transformational Meets long-term strategic direction

	FY 2020	FY 2021				FY 2022			FY 2023		
MONTHS	3	6	9	12	15	18	21	24	27	30	33	36

Organization and Governance
Make it simpler to get things done within ARC

- Organizational Design
- Support Teams
- Transformation Management Office (TMO)
- Organizational Change Management (OCM)
- Governance
- Service Management Framework
- Pricing
- Recruiting, Talent, and Workforce Capability

Customer Knowledge and Engagement
Understand what our customers need and simplify their experience

- Customer Experience (CX) Strategy
- Customer Engagement and Outreach
- Customer Service Contact Center
- Customer Transformation
- Rebranding

Process Optimization and Automation
Create simple processes that enable ARC's ability to scale

- Business Process Reengineering & Automation

Technology and Data
Build infrastructure that allows ARC and customer to focus on their missions

- Technology Strategy
- Data Team and Projects
- Cloud Migration Strategy
- CRM

Culture
Provide the workforce with clear guiding behaviors and ways of working

- Culture Transformation
- Employee Experience (EX)

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Prepare Organization For Change

Change management is the discipline that guides how we prepare, equip, and support individuals to successfully adopt change in order to drive organizational success and outcomes.
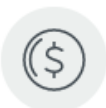
WITHOUT CHANGE MANAGEMENT
Employees feel surprised and besieged by change

- Failed project results
- Extended project timelines
- Additional project costs
- Low adoption and usage

WITH CHANGE MANAGEMENT
Employees feel prepared, equipped and supported

- 6x MORE — Likely to meet project objectives
- 5x MORE — Likely to stay on schedule
- 2x MORE — Likely to stay on budget
- People-dependent ROI achieved

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Change Management Framework

A Awareness – Of the need for change

D Desire – To participate and support the change

K Knowledge – Of how to change

A Ability – To implement desired skills and behaviors

R Reinforcement – To sustain the change

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ARC Transformation OCM – Year 1

JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC

Culture

Manage Teams Page (Articles, Subpages, Engagement), Support Town Halls, and Plan Engagement Sessions

Manage Quarterly Culture Campaigns

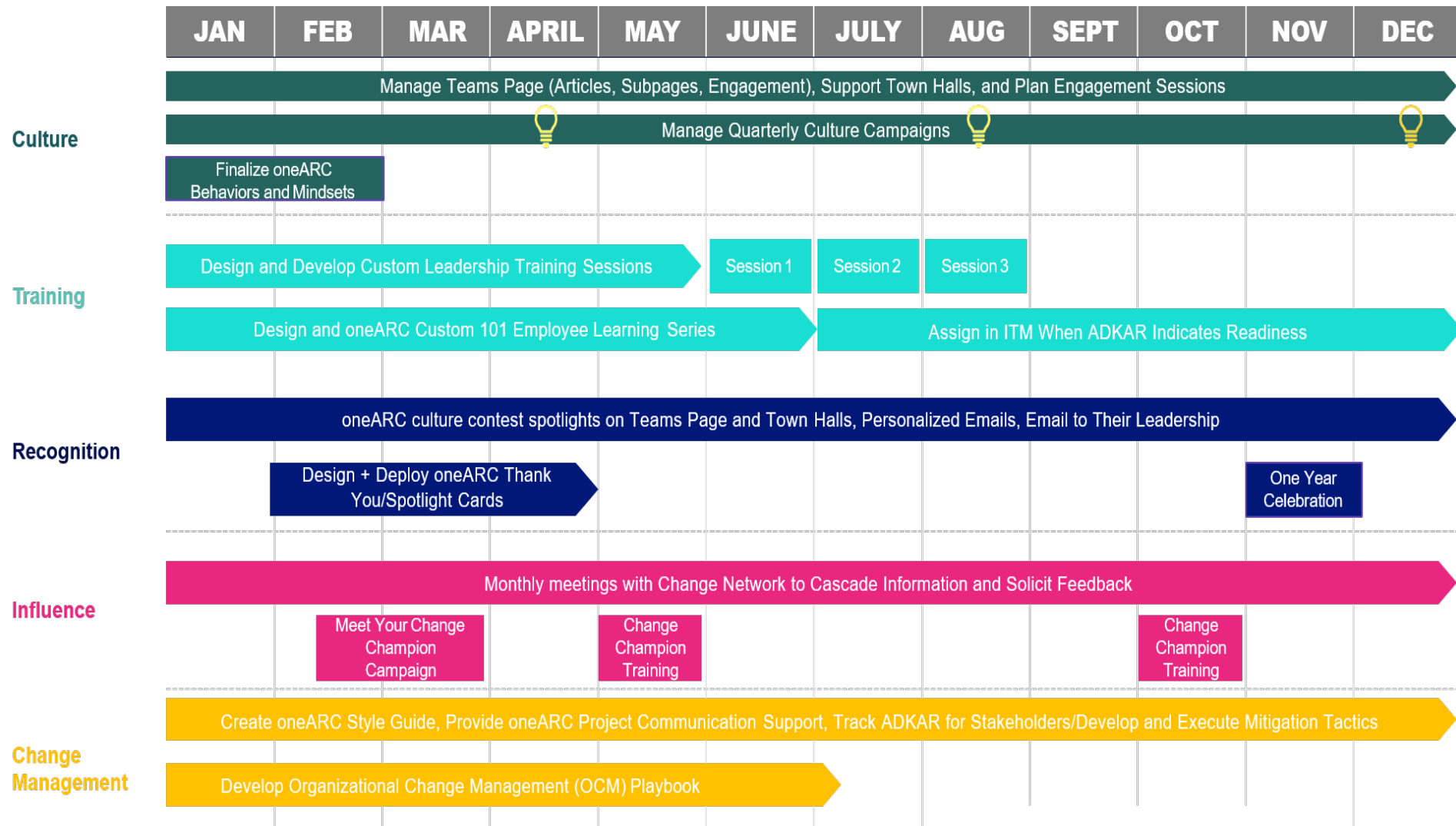Finalize oneARC Behaviors and Mindsets

Training

Design and Develop Custom Leadership Training Sessions — Session 1 | Session 2 | Session 3

Design and oneARC Custom 101 Employee Learning Series — Assign in ITM When ADKAR Indicates Readiness

Recognition

oneARC culture contest spotlights on Teams Page and Town Halls, Personalized Emails, Email to Their Leadership

Design + Deploy oneARC Thank You/Spotlight Cards

One Year Celebration

Influence

Monthly meetings with Change Network to Cascade Information and Solicit Feedback

Meet Your Change Champion Campaign

Change Champion Training

Change Champion Training

Change Management

Create oneARC Style Guide, Provide oneARC Project Communication Support, Track ADKAR for Stakeholders/Develop and Execute Mitigation Tactics

Develop Organizational Change Management (OCM) Playbook

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Roadmap: Optimize Processes

What is BPRA?

- Business Process Reengineering and Automation (BPRA) is a new ARC initiative launched in June 2021 dedicated to improve business processes across ARC in terms of their **effectiveness** and **efficiency**

Why is BPRA Needed?

- BPRA was established to expand on **efficiencies** and the ongoing continuous improvement efforts already established within ARC and provide a consistent approach to how we evaluate business processes and implement change

How does BPRA Work?

- BPRA puts into practice the **Digital End-to-End Efficiency Framework (DEEE)**, leading end-to-end Business Process Transformation initiatives across ARC and ARC's customers

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Human-Centered Design (HCD)

Identify improvement opportunities through detailed analysis of process documentation while also understanding the experience, needs, expectations, and pain points of the users involved

Traditional Process Analysis

- Collect summary data and existing analysis on major challenges (e.g., audit findings, automation analysis)

- Review process documentation to develop technical understanding of process, systems, data, and workforce

- Identify potential opportunities based on data (e.g., cycle time, process redundancies, predictable and repeatable manual steps)
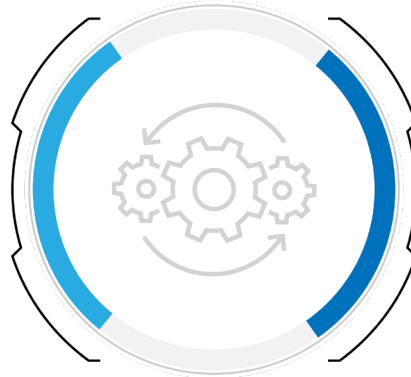
Human-Centered Design (HCD)

- Apply techniques focused on collaboration, conversation, and engagement from users

- Collect information through interviews and collaborative validation sessions to understand the user perspective firsthand

- Drive toward solutions by focusing efforts and investments on pain points and user needs

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DEEE Framework and Approach

For process reviews, BPRA is using the DEEE Framework, a 5-step process to take an agency through identifying where to start, what to analyze, how to solve, and assess & prioritize solutions.

WHERE TO START?		WHAT TO SOLVE?	HOW TO SOLVE?	
Define Scope	**Select** Process	**Analyze** Process	**Assess** Solutions	**Prioritize** Solutions
How to define end-to-end processes and what is the full scope to consider	How to select or sequence processes to achieve the most value	How to analyze the process to identify pain points and opportunities	How to identify and assess potential solutions	How to balance value and cost to prioritize improvements

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DEEE Solution Categories

The objective is to enable straight through processing with limited to no manual intervention and prioritizing for low-cost solutions.

SOLUTION CATEGORIES
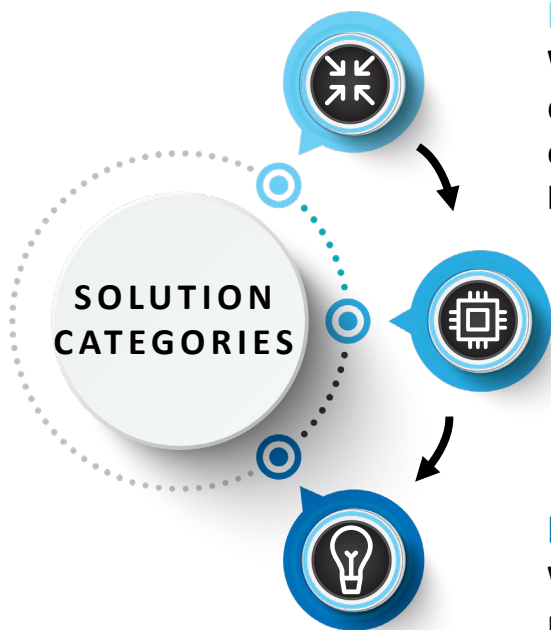
Reduce/Optimize: Eliminate cumbersome process steps and streamline
What it is: Reduce unnecessary activities considering whether the way business is done today is how it needs to be done (including policy changes to enable process changes or trainings, etc.)
Investment: Low to no cost (non-technology solution)

Digitize: Move from manual to systematic or automated processes
What it is: Apply digital technology to automate/eliminate manual steps, reduce paper-based steps, and streamline the process
Investment: Limited cost (often using existing technology or capabilities)

Innovate: Transform digital capabilities with intelligent automation
What it is: Apply new and emerging technologies to transform business processes and unlock long-term efficiency gains
Investment: Variable cost (may include net new investments)

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ARC DEEE Portfolio

DEEE has helped ARC identify areas of opportunity for process improvement and efficiency across 4 processes.

**Complete**

Receivables	TDY Travel		Processing

Request to Procure • **Bill to Collect** • **Book to Reimburse (Travel)** • **Procure to Pay** • **Acquire to Dispose (Property)** • **Apply to Perform (Grants)** • **Budget Formulation to Execution** • **Agree to Reimburse** • **Hire to Retire** • **Apply to Repay (Loans)** • **Record to Report**

**Current Processes**

Intergov & Grants, Loans & Foreign Payments

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Hire to Retire

The below depicts the scope of the Hire to Retire (H2R) Accession process analysis. Specifically, the scope will encompass activities within the Accession sub-process focused on onboarding.

Hire-to-Retire (H2R)

Accession | **Sustain** | **Separate**

Accession (Onboarding):
The scope of our analysis will be within the Accession sub-process from the point of identifying a candidate for in processing through a candidate being ready to perform work.

Talent Acquisition Management > Candidate Sourcing and Recruitment > Candidate Assessment and Selection > Applicant Screening, Reciprocity, and Investigation Request > Vetting Adjudication > New Hire in-processing and onboarding

Analysis Focus

AGENCY PARTNERS

TIGTA is small treasury agency, that is a full-service HR customer.

HUD is a large, standard customer. HUD is also in the first wave to move to USA Staffing, enabling this analysis to support that new process.

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Hire to Retire Journey

Gathered & Analyzed Process Documentation

Conducted **interviews** with H2R stakeholders

Identified **pain points and opportunities** and developed Journey Maps

Held **validation sessions** to review journey maps and **prioritize pain points**

Identified **solutions** capable of addressing the existing pain points

- Reviewed **50 process artifacts** from ARC, HUD, TIGTA
- Identified **14 potential personas** / roles
- Identified **13 potential opportunities**

- Conducted **4 HROD group interviews**
- Conducted **6 Customer Agency and Candidate Interviews**
- Engaged **18 Stakeholders**

- Refined and Finalized **5 Personas**
- Developed **5 Journey Maps**
- Identified **13 Additional Pain Points**

- Validated and refined **21 Final Pain Points**
- Categorized 17 quantifiable pain points within **3 major categories**

- Facilitated collaborative session and **identified 3 potential solutions** to address existing pain points

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HR Onboarding Transformation Blueprint

1. Final Job Offer

2. Initiate Onboarding Process

Manual forms processing

3. Complete Onboarding Forms

4. Swear Candidate In

Minimal customer notifications & visibility *(qualitative pain point)*

Workload management, document storage & status tracking

5. Verify and Process Forms

Final earnings statement follow-up

6. Process Benefit Elections

7. End Benefit Elections Period

Manual data entry into core HR Systems (HRConnect & webTA)

Manual form processing for eOPF upload

Benefit forms intake & processing

Case Management (ServiceNow)
- Workload management (status, distribution, & balancing). Eliminates shared file storage through use of document management capabilities.
- Interface with webTA for automatic data transfer

Customer Portal (Salesforce)
- Primary avenue for customer communication and customer real-time visibility into candidate onboarding status and onboarding checklist progress

USA Staffing Onboarding
- Digitizes onboarding forms candidates to populate and ARC to intake
- Interface HR Connect for automatic data transfer

Legend

Pain Point Magnitude

Low (<10K Hours) Medium (10K-30K Hours) High (30k+ Hours)

Persona Alignment

ARC   Customer

Pain Point Category

Manual Workflow/Tracking   Manual Data Entry   Manual Forms Processing

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Questions

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