



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

November 3, 2017

MEMORANDUM FOR CHIEF HUMAN CAPITAL OFFICERS

FROM: Kathleen M. McGettigan,
Acting Director

SUBJECT: Federal Human Capital Business Reference Model

BACKGROUND:

On March 6, 2015, the Office of Personnel Management (OPM) approved the Chief Human Capital Officers Council (CHCOC) future vision of Human Resources Information Technology (HRIT)¹. This allowed the Human Resources Line of Business (HRLOB) Strategic Framework to be developed with the participation of the Multi-Agency Executive Steering Committee (MAESC).

Working with the MAESC and OPM, the HRLOB began implementation of these goals and published the HRLOB Strategic Framework² on April 14, 2015, to be used as the road map for achieving future HRIT modernization. As the foundation of this effort, the HRLOB and OPM Employee Services facilitated the development of the third iteration of the Human Capital Business Reference Model (HCBRM) which I approved on July 31, 2017.³

The Federal HCBRM defines the end-to-end lifecycle of Federal Government Human Capital Management. This model will be used to assist agency Human Resources (HR) specialists in performing their functions, and eventually – to the maximum extent practicable – define a uniform model for the HR user experience.

The purpose of this memo is to provide the status of the HCBRM and outline implementation goals.

¹ The CHCO Council HRIT Vision was unanimously adopted by the CHCOC during its July 2014 meeting. Adoption of the HRIT vision was jointly presented by the CHCOC and the OPM CIO to the OPM Director for approval and the OPM Director approved for implementation on March 6, 2015.

² HRLOB Strategic Framework: <https://www.opm.gov/services-for-agencies/hr-line-of-business/strategic-framework/>

³ OPM issued prior versions of the BRM in 2004 and 2006. Those versions have been superseded by this 2017 version and are now obsolete.

THE HUMAN CAPITAL BUSINESS REFERENCE MODEL (HCBRM):

The HCBRM (see Attachment) was developed to standardize – to the maximum extent practicable - the delivery and performance of Human Capital Management (HCM) and is the first step in pursuit of the CHCOC goal to establish a common experience for all employees concerning delivery of HR operations and services. This foundational model provides a common structure, language, and definition that integrates HR operations, finance and acquisition. The HCBRM:

- Was developed by engaging HR policy and industry experts.
- Includes functional categorization and definition, and delegated policy oversight. In the future, the HCBRM will elaborate on legal and regulatory matters affiliated with the HR concepts included in the HCBRM. The HCBRM is composed of 15 functions and 54 sub-functions that represent all the statutorily required activities the government must perform to establish and manage a competitive and world-class workforce. The HCBRM contains agency-specific and OPM-specific functional responsibilities.
- Identifies the 18 employee lifecycle HR sub-functions that represent Federal Talent Management
- Will support Federal agencies and partners by providing a clear, transparent, and common HCM functional structure that:
 - Informs stakeholders using a simplified view of HR operational functions and policy ownership;
 - Provides HR practitioners with a quick reference to understand the main functional requirements for their specific area of HR;
 - Enables agency leadership with a model to more effectively plan for, deliver, assess, and manage their HR workforce, policy, processes, budget, and service delivery; and
 - Outlines the process for significant government-wide HR operations, acquisition, budget formulation, programmatic evaluation, shared services, and data.

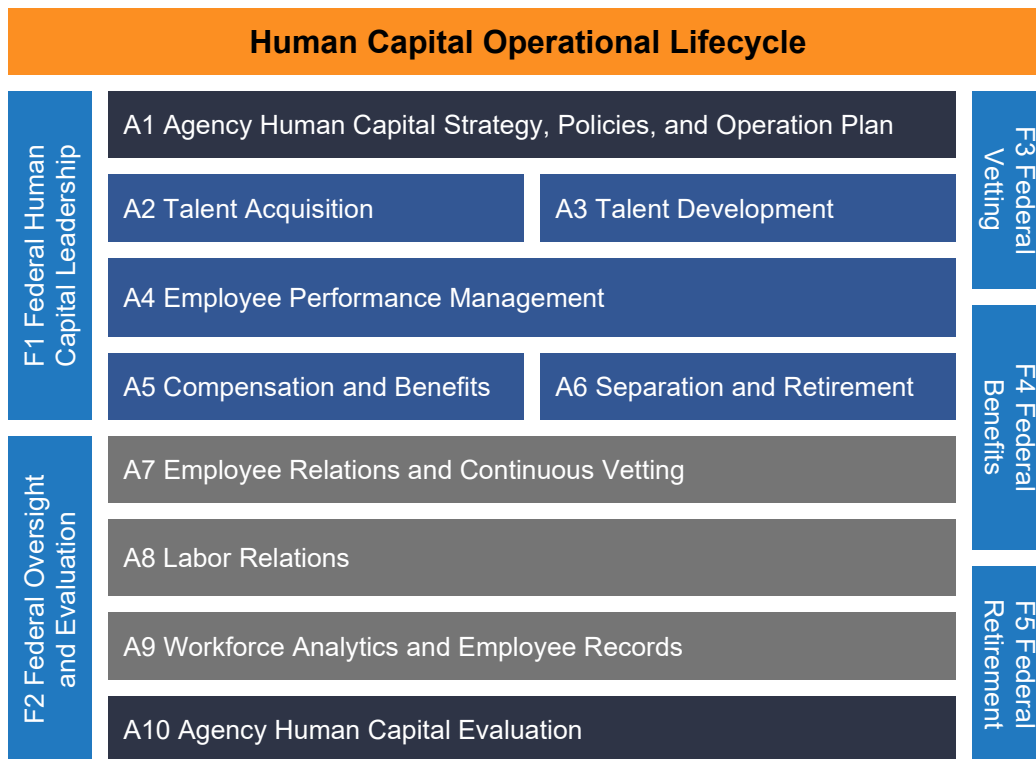
The HCBRM is composed of four functional categories:

- **Governmentwide functions:** OPM-specific Governmentwide operational business functions that represent strategic planning, oversight, and evaluation responsibilities delegated to OPM to define, enable, and govern Human Capital Management across the Federal Government.
 - F1 Federal Oversight and Evaluation
 - F2 Federal Human Capital Leadership
 - F3 Federal Vetting
 - F4 Federal Benefits
 - F5 Federal Retirement

- **Enabling Functions:** Agency-specific enabling operational business functions that represent the strategic planning, oversight, and evaluation responsibilities associated with leading an effective and efficient workforce.
 - A1 Agency Human Capital Strategy, Policies, and Operation Plan
 - A10 Agency Human Capital Evaluation

- **Employee Lifecycle Functions:** Agency-specific talent management⁴ business functions that represent the responsibilities, processes, and activities required to manage employees from “Hire to Retire.”
 - A2 Talent Acquisition
 - A3 Talent Development
 - A4 Employee Performance Management
 - A5 Compensation and Benefits
 - A6 Separation and Retirement

- **Supporting Functions:** Agency-specific supporting operational business functions that represent the responsibilities, processes, and activities required to protect, understand, and manage employee information and experiences.
 - A7 Employee Relations and Continuous Vetting
 - A8 Labor Relations
 - A9 Workforce Analytics and Employee Records



⁴ Federal Talent Management is represented as the employee lifecycle functions.

IMPLEMENTATION GOALS:

Implementation of the HCBRM is critical to the CHCOC's goal of achieving a common employee experience across the Federal Government. Federal HC leaders, HR Practitioners, and partners can use the HCBRM for:

- **People:** Assess, align, and staff their Human Capital (HC) workforce readiness based on the agency-specific HC functions outlined in the HCBRM.
- **Policy:** Assess an agencies existing policy structure to evaluate if they address all aspects of the agency-specific HC functions requirements.
- **Process:** Align, assess, and improve processes and procedures for the agency-specific HC functions.
- **Service Delivery/HRIT:** Align, assess, and modernize HRIT and shared services to support all HC functions.
- **Data categorization and reporting:** Establish a common and transparent alignment of Governmentwide HR operational, contract, and budget data by aligning, as authorized by law, to the HCBRM coding taxonomy.
- **Human Capital Federal Integrated Business Framework (HC-FIBF) Adoption:** The HRLOB and MAESC, in collaboration with the CHCOC and the Unified Shared Services Management office, will develop baseline Governmentwide HC service standards for all HC functions in the HCBRM for adoption by agencies. These standards include 1) HC function-specific lexicons consistent with applicable laws, service catalogs, requirements, performance metrics, and use cases; and 2) employee record data and exchange standards.

NEXT STEPS

The HRLOB will engage agency CHCO, MAESC member, HR practitioners and HR providers to develop a tailored approach for HCBRM adoption. For more information, please contact David Vargas at HRLOB@opm.gov.

The HCBRM is available at <http://www.opm.gov/hcbrm>

Attachment