



SAP® HUMAN CAPITAL MANAGEMENT FOR U.S. FEDERAL GOVERNMENT ORGANIZATIONS

Helping Government Become a Best-Run Organization

The federal government manages a complex workforce facing a unique set of challenges. SAP® Human Capital Management (HCM) for U.S. Federal Government Organizations enables the strategic management of a federal agency's human capital resources, the alignment of these resources to agency missions, and the achievement of performance initiatives. SAP HCM for U.S. Federal Government Organizations helps agencies to efficiently recruit and manage the workforce and to enhance productivity through increased visibility, process transparency, and new insight.

Aligning Human Capital to Agency Goals

Federal agencies manage some of the largest, most complex, and diverse workforces in the United States. Now they must transform traditional transaction-based HR functions into strategic human capital management (HCM) operations. Federal agencies have developed methodologies and procedures to recruit and hire topflight employees. As with the private sector, however, the increasing demand for talented workers, coupled with the looming exit of an aging workforce, may create a loss of experience that could compromise agency effectiveness.

New federal mandates create additional requirements for managing human capital. Agencies must achieve the goals of *The President's Management Agenda (PMA)* to foster strategic alignment, more effective leadership, a performance culture, more efficient talent management, and greater accountability.

A strategic HCM approach helps federal agencies develop more efficient recruitment approaches not only to acquire the right skills in new hires, but also to maintain experienced talent with better retention programs. SAP® HCM for U.S. Federal Government Organizations, within the SAP for Public Sector solution portfolio, can align the strategic management of human capital resources with each agency's mission focus. By helping bring actionable intelligence to government organizations, SAP HCM for U.S. Federal Government Organizations helps federal agencies make the most of the talent within their workforce and improve productivity through process transparency and increased insight.

Facing the Challenges of Today and Tomorrow

To meet a new set of workforce challenges, federal agencies must develop a different approach to managing human capital assets. First, the federal workforce faces a large number of retirement-eligible employees. “Approximately 71 percent of the government’s current permanent employees will be eligible for either regular or early retirement by 2010, and then 40 percent of those employees are expected to retire.”¹

Replacing the talent and knowledge represented by these workers demands an effective, well-executed recruiting approach. But even that may not be enough. To maximize the performance of a workforce, you must align, develop, and retain employees by providing life-cycle career management and support from hire to retire. You must match new candidates with existing requirements and find ways to provide technical training so that existing workers can succeed at their current positions or advance to new careers. Even deploying retired workers with critical skills or experience to your advantage requires a strategy to facilitate temporary hiring more effectively.

Second, government requirements for HCM efficiency increase the pressure on agencies. According to *PMA*, for example, agencies must create a strategic HCM plan to align employees with the organization’s objectives, optimize the utilization of the workforce, and close competency gaps in mission-critical positions. Demonstrating the results of better performance and mission alignment, however, demands increased oversight and accountability. The Line of Business Initiative for Human Resources of the Office of Management and Budget requires agencies to investigate the potential of a shared service center approach for core HCM support.²

Third, existing federal government technology and tools complicate the development of new approaches to meet these challenges. Because the federal government’s underlying information systems are often not integrated, silos of disconnected information are created within an agency. Planners and decision makers cannot easily access the high-quality information they need to

analyze their strategies and to increase efficiency of recruiting, succession management, learning management, performance management, career planning, and compensation. Further, many agencies lack the integrated analytic capabilities to reliably develop remedial plans for performance.

Maximizing the Potential of Your Workforce

SAP HCM for U.S. Federal Government Organizations can help HCM officers and their teams meet current challenges, optimize their workforce, and enable the strategic management of human capital. With the help of this application, your agency can accomplish the following:

- **Strategically aligning your workforce** – Alignment occurs when every employee works toward the overall mission of the organization, not just on the immediate tasks associated with that employee’s specific job. SAP HCM for U.S. Federal Government Organizations enables strategic alignment by supporting the communication of organizational priorities, creating a framework to make the priorities actionable, ensuring the workforce is trained and capable of delivering organizational needs, and measuring and monitoring progress. The application helps develop and measure workforce performance, ensuring that an agency will not only be provided with a flexible tool to plan strategy but also with predictive and embedded analytics to keep agency strategies on track.
- **Optimizing employee services delivery** – The application helps provide workforce assessment and deployment tools that eliminate time- and cost-intensive manual processes, ensure human resource processes are streamlined and transparent, reduce operational costs, and increase efficiencies.
- **Strategically managing the workforce** – SAP HCM for U.S. Federal Government Organizations helps you deploy the right people to strategic initiatives quickly and efficiently. By providing a single view of the employee across multiple dimensions – including time management, compensation, and benefits – the application helps you make more effective decisions about resource deployment, compensation, benefits, and advancement. The application helps you better manage position plans

1. *The President’s Management Agenda*, Fiscal Year 2002, Executive Office of the President, Office of Management and Budget, 12.

2. “Human Resources Management Line of Business Shared Service Center (SSC) Due Diligence Checklist,” Version 1.0, December 2004, Office of Management and Budget.

with full-time equivalent processing, organizational management for public services, and the management of the agency's plan for its personnel budget.

- **Building a high-performance workforce** – The application helps you attract, develop, align, and retain the right resources not only by improving recruiting, hiring, and HR processes, but also by enhancing the delivery of training and education.
- **Transitioning to strategic from transactional** – By providing the information necessary to make better decisions, streamline processes, and align HCM assets with the agency's mission, SAP HCM for U.S. Federal Government Organizations helps you become a strategic partner in governmental decision making. Furthermore, by aligning workforce performance measures with organizational goals, the application helps you achieve operational objectives.
- **Providing actionable insight** – The analytics and measurement functions of SAP HCM for U.S. Federal Government Organizations provides key decision makers with easier access to meaningful information.
- **Supporting compliance mandates** – SAP HCM for U.S. Federal Government Organizations provides visibility into workforce operations so that you can better comply with federal and local regulations and organizational policies. Workforce planning and analytics help your managers make timely, accurate decisions using real-time information.
- **Building on the best business process platform** – SAP HCM for U.S. Federal Government Organizations combines robust functionality through an open and scalable, industry-leading technology platform, the SAP NetWeaver® platform. SAP NetWeaver integrates and aligns people, information, and business processes across technologies and organizations. Through SAP NetWeaver, agencies can compose “business-specific” applications that leverage legacy IT infrastructures, enabling a lower total cost of ownership. Their managers can increase government worker acceptance of the new platform because it allows them to work with familiar screens and interfaces. Most important, the platform provides agencies unparalleled opportunities to link disparate functions and to create better services for employees.

Delivering New Value with Strategic HCM

SAP HCM for U.S. Federal Government Organizations can deliver the following dramatic business benefits to your agency:

- **Improved strategic alignment of the workforce** – You can align your agency's workforce with your strategic goals. By providing multiple ways to develop and measure workforce performance, the application helps you plan strategy based on predictive analytics to identify successes as well as tactics that need refinement.
- **Lower total cost of ownership** – You benefit from increased flexibility as your heterogeneous systems become integrated and new applications are enabled. As a result, your agency enjoys a low total cost of ownership. As a shared service center or agency looks to leverage other solutions, the SAP NetWeaver technology platform helps you more successfully leverage the appropriate solution.
- **Increased employee productivity** – Streamlined processes can free up your workforce from time-consuming, rote administrative tasks, allowing them to concentrate on more value-added activities.
- **Improved talent management** – You have access to robust talent management tools that help you make more effective hiring, training, and appraising decisions, giving you time to focus on the depth and breadth of the succession talent pools. You can make more effective strategic talent management decisions to ensure optimal agency performance.
- **Increased service levels and efficiency** – With manager and employee self-services across a variety of channels, your agency improves worker satisfaction and efficiency. For example, employees can use online forms and workflows to process a wide variety of requests.
- **Enhanced decision making** – Your agency managers can access critical, actionable analytics that provide predictive and prescriptive information on which to base their decisions. Because the application includes HCM best-practice metrics that help determine the effectiveness of an underlying business process, public sector managers can more easily identify trends, spot problems, and make choices that align with strategic goals.

Meeting Your Goals

With more than 9,000 HCM customers worldwide, 54 million employees in more than 30 countries paid through the mySAP™ ERP Human Capital Management solution, and more than 11 million employee self-service users, only SAP has the worldwide HCM expertise to help any organization enable a high-performance workforce.

To learn more about how SAP HCM for U.S. Federal Government Organizations can help your federal agency more strategically manage its human capital, call your SAP representative today or visit us on the Web at www.sap.com/publicsector.

Powered by SAP NetWeaver

SAP for Public Sector is powered by the SAP NetWeaver platform. SAP NetWeaver unifies technology components into a single platform, allowing organizations to reduce IT complexity and obtain more business value from their IT investments. It provides the best way to integrate all systems running SAP or non-SAP software.

SAP NetWeaver also helps organizations align IT with their business. With SAP NetWeaver, organizations can compose and enhance business solutions rapidly using enterprise services. As the foundation for enterprise services architecture (ESA), SAP NetWeaver allows organizations to evolve their current IT landscapes into a strategic environment that drives business change.