



governmentattic.org

"Rummaging in the government's attic"

Description of document: Organizational assessment of the Office of the Chief Financial Officer (OCFO) performed for the Centers for Disease Control and Prevention and Agency for Toxic Substances and Disease Registry (CDC/ATSDR) under contract HHSD200201357251C by Evolution Management, Inc., 2014

Requested date: 05-February-2019

Release date: 29-April-2019

Posted date: 26-August-2019

Source of document: FOIA Request
CDC/ATSDR
Attn: FOIA Office, MS-D54
1600 Clifton Road, NE
Atlanta, GA 30333
Fax: 404-235-1852
Email: FOIARequests@cdc.gov

The governmentattic.org web site ("the site") is a First Amendment free speech web site, and is noncommercial and free to the public. The site and materials made available on the site, such as this file, are for reference only. The governmentattic.org web site and its principals have made every effort to make this information as complete and as accurate as possible, however, there may be mistakes and omissions, both typographical and in content. The governmentattic.org web site and its principals shall have neither liability nor responsibility to any person or entity with respect to any loss or damage caused, or alleged to have been caused, directly or indirectly, by the information provided on the governmentattic.org web site or in this file. The public records published on the site were obtained from government agencies using proper legal channels. Each document is identified as to the source. Any concerns about the contents of the site should be directed to the agency originating the document in question. GovernmentAttic.org is not responsible for the contents of documents published on the website.



Centers for Disease Control
and Prevention (CDC)
Atlanta GA 30333

April 29, 2019

Via email

This letter is regarding to your Centers for Disease Control and Prevention and Agency for Toxic Substances and Disease Registry (CDC/ATSDR) Freedom of Information Act (FOIA) request of February 5, 2019, assigned #19-00449-FOIA, for “a copy of the organizational assessment of OCFO performed for CDC under contract HHSD200201357251C by Evolution Management, Inc.”

We located 131 pages of responsive records (125 pages released in full or part; 6 pages withheld in full). After a careful review of these pages, some information was withheld from release pursuant to 5 U.S.C. §552 Exemption (b)(5).

EXEMPTION 5

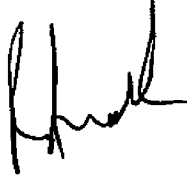
Exemption 5 protects inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency. Exemption 5 therefore incorporates the privileges that protect materials from discovery in litigation, including the deliberative process, attorney work-product, and attorney-client privileges. Information withheld under this exemption was protected under the deliberative process privilege. The deliberative process privilege protects the decision-making process of government agencies. The deliberative process privilege protects materials that are both predecisional and deliberative. The materials that have been withheld under the deliberative process privilege of Exemption 5 are both predecisional and deliberative, and do not contain or represent formal or informal agency policies or decisions. Examples of information withheld include recommendations, proposed organizational charts and proposed staffing plans.

You may contact our FOIA Public Liaison at 770-488-6277 for any further assistance and to discuss any aspect of your request. Additionally, you may contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA mediation services they offer. The contact information for OGIS is as follows: Office of Government Information Services, National Archives and Records Administration, 8601 Adelphi Road-OGIS, College Park, Maryland 20740-6001, e-mail at ogis@nara.gov; telephone at 202-741-5770; toll free at 1-877-684-6448; or facsimile at 202-741-5769.

Page 2

If you are not satisfied with the response to this request, you may administratively appeal by writing to the Deputy Agency Chief FOIA Officer, Office of the Assistant Secretary for Public Affairs, U.S. Department of Health and Human Services, Hubert H. Humphrey Building, 200 Independence Avenue, Suite 729H, Washington, D.C. 20201. Please mark both your appeal letter and envelope "FOIA Appeal." Your appeal must be postmarked or electronically transmitted by July 28, 2019.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Andoh', with a stylized flourish at the end.

Roger Andoh
CDC/ATSDR FOIA Officer
Office of the Chief Operating Officer
(770) 488-6399
Fax: (404) 235-1852

Enclosures

19-00449-FOIA



Centers for Disease Control and Prevention

Office of the Chief Financial Officer

**Organizational Assessment
Report of Findings and Recommendations**

Contract #200-2013-57251

July 8, 2014



Evolution Management, Inc.
4994 Lower Roswell Road, Suite 32
Marietta, GA 30068
770.587.9032
www.evolutionmgt.com

A SBA 8(a) Certified, Woman-Owned Small Disadvantaged Business



Evolution Management, Inc. was engaged to perform analysis and consultation within a scope defined by the Office of the Chief Financial Officer via CDC contract #200-2013-57251, dated September 23, 2013. Accordingly, this Report and the associated recommendations presented are limited to only those areas within the defined scope.

To the extent that there are functions or other activities which are outside of the scope of our engagement, our recommendations may not apply and no inference, positive or negative, should be made to any such functions or other activities absent substantive analysis and consultation work being performed.

Table of Contents

Executive Summary	5
Current State	13
Summary of Recommendations by Category	19

Phase I Recommendations

Phase I Function Chart	21
------------------------------	----

	23
	27
	33
	35
	37
	43
	51
	53
	57
	59

Phase II Recommendations

Phase II Function Chart	63
-------------------------------	----

	65
	67
	77

Phase III Recommendations

Phase III Function Chart	79
--------------------------------	----

Evaluation of Appropriateness of Further Organizational Structure Changes	81
---	----

Next Steps	83
------------------	----

Appendix	
----------	--

A. CDC Documents Utilized During Assessment Process	85
B. Proposed OCFO Staffing Mix	89
C. Complexity Model and Score Development.....	93
D. Stakeholder Themes	99
E. CFO Current State Themes	101
F. Best Practices Report.....	105
G. Recurring and Non-Recurring Reports.....	115
H. Budget Execution Service Roles and Responsibilities/BP&I Process	121
J. Example of Timeline and Responsibilities for Implementation of Change	127
Glossary of Terms	129
About Evolution Management, Inc.	131
Figures	
1. Objectives of the OCFO Strategic Plan.....	8
2. Customer-Centric Model Approach.....	29
3. Proposed Redefined Human Capital & Business Services Functions.....	39
4. Job Analysis Benefits	45
5. Yellow and Orange Customer Profiles Proposed Branch Structure.....	71
6. Yellow and Orange Customer Profiles Proposed Branch Staffing	72
7. Green and Blue Customer Profiles Proposed Branch Structure	73
8. Green and Blue Customer Profiles Proposed Branch Staffing.....	74

Executive Summary

Our assessment of the Office of the Chief Financial Officer (OCFO) resulted in the development of fourteen (14) recommendations for improving functional areas of the organization. Evolution Management, Inc. (EMI) presents these recommendations in a phased-approach. Our phased-approach change design takes into account the time the organization will require for planning, implementation, monitoring and additional potential modifications. Our recommendations present a mix of activities and actions the OCFO can manage internally, as well as several that may require hiring of additional talents or the engagement of qualified consultants to assist with immediate, short-term change support.

EMI is aware that on-going OCFO initiatives and commitments, as well as resource constraints, may challenge the leadership team on setting priorities. We offer our assessment of the priority order by organizing the recommendations into Phase I – occurring during the remainder of FY 14 and through FY 15, Phase II – beginning in FY 16, and Phase III – beginning in FY 17.

The Chief Financial Officer (CFO) requested this Organizational Assessment to provide an honest, unbiased third-party review of the current state of the organization and to identify where opportunities were available for building on the improvements the organization was already engaged in. We offer that perspective of opportunities for improvement in this Report.

Although our assessment primarily is reflective of process reviews and interviews, we were also able to confirm and validate observations made in the development of the organization during this time. Some activities have moved the organization closer to its goals.

- Engagement with staff through opening of communications; access to CFO, improved intranet and SharePoint sites, increased opportunities for knowledge sharing, development of OCFO fact sheets.
- Working relationships amongst the leadership team; monthly reviews.
- Operational awareness, actions and accountability relative to risk assessment.
- Organizational focus guided by Strategic Plan and Key Performance Indicators (KPIs).
- Re-energized partnerships with C/I/Os.
- Focus on development of leaders and performance accountability.

Our recommendations are designed to provide the OCFO a working platform for building off the activities and initiatives they have already begun. In the spirit of continuous improvement, an organization's commitment to growth and development is never done. Several of our recommendations, such as, Human Capital and Business Services and Office of Budget are offered in that spirit. The recommendations were developed to address what the organization needs today. Once institutionalized, each organization will reassess, as part of an on-going check-in, and make the necessary next changes dictated by the evolution of the business unit. As such, the recommendations and the associated work to implement and sustain them should also be viewed as an on-going, continuous improvement process.

Project Activity Overview

As requested by our contract Statement of Work (SOW), the following is a summary of our project activities. Evolution Management, Inc. (EMI) was engaged by the Centers for Disease Control and Prevention (CDC) to conduct an Organizational Assessment (OA) and deliver recommendations for improving functional areas of the Office of the Chief Financial Officer (OCFO). The data collected and analyzed was to focus on recommendations for enhancing and improving a “One-OCFO” approach addressing:

- organizational structure
- professional development challenges
- inefficiencies as a result of gaps, fragmentation, duplication, etc.
- customer service
- development of a strategic organizational succession plan

As a result, for the most part our Report focuses on opportunities for improvement, not on what the organization has accomplished or is currently doing that is working. Our intention is for the Report to be a positive reflection on how to strengthen and build on the current change initiatives the organization is employing.

EMI began work on the OA project September 23, 2013. The October 2013 government shutdown interrupted our project schedule, which restarted on October 18, 2013. After several weeks of internal documentation reviews, stakeholder interviews began the week of November 3. A full list of documentation reviewed during this project is provided as Appendix A, page 85.

Over the course of the project, EMI team members engaged with approximately 128 stakeholders in a variety of formats, with some individuals participating in more than one meeting, interview, and/or focus group based on their role. Reference to stakeholders engaged in the Organizational Assessment throughout our Report include individuals from the following groups:

- OCFO staff members
- Subject Matter Experts (SMEs) in other CDC business units
- SMEs in Centers/Institutes/Offices (C/I/Os)

We also acknowledge that other organizations such as Health and Human Services (HHS), Office of Personnel Management (OPM), Office of Management and Budget (OMB), etc., are also stakeholders and customers to which our recommendations must also address.

In addition, we interviewed the CFO, or a designated official, from three additional federal agencies to assess, compare and contrast with the OCFO. Those agencies included:

- Nuclear Regulatory Commission (NRC)
- National Institute of Health (NIH)
- Food and Drug Administration (FDA)

EMI appreciates the candor and trust all of these engaged participants vested in our abilities to synthesize the information as they shared honest, reasonable and practical organizational feedback recommendations and best practices. The culmination of findings from our analysis of the current state of the OCFO along with our recommendations follows.

During our Period of Performance, EMI:

- provided project highlights in weekly reports and monthly Dashboard summaries
- met nearly every week with the Contract Official Representative (COR) and Senior Advisor to the CFO to review project progress
- designed and facilitated a preliminary briefing of organizational structure to the CFO and senior leadership on February 24, 2014
- designed and facilitated a preliminary overview of report recommendations with the CFO, Senior Advisor and COR on May 30, 2014

Throughout the project, we met on several occasions with EMI's financial SME to review data, assist with analysis and review and refine recommendations.

Recommendations by Category

EMI has summarized the recommendations for improving organizational performance on page 19. The summary highlights the alignment of each recommendation to the key focus areas requested for inclusion in our review and report. We have also included two additional categories to further assist the OCFO with appropriate planning: *Change Management and Strategic*.

- The *Change Management* category provides a reference to a relationship between the recommendation and the Transition/Implementation Plan we are recommending the OCFO develop.
- The *Strategic* category provides a reference to a relationship between the recommendation and the impact implementation of the recommendation will have on aligning the organization with current and future OCFO planning efforts.

Methodologies

To prepare and align our recommendations with the needs of the OCFO, EMI developed a model to illustrate and guide our approach. Additionally, the model is intended to aid the OCFO in shifting its paradigm from what the OCFO organization needs to what the customer needs. Figure 1 wraps the six objectives from the OCFO Strategic Plan with primary focus around the main objective – the customer. The customer is understood to be the summation of both internal and external customer demands, including customers/stakeholders such as Congress, HHS, OMB, etc.

Objectives of the OCFO Strategic Plan

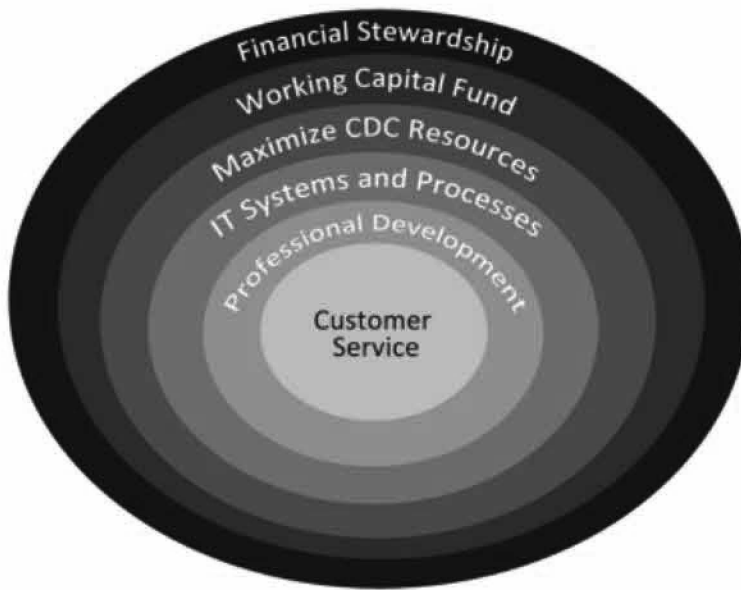


Figure 1

Phased-Approach to Implementation

As it is not reasonable to expect that all recommendations can be developed and implemented within a “short” term, over the next twelve months, they are offered in a three-year phased-approach, building off the work and changes of the previous year. This paced change approach provides the organization with the opportunity to:

- evaluate the progress of change
- integrate new workplace requirements and regulations
- assess institutional success of completed change initiatives
- modify changes and remaining recommendations based on organizational readiness to move on

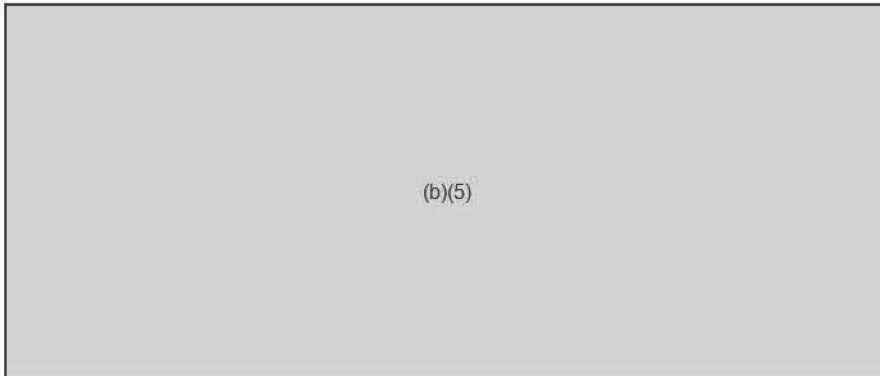
Each recommendation of the phased-approach includes the following specific format for change.

- **Background** – overview of key “current state” findings influencing the recommendation
- **Recommendation** – based on our findings, actions we suggest the OCFO consider implementing in order to improve organizational efficiencies, effectiveness and customer satisfaction
- **Rationale** – based on our findings, factors influencing the recommended actions required

A complete list of each recommendation, organized by Phase, follows:

Phase I:

-
-
-
-
-
-
-
-
-
-



Phase II:

-
-
-



Phase III:

- Evaluation of Appropriateness of Further Organizational Structure Changes

Staffing Levels

In response to OCFO's request, EMI has developed a proposed staffing template. We have provided the table as Appendix B, on page 89. It's important to note that our estimate was created based on the operational data available to us at this time. One element, important for workforce planning, which we did not have available is consistent performance metrics and measures for the current staff. With that noted, our staffing assumptions include:

- OCFO has implemented and fully integrated all of the recommendations included in Phases I and II
- employees are performing at full capacity; competent in the knowledge, skills and abilities required by updated Position Descriptions, resulting from the Job Analysis review
- technology enhancements have improved the efficiency and effectiveness of employees, and routine, manual tasks are reduced to a minimum

EMI estimates, as a result of creating a high-performing OCFO workforce, a reduction of at least 20-30% in staff size is possible. This organizational-wide estimate is suggested based on stakeholder comments of current capacity, natural attrition, and previous experience with organizational performance where significant human capital and technology improvements have been implemented and sustained.

Customer-Centric Model

Viewing required organizational changes through a lens focused on the customer, EMI has drafted a Customer-Centric Model utilizing data applicable to the Budget Execution Services (BES) organization. We believe this intentional approach to model Customer Profiles based on complexity and needs can be modified into a similar model for each business unit of OCFO. We envision each business unit model will be inclusive of the specific factors influencing what differentiates their customers.


The BES Customer-Centric Model was developed from self-reported data provided by Budget Analysts and Team Leads. The draft should be reviewed as a work-in-progress, to be refined and finalized during implementation of Phase I recommendations. More information on our recommendation to clarify and integrate the Customer-Centric Model is provided beginning on page 27. Supporting information on the model development is included as Appendix C, page 93.

Short-term improvements

EMI recognizes that successful organizational change requires commitment of time and resources, along with hard work and determination to assist the organization in letting go of the past and embracing the future. There is nothing “quick” about organizational change as it involves people with a human spirit that wants to understand the impact of organizational change at the individual level before committing to buy-in. The planning, messaging, implementation, and check-in process takes time.

EMI also recognizes that organizational change can be as much about what to do, as what not to do – practices that need to be stopped. In response to OCFO requests relative to identification of “quick wins” we believe OCFO can gain some relatively dramatic shifts in performance and culture by eliminating, or stopping, several practices.

The following table should be viewed as a continuum. As organizational thinking and practices move from the left to the right, incremental positive results will be experienced by the organization.



Continuous Improvement and Change

Practice to Stop Doing:	Practice to Start Doing:	Benefit of New Thinking:
Assigning people to jobs	Match required competencies of the job with those of the employee/new hire	Skill sets aligned with organizational needs
Stop thinking in terms of tasks	Think in strategic terms making sure tasks are in alignment with current strategies	Focus is strategic and implementation is holistic
Creating workgroups to investigate issues	Create coordinated workgroups with a focus on solving problems that have a continuous improvement mindset and do not overwhelm day-to-day operations	Prioritized issues aligned to strategic change initiatives that are workable with current day-to-day workload responsibilities

Practice to Stop Doing:	Practice to Start Doing:	Benefit of New Thinking:
Thinking in and supporting silos	Approach all work with a collaborative mindset recognizing the impact to other organizational areas	Organizational approach and structure, including work areas, encourages and motivates collaboration and information sharing among different work groups.
Group think	Participate in brainstorming sessions that encourage and allow for creative ideas to emerge	Open and accepting of solutions that are different from past actions
Holding on to the past	Honor the good work performed to date while focusing on the changes necessary for future success	An energized organization embracing change and planning for the future
Focusing on what OCFO needs	Listen to customers and deliver services based on their needs balanced with compliance and financial stewardship responsibilities	“Customer first” focus resulting in improved relationships, expectations and satisfaction
Information hoarding	Share information at all levels and commit to a culture of knowledge sharing	Holistic view and understanding of the organization, as well as challenges and opportunities for improvement
Accepting unaccountable performance	Use performance management as a tool to increase quality and quantity of work	Employees accountable and delivering high quality work that matches customer and organizational expectations
Disrespecting differences in work styles and ideas	Respect differences because diverse thought leads to creative solutions	Openness to diversity enhances working relationships and expands creativity in problem solving

Conclusion

The OCFO has the opportunity, by implementing the suggested phased recommendations, to engage in a transition that will result in improved efficiencies, staff alignment and customer satisfaction. In evaluating the benefits of the proposed recommendations, the OCFO will have to prioritize choices based on their knowledge of on-going commitments and available resources. The work ahead will require shifting ideas of how work can be accomplished and will most likely be challenging.

It is our intention that the OCFO leadership will collaborate with other appropriate CDC business units on the associated Implementation Plan, once the decision is made as to how the recommendations will be phased.

Senior leadership must be cautious however, not to fall into the trap of only accepting ideas that have been tried and successful in the past, or that appear to be working and successful in other agencies or organizations. There are lessons to learn from others. However, what is going to be successful for OCFO organizational and cultural change can only be determined by its leadership, employees and stakeholders.

This is an opportunity to honor the past good efforts and hard work of OCFO employees while embracing and motivating a spirit of creativity and innovation to guide the organization into the future. We trust our recommendations will assist in charting that course.

Current “As Is” State of the OCFO

The CFO has laid a strong platform over the past year to declare OCFO’s desire and opportunity to become a more valued financial business partner. Only by understanding and acting on what is required by stakeholders today and tomorrow – not by what was required in the past – can this goal be achieved.

OCFO has the formula for successfully taking the organization from the current ‘As Is’ state to the ‘To Be’ organization its leaders are envisioning:

- practical and reasonable change recommendations
- strong leadership
- opportunity to collaborate with stakeholders on changes and solutions to problems
- opportunity to update processes, systems and people/skill alignment to better serve customer needs
- opportunity to develop a clear Implementation and Transition Plan
- opportunity to engage change management guidance
- willingness to continue open and frequent communications regarding the progress and successes of change management initiatives
- development of culture that celebrates achievements and learnings along the way

Organization Development engagements, such as conducting an Organizational Assessment, involve examining the organization as a whole system. It is not sufficient, nor is it a professional best practice, to review and make recommendations for one part of the organization in isolation of how those changes may have an impact on another.

To ensure our project and recommendations were based on a holistic view of the OCFO, the project design included:

- reviews of previously collected data
- completion of interviews, focus groups and data calls
- independent analysis

Our continuous analysis of what we were learning throughout the project provided opportunities to follow-up for clarification and gather additional information.

Validation Methodology

There are several ways to validate data collected through organizational assessments. EMI confirms and tests organizational performance by validating performance against established procedures and processes. As applicable, we will often use quantitative instruments such as surveys to gather frequency, rankings and perceptions. We also relied heavily on qualitative data gathered, analyzed and confirmed and tested through interviews and focus groups.

In the case of the OCFO, we found significant gaps in documentation and application of processes such as Standard Operating Procedures (SOPs), Service Level Agreements, (SLAs), the Office of Budget Playbook, performance metrics, Individual Development Plans (IDPs), etc. As a result, we were required

to rely more heavily on the perceptions and feedback gathered from stakeholders we interviewed. We had intended to conduct an on-line survey of stakeholders, but as a result of the frequent surveys customers were already being asked to complete, the OCFO requested we strictly rely on one-on-one interviews and focus groups.

Based on the data we obtained through our interview design, we followed the process noted below to confirm and validate perceptions and comments we heard most frequently or determined to carry the highest level of risk to the organization:

1. The majority of interviews were conducted with two EMI consultants participating, making notes and preparing a jointly written interview report.
2. Follow up focus groups were conducted by at least two EMI consultants, sometimes three. We again worked together to compare notes and prepare a written event report.
3. Each of the five consultants involved in interviews and focus groups independently prepared a list of themes focused on key areas for improvements. As a team we reviewed the surfaced themes and supporting rationale before identifying and developing our recommendations.
4. At the same time, another team member, who had not been involved in the interviews or focus groups, read through the reports and in isolation of the work performed by the consultants who conducted the interviews, prepared a list of themes together with key comments and frequency of similar remarks. The lists, themes and recommendations were compared with those of the consultants involved with the on-site meetings for similarities and differences.
5. As a follow-up to key theme identification, we held focus groups to dive deeper to test and validate understandings on topics such as:
 - a. report generation – needs (customers) and processes (Budget Analysts)
 - b. Office of Finance & Accounting structure, processes and metrics – Branch Chiefs and Team Leads
 - c. Budget Analysts – potential structure changes and competencies
 - d. opportunities for greater collaboration between Budget Execution Services (BES), Budget Operations Unit (BOU) and Appropriations, Legislative and Formulation Office (ALFO)
6. EMI designed and conducted two preliminary briefings on findings and recommendations with OCFO leadership as a check-in on assumptions and recommendations. We received no feedback after our February or May briefings that our recommendations were not reasonable, based on the current state and OCFO's intentions to improve efficiencies and effectiveness of its practices.
7. EMI also re-reviewed prior assessments conducted by other consultants on the OCFO which validated a few similar findings in previous years.

Identified Key Challenges of 'As Is' State

In developing our understanding of the "As Is" State, we grouped the gathered feedback into the six (6) most referenced themes. The themes identified, along with the percentage to which each occurred in our review, are noted on the following page. The results highlight that there is not one single factor influencing the "As Is" State, but rather several distinct but related factors. Appendix D, page 99, highlights the specific stakeholder comments which most significantly reflect the overall tone of each theme. As these comments are reviewed, please keep in mind the comments align with the intention of our Report – to identify opportunities for improvement. In order to maintain interviewee confidentiality the data has been presented with regards to sensitivity and with respect for respondent anonymity.

Identified Themes

Comment Theme	% of Total Comments
Workplace Culture	28%
Training & Development	23%
Communication	21%
Performance Management	19%
Organizational Structure	11%
Leadership	11%

Our overall finding that best describes the 'As Is' State is that the OCFO has operated in its current state with limited holistic organizational change to address customer-expressed issues. Over the past year or so, the OCFO leadership has begun to address needed change. The resulting "catch up" circumstances impacting OCFO's current change focus involves situations such as:

- improve alignment of OCFO strategies with CDC strategies
- increase the pace of organizational change to match CDC C/I/O changes
- find solutions for technology updates to improve alignment of results with stakeholder expectations

The missed opportunities to anticipate and implement successful change in tempo with the CDC's growth and expansion is now impacting the OCFO's abilities to meet customer expectations. These gaps were identified in OCFO's use of technology, automation, and the appropriate alignment of competencies and skill sets. Stakeholder expectations of performance and support provided by the OCFO have grown more sophisticated based on elements such as expanding missions, as well as changes in funding sources, reporting needs and transparency required by the C/I/Os and their stakeholders. In order for the OCFO to continue to serve stakeholder requirements these gaps will need to be addressed and closed.

Stakeholders are keenly aware of the challenges that impact them as captured by the following comments:

- "We have systems that don't talk to each other, requiring duplication of efforts to find the information needed."
- "It takes hours to prepare reports because of the level of manual work required."
- "There's no consistency; everyone has their own excel spreadsheet they like to use."
- "We determine performance requirements based on the skill sets of the person doing the job; it's not consistent with what the organization needs."
- "I never had orientation to the organization, it was sink or swim for me."
- "This work isn't like the accounting, finance or budgeting we learned in school, but there's no training – you have to learn as you go. It takes about two years to get up to speed."

Analysis of stakeholder feedback resulted in eight (8) categories of significant challenges:

- Organizational Structure
- Leadership
- Customer Service
- Workforce and Performance
- Processes and Systems

- Training, Development and Succession Planning
- Communications
- Work Priorities

A few “As Is” State descriptors that best convey the organization are noted below. As previously mentioned, EMI interview questions focused on continuous improvement opportunities. The following statements are offered in that scope. In addition, a list of additional factors influencing the ‘As Is’ State of the OCFO is included as Appendix E, page 101.

- Siloes and fragmentation; each holding on to their history and champions.
- Processes and systems haven’t kept up with C/I/O demands.
- Voids in supervision, accountability and sufficient performance evaluations have created a culture accepting of mediocre performance.
- OCOO’s direct involvement with OCFO staff results in confusion and appears to weaken the CFO’s leadership role.
- Perception that OCFO’s office performs too strong a “gatekeeper” role impacting customer and stakeholder interactions.
- Disconnect between OCFO standards and what the customer needs to manage their businesses such as, user-friendly reports.
- Absence of consistent strategic alignment of competencies and performance expectations throughout the employment cycle.
- Performance standards have not kept pace with CDC expectations and demands.
- Unaddressed performance problems become the “new norm”, further challenging abilities to meet stakeholder needs.
- Assignment by “person” vs. “competency” sets a practice focused on individual capabilities vs. what the organization needs.
- Frequent issues with Standard Operating Procedures (SOPs) either outdated, or do not exist.
- Business units and financial system experts don’t collaborate to solve problems.
- Development gaps have been created by a lack of connection between SOPs and training.
- Lack of linkage between Succession Planning and the full Human Capital cycle.
- Too many avenues for getting communication creates confusion; quantity vs. quality.
- Many initiatives, such as, workgroups, occurring at the same time; sometimes hard for the staff to align and prioritize with the Strategic Plan.
- Delayed assignment of a Project Manager to manage workgroups created a void in accountability, integration, deadlines and periodic monitoring.

Historical Factors Influencing the OCFO

In addition to the normal challenges faced by a large organization, OCFO is impacted significantly by legislation, regulation and budgetary factors. Our analysis points to a number of key organizational events that have influenced and shaped the current situation. Several key findings include:

- An extended period of frequent turnovers in the FMO Director position; on average holding office for approximately 2 years or less; fostering a culture of complacency and an attitude of “we’ll just wait this one out.”
- Significant change by Congress in the number of appropriations; from 1 to 14; creating a need to keep up with revisions and documentation of procedures to ensure consistency in matching changes to various stakeholder needs.

- Transition of Budget Analysts from alignment with the C/I/Os into the OCFO organization; creating challenges regarding skill set assessments and training needs.
- Growth in Program missions and funding; especially after 9/11 with HIV and emergency preparedness projects.
- Significant growth in the CDC's annual budget, \$6.9 billion in 2003 to approximately \$11 billion in 2014; without a correlating growth in financial systems, procedures and skill development.
- "Organizational memory" – an abundance of employees who refer to 2007 and 2008 and the way things were, like it was "yesterday".

Current Efforts to Impact the 'As Is' State of the OCFO

The current CFO recognizes the need for organizational change and over the past year has taken steps to prepare the organization for change. Some of the steps taken by the OCFO staff to better align the organization, its people and processes with its mission include:

- creation of a Strategic Plan to unite the organization around key objectives and goals
- development of a leadership team that is working together on implementation and sustainability of the Strategic Plan
- recognition by stakeholders that the leadership team is assessable and prepared to help solve problems
- commitment to open and frequent communications regarding events impacting organizational change and expectations improving performance
- demonstration of appreciation of the role of performance accountability seen through support and participation in the Office of Finance & Accounting monthly Wall Walk
- expressed appreciation by staff who participated in this Organizational Assessment to the collaborative and inclusive process the OCFO allowed them to be engaged in

Many OCFO staff members and stakeholders recognize that the organization needs to continue its improvement efforts. They understand change is needed, but at the same time are apprehensive of what that means at the organization, team and individual level.

The table on the following page outlines the Organizational Assessment areas that EMI was contracted to address in the Report of Recommendations, along with the OCFO business units primarily impacted by the recommendation.

Summary of Recommendations by Category

Phase	Recommendation	Impact Area	Page Number	Assessment Category						
				Structure	Professional Development	Improvements	Customer Service	Succession Planning	Change Management	Strategic
I	(b)(5)	Organization-wide	23						X	X
I		Organization-wide	27	X	X	X	X	X	X	X
I		Office of the CFO	33	X			X		X	X
I		Office of the CFO	35	X				X	X	X
I		Human Capital & Business Services	37	X	X	X	X	X	X	X
I		Organization-wide	43	X	X	X	X	X	X	X
I		Internal Auditing	51	X		X	X		X	X
I		Information Technology	53	X		X	X	X	X	X
I		Organization-wide	57		X	X	X	X	X	X
I		Budget Office and Information Technology	59			X	X		X	X
II		Finance & Accounting	65	X		X	X		X	X
II		Budget Office	67	X	X	X	X	X	X	X
II		Working Capital Fund & Office of Finance and Accounting	77	X		X	X		X	X
III		Procurement & Grants & Office of the CFO	81	X		X	X		X	X

Phase I – FY14 – FY15

Chart Represents Functions Only- Not Intended As an Organizational Chart

Purple Boxes Represent Recommended Phase I Activities

(b)(5)



Background:

Through interviews, focus groups and reviews of previous assessment reports created by external consulting firms, EMI has been able to illustrate a pattern in past organizational behavior and culture that demonstrated a significant gap between understanding the need for change and at the same time being uncomfortable or unprepared to embrace and successfully move the organization through the change. Current leadership is interested in gathering an up-to-date perspective of the organization in order to prepare and assist the organization with the level of change that is required to improve services and more closely align with the needs of OCFO customers.

It is not an uncommon reality, in governmental as well as private sector organizations, for leadership to struggle with successful design and implementation of change. Change Management requires a unique combination of knowledge, skills and abilities that are not instinctive to business/technical professions. As a result, research continues to confirm that approximately 75-80% of the organizational change initiated fail.

To define what we are referring to as Change Management or Organization Development, we offer the following definition:

Organization Development is an effort planned, organization-wide, and managed from the top, to increase organizational effectiveness and health through planned interventions in the organization's processes, using behavioral-science knowledge.

As Project Management and Change Management are often used interchangeably, we provide the following interpretations to further assist with our recommendation regarding (b)(5). As noted, Project Management does not require a Change Management component, whereas Change Management combines Project Management processes for managing the day-to-day change events together with processes necessary to guide behavioral change.

Project Management

Project Management is the application of knowledge, skills, tools and techniques to **project activities** to meet project requirements. Project Management is accomplished through the application and integration of the Project Management processes of initiating, planning, executing, monitoring and controlling, and closing.

** From PMBOK® Guide, Third Edition*

Change Management

Change Management is the process, tools and techniques to manage the **people-side** of change to achieve the required business outcome. Change Management incorporates the organizational tools that can be utilized to help individuals make successful personal transitions resulting in the adoption and realization of change.

Phase I Recommendation:

(b)(5)

Recommendation:

(b)(5)

1.

(b)(5)

2.

(b)(5)

3.

(b)(5)

Phase I Recommendation:

(b)(5)

(b)(5)

Rationale for Change:

-
-
-
-

(b)(5)

Background:

During our Organizational Assessment engagement, EMI had the opportunity to speak with internal and external OCFO customers, approximately 128 individuals, to focus on continuous improvement. We customized each set of interview questions by stakeholder group, and included an exploration of the quality of customer service as experienced by the interviewee. All questions were reviewed, modified and approved by the OCFO before EMI engaged with each stakeholder group. Although there were significant number of comments relative to the *"nice people working on the OCFO staff,"* or *"I wouldn't want to give up my BA for anything,"* the focus of our Assessment was to identify areas where OCFO could make improvements to performance efficiencies and effectiveness. Along those lines, we heard comments, through a variety of statements such as:

- *"We can't get user-friendly reports that we need for conducting our business with our stakeholders."*
- *"We need more analytical skills and understanding of trends and forecasting."*
- *"The reports look official in terms of financial compliance, but what do they mean to the way we use the numbers?"*
- *"How can we trust the numbers when different systems report different totals?"*
- *"They don't understand our mission, goals and need for timeliness."*
- *"We need accurate and timely status of funds information, especially during close out."*

OCFO has been structured and operating with an internal view of financial, accounting and budgeting requirements for years. They are viewed as providing "data," not management or business "information" needed for conducting an efficient business.

(b)(5)

As with any support service, partnership is only sought when the customer believes value is being added. As a result of past and current gaps in required services, OCFO is dealing with customer perceptions that include lack of trust, as well as doubt of competency. Customers expressed satisfaction with OCFO leadership, but competency to deliver quality results in a consistent manner was questioned. A clear demonstration of the customer uncertainty with quality is reflected by their expressed need to hire their own staff to do what OCFO staff can't or will not do. We understand in some situations, these additional hires, most commonly referred to as "shadow" staff, are required to also do financial activities not provided by the OCFO. However, in the majority of conversation, the "shadow" staff was referred to as a need as a result of inconsistent or unreliable support from the OCFO. To earn a true partner status, OCFO must demonstrate to its customers that they hear and understand the customers' need for change related to the manner in which OCFO delivers their services.

Phase I Recommendation:

(b)(5)

(b)(5)

Turning the lens externally to view customer needs, as EMI did with a specific data call to BES Team Leads, it becomes clear that although the services required by each C/I/O are layered with complexities, some C/I/Os were more complex than others. The idea of an organizational response of “one size fits all” for satisfying customer service was determined to be inaccurate and insufficient.

EMI’s project analysis focused on examining quantitative and qualitative customer needs in an effort to identify and differentiate customers by level of complexity. In collaboration with the Office of Budget, specific data was gathered from the C/I/O Program, including the number and grade of the workforce required to support each.

The Office of Budget also provided assistance in rating the order of complexity of funding sources, one of the primary areas identified as a differentiating factor. The business factors in our analysis included:

- types of funding sources
- IAAs; both Receivables and Payables
- number of CANs – Common Account Numbers
- number of contracts and grants managed
- number of C/I/O FTEs supported
- international and/or Domestic support provided

EMI acknowledges there are other subjective factors that influence the working relationship with a customer, such as leadership and personality styles, as well as expectations for frequency of one-on-one interactions. After much consideration and discussion, it was determined that these C/I/O specific issues were more responsively addressed on an as-needed basis.

The analysis of the Program data indicated that the complexity of the Program’s budget execution requirements, based on the factors noted above, were useful indicators of the roles, responsibilities and competencies the Budget Execution Team needed to provide each Program. The determination of overall complexity involved consideration of:

- the level of complexity (weighted) of the funding sources utilized by a Program
- percentage of time BA’s spent on Program support
- the number of Budget Analysts required to support the Program

(b)(5)

(b)(5)

(b)(5)

Phase I Recommendation:

(b)(5)

(b)(5)

Recommendation:

(b)(5)

This recommendation should be viewed together with the following associated recommendations:

(b)(5)

Phase I Recommendation:

(b)(5)

Rationale for Change:

-
-
-
-
-

(b)(5)

Background:

Interviews with internal and external stakeholders confirmed the primary focus of the CDC as an agency is to protect America from health, safety and security threats, both foreign and in the United States. This mission is front and center whether diseases start within the U.S. or abroad. There is no doubt that stakeholders understand CDC's vital commitment to fight disease and provide the appropriate level of support to communities and citizens dedicated to doing the same.

This commitment by the CDC health and safety staff, world-leaders in their professions, reflects the dedication and focus of the CDC's executive leadership to the research and mission-related results of the organization's 16 Centers/Institutes/Offices (C/I/Os). Assessing the OCFO organizational structure to support this mission reflects a continued imbalance between the strategic policy and medical side of the organization's business and the strategic financial policies and partnership of the financial organization to further support and advance the C/I/Os. This was an issue referenced in a General Accounting Office (GAO) Report issued in 2000.

This struggle to adequately balance mission and financial management was, and continues to be, a challenge for most organizations, especially with tightening budgets and demands by the public for greater transparency. In an attempt to address this struggle, almost 24 years ago, the *Chief Financial Officer and Federal Financial Reform Act* was signed into law. The intention of this law, which became known as the *CFO Act*, was to reduce the gap between strategic mission and business practices and improve the government's financial management role. This intention was supported by outlining standards for financial performance, organizational structure and disclosure. More recently, in 2011, a review of the CFO Act initiated by Congress, *CFO Act 20-Year Review Report*, acknowledged the pivotal role the CFO Act has played in improving financial accountability and transparency across the federal government. The conclusion, there is still work to be done, but agency Directors are advancing the government's commitment to financial transparency and accountability by bringing the CFO's role from "the backroom to the boardroom."

The CDC's Office of the Chief Financial Officer (OCFO) is at a critical junction. There is a need to:

- strengthen financial systems and reporting capabilities to better serve the health research and development mission of the C/I/Os
- improve the partnership and relationship with the C/I/Os through improvements in staff competencies and a more customer-focused service approach
- improve relationships with the C/I/Os to develop a strategic partnership for understanding the financial impacts of current and future business trends and initiatives

Phase I Recommendation:

(b)(5)

Recommendation:

(b)(5)

Rationale for Change:

-
-
-
-
-
-
-

(b)(5)

Phase I Recommendation:

(b)(5)

Background:

(b)(5)

Recommendation:

(b)(5)

Phase I Recommendation:

(b)(5)

Rationale for Change:

-
-
-
-
-

(b)(5)

Phase I Recommendation:

(b)(5)

(b)(5)

Background:

Analysis of EMI's Organizational Assessment data resulted in a number of recommendations that are directly linked to the OCFO's 2014 Strategic Plan and the "people-side" of the business:

-
-
-
-
-
-

(b)(5)

Standing up, rolling out, managing and periodically updating these functions critical to the successful implementation of our recommendations appears to best align with the current Office of Management Services (OMS). This recommendation is not an attempt to circumvent the current CDC Human Resources organization; it is an intentional design to create structure processes and Human Resources practices that the OCFO requires to be successful. However, our assessment of this part of the organization confirmed that OMS is primarily providing its stakeholders with transactional and administrative support, not strategic Human Capital and Business Service counsel. OMS currently holds responsibility for a variety of functions including:

- Human Resources
- Help Desk
- Communications
- Facilities Management
- Vehicles, phones and other assets
- Contract Administration support
- Security clearances and emergency preparedness
- Other administrative and data analysis activities

We acknowledge there is an administrative part of Human Resources management that is very important.

(b)(5)

Phase I Recommendation: Establish a Human Capital and Business Services Organizational Structure

-
-
-

(b)(5)

Additionally, the following evidence was uncovered during our analysis that further underscores the need to

(b)(5)

-
-
-
-
-

(b)(5)

(b)(5)

It is important in any organizational change undertaking to honor the good work that has been performed in the past to support the growth of the organization. However, at the same time it is critical to understand and recognize that the practices that worked in the past are not the ones that are needed to meet the future needs of the organization.

(b)(5)

(b)(5)

Phase I Recommendation:

(b)(5)

(b)(5)

Unfortunately, many of the current OMS position descriptions, skill sets and systems and processes are working to support an outdated expectation of Human Capital support. Current stakeholder expectations and future needs demand the organization provide support at a much more dynamic and strategic level. Figure 3 details a proposed redefinition of the OMS into the Human Capital and Business Services unit.

Proposed Redefined Human Capital & Business Services Functions

(b)(5)

Figure 3

Recommendation:

As depicted in Figure 3, EMI recommends

(b)(5)

Phase I Recommendation: Establish a Human Capital and Business Services

Organizational Structure

(b)(5)

Over time, the (b)(5) resulting in ongoing changes to its organizational structure. At the outset, the organization will require the assistance of outside resources to deliver the competencies and understanding of applicable policies, systems and procedures to stand up the re-defined organization, as currently these skill sets do not appear to be present within the unit. In the future, as the organization and processes become institutionalized, the need for outside services will be reduced, as internal resources become trained on new requirements and demonstrate competencies with new skill sets.

Phase I Recommendation:

(b)(5)

(b)(5)

In addition to (b)(5) EMI recommends:

-

-

(b)(5)

Figure 3 presents the responsibilities for each of the above-mentioned roles.

EMI anticipates the initial staffing levels to accomplish the Phase I transition to be:

-

-

-

(b)(5)

Our recommendation also includes alignment of the following functions during Phase I in (b)(5)

(b)(5)

The recommendation addressing the (b)(5) can be found on page 53.

-

-

-

(b)(5)

We anticipate the transition EMI is recommending for the OMS will reduce the total number of staff from the current level of approximately 20, with 2 vacancies to no more than 12. Further reductions could be realized as the organization becomes stable and automation of (b)(5)

(b)(5)

It will be important for the efficient and effective standup of the HCBS that the 12 team members have background and experience in (b)(5) To achieve the reduction of 20, EMI is suggesting two could be taken through current vacancies. The other eight could be realized through retirements, transfers and details.

Phase I Recommendation: Establish a Human Capital and Business Services Organizational Structure

Rationale for Change:

-
-
-
-
-
-

(b)(5)

Background:

The OCFO has a reputation for providing inconsistent services to their customers. In all fairness to the entire organization, the criticisms are more frequently expressed regarding analytical budget services rather than transactional finance and accounting systems and services, or services related to Human Resource management advice and support. Unfortunately, OCFO's credibility as a potential strategic finance and business partner has been significantly jeopardized as a perception of unreliability and distrust of report data has persisted. OCFO leadership is faced with a challenging "catch up" process to adequately update people and systems issues to better align with stakeholder expectations.

At this time, to successfully transition the OCFO, the organization has to address staff and stakeholder frustrations, as well as address a history of perceived inconsistent decisions, which has resulted in unsatisfied expectations on the parts of both customers and staff. Stakeholders want to be able to point to specific steps to understand and buy-in to the sincerity the OCFO has to make organizational change a reality. Skeptics are aware of a history of assessing current performance without adequately resolving the core problems. Therefore, an orchestrated Transition Plan for successfully introducing and implementing change will be imperative.

EMI stakeholder interviews focused on continuous improvement opportunities for the OCFO. Dialogues with stakeholders, workplace observations and focus groups identified the following significant root issues to this major and complex organizational disconnect:

- Process utilized to integrate budget execution staff back into the OCFO from the Programs.
- False expectation that a Budget Analyst "can do it all," without acknowledgment of grade level, skill and years of experience.
- Lack of clear performance metrics, periodic evaluation, and honest and constructive performance feedback.
- Lack of performance management plans, including training and development goals, to address performance deficiencies.
- Disregard for monitoring performance with respect to Service Level Agreement performance metrics negotiated between the OCFO and C/I/Os.
- Practice of defining positions by "people-specific talents" rather than organizational needs.
- Weak supervisors not able and not held accountable for addressing performance issues.
- False expectation that all customers need and expect the same level of service.
- Dual structures (OCFO and Program shadow staff) that place OCFO data in "doubt," and result in duplicated efforts and costs.
- Lack of Standard Operating Procedures (SOPs) across the organization to provide consistent decision-making and process maps for completing tasks.
- Various non-sanctioned degrees of authority exercised across Branches adding to inconsistencies and confusion as to what's the "right" way to accomplish a task.
- Prevalent organizational culture and attitude of "we take care of our people" resulting in staff members feeling discounted, overworked and penalized when left in positions that are not a match with their knowledge, skills and abilities, and stakeholders receiving services below their level of organizational expectations.
- Lack of written and up-to-date SOPs, Playbooks, checklists, templates and reports that could strengthen hiring, on-boarding, training and performance management processes.

Phase I Recommendation:

(b)(5)

- Reactionary attempts to “fix” problems by offering training, before providing:
 - explicit articulation of customer requirements
 - clarity of the demonstrated skill sets, or competencies, required for each job
 - identification of the level of in-house capabilities or potential to learn required skill sets
 - depth and breadth of identified gaps between required and current skills along with a strategic Training Plan for closing the gaps, including type of education, experiences and training required
 - counseling and career options for staff with performance that indicates they are not able to adequately fulfill the position requirements

Overall, we assess there is a major breakdown in the Human Resources Management function within the OCFO. As a result, in addition to our recommendation to (b)(5) we are recommending (b)(5)

(b)(5). This recommendation can be found beginning on page 37.

Recommendation:

Along with implementing the recommendation regarding (b)(5)

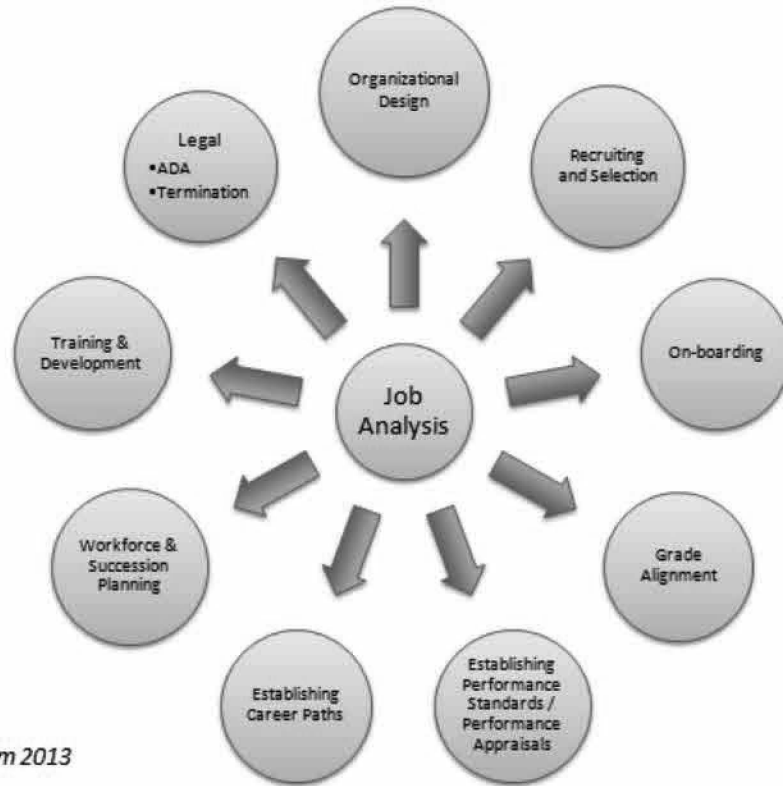
(b)(5)

EMI recommends

(b)(5)

(b)(5)



Job Analysis Benefits



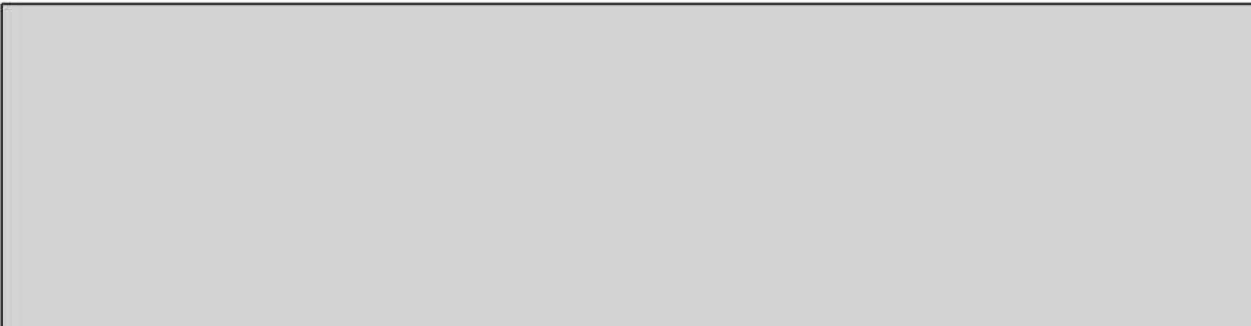
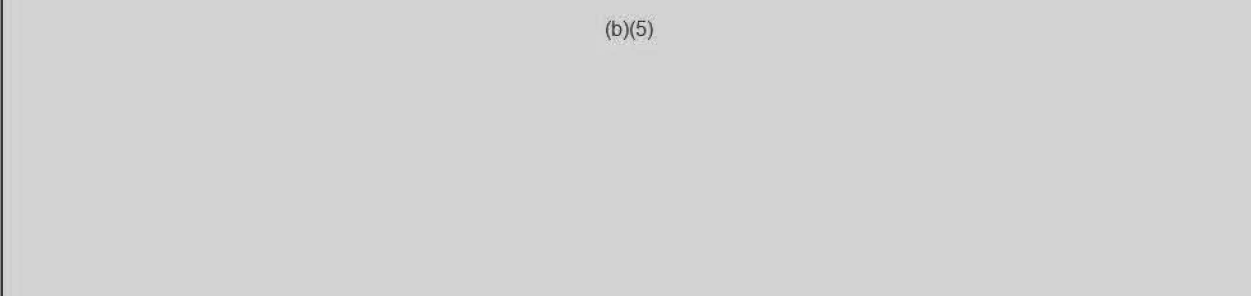

SHRM Learning System 2013

Figure 4

(b)(5)

-  (b)(5)
- 

*At the time of contracting, EMI was not aware that several members of the OCFO staff had received training by the Office of Personnel Management (OPM) on their Succession Planning framework and tools. Working through our data collection process we discovered the Succession Planning framework EMI had proposed to provide would duplicate the models and training essentials OCFO had already received from OPM. At that time, the OCFO requested we review the work they produced using the OPM templates and methodologies and provide comments. Our findings suggest:

- 
- 
- 

In addition to specific training and development needs resulting from conducting a gap analysis, the table below highlights the results of our analysis of assessment data for training needs:

Training Recommendations

	Recommended Content
(b)(5)	<div>(b)(5)</div> <div>Additional data is provided on page 48.</div>
	<div>(b)(5)</div> <div>Additional data is provided on page 49.</div>
	<div>(b)(5)</div>

Phase I Recommendation:

(b)(5)

(b)(5)

(b)(5)

Leadership Development and Executive Coaching

Our assessment data indicates that the OCFO “knew” or “sensed” where many of its opportunities for improvement were. This was confirmed through interviews, as well as the fact that several workgroups were established during our engagement to explore ways to resolve inefficiencies. Several of these inefficiencies were issues EMI was going to focus more closely on, such as, service desk, workforce planning, and training, but did not, in an effort to not duplicate work tasks.

Early in our engagement, we recommended that OCFO leadership

(b)(5)

(b)(5)

We strongly urge OCFO to

(b)(5)

(b)(5)

Phase I Recommendation:

(b)(5)

Having completed our data gathering and analysis, we continue to stand by our early-on recommendation

(b)(5)

(b)(5)

Included in our recommendation of a

(b)(5)

is the essential function of

(b)(5)

(b)(5)

(b)(5)

The data collected during our interviews and focus groups indicates that not only do silos exist between OCFO and other CDC organizations, but that there are also internal organizational fragmentations between business units within the OCFO itself.

In order to eliminate internal separation and start each employee out “on the right foot,” EMI recommends

(b)(5)

Phase I Recommendation:

(b)(5)

Rationale for Change:

-
-
-

(b)(5)

Phase I Recommendation:

(b)(5)

(b)(5)

Background:

A review of the CDC's budget allocation since 2000 highlights the growth that has occurred over the past decade driven by expanding health initiatives and mission. This growth has also been layered with complexities in funding sources, analysis, reporting and other financial and budget activities.

Among the interview inquiries EMI discussed with internal and external stakeholders were questions focused on work processes, ideas for improving efficiencies and changes that would strengthen compliance. Our analysis did not result in uncovering financial practice improprieties; our Scope of Work was not aligned with that type of review. However, we did experience an organization where Standard Operating Procedures (SOPs) were often either not utilized, up-to-date, or not documented. This practice of inconsistent processes places the organization in a vulnerable position for inconsistencies, errors and potentially fraud. A best practice, within the financial communities and expressed in the CFO Act-20 Year Review Report, links the importance of balancing management reviews with internal controls and risk assessment, all through an Internal Controls function.

Interview results indicate that staff is often uncomfortable and confused by inconsistencies in business decisions made on a case-by-case basis as a result of the lack of SOPs. Although the OCFO has an established Risk Assessment process, these day-to-day inconsistencies are often not elevated to the Risk Assessment level. Currently, there is no independent internal arm in OCFO to review daily practices, processes, and special projects to investigate concerns of inconsistencies, or to assess risk.

Recommendation:

(b)(5)

Phase I Recommendation:

(b)(5)

(b)(5)

(b)(5)

Rationale for Change:

-
-
-
-
-
-

(b)(5)

As the internal landscape of financial responsibilities and compliance grows, and the external stakeholders require greater transparency and accountability, implementing a strong internal process of checks and balances in alignment with the latest A-123 updates appears practical and reasonable.

Background:

During the data-gathering phase of the OCFO organizational assessment many themes surfaced with regards to the IT infrastructure for the OCFO. Stakeholders expressed significant concerns with issues resulting from incompatibility, workarounds and inconsistencies offering the following types of comments:

- “Develop IT project management literacy to [better] manage contractors.”
- “Integrating multiple MS Access databases into UFMS reports, etc. would be an improvement.”
- “Automate manual tasks and have a forum to present possible [system] issues.”
- “Working Capital Fund has uncovered that systems, reports and tools must be improved.”
- “Ad-hoc reports should be converted to new reports. Manually entered info into IRIS is an opportunity for [error] improvement.”
- “C/I/O requests go beyond what UFMS and Budget Insight has readily available. Therefore, lots of data downloads and manipulation is required making reports very time consuming.”
- “It takes hours to get the report data because we’re working with systems that don’t talk to each other. This creates a lot of manual reconciliation between the two.”
- “Who’s looking at what our future needs are? There doesn’t seem to be a plan for prioritizing our technology needs.”
- “We are so reliant on contractors. We need some oversight to make sure they’re doing what they said they would do, and that they somehow transfer knowledge to us in a way that is useful if a different contractor is brought on board.”

Due to the nature of the CDC’s work, as well as OCFO’s, secure and efficient systems are of critical importance. To better support customer needs, efficient work processes, reliable and consistent data and improve automation OCFO must focus on catching up with today’s IT needs, as well as those that will be required for the future.

(b)(5)

The *Chief Financial Officers Act of 1990—20 Years Later Report* specifically noted, “information technology and specific information technology projects have been on GAO’s high-risk list and are routinely identified as a top management and performance challenge in CIGIE’s annual report, *A Progress Report to the President*.” The Report further notes that the Federal government is almost exclusively using commercial software – adapting its processes to tried-and-true practices rather than creating unique software that would be unable to communicate with software in other systems. This issue of incompatibility appears to be some of the root causes for OCFO’s technology frustrations. The counsel and guidance from the Review Report is to ensure “financial systems in the future continue to look toward addressing users’ needs.”

Phase I Recommendation:

(b)(5)

In making plans for updates and changes, the OCFO should

(b)(5)

(b)(5)

Recommendation:

(b)(5)

Phase I Recommendation:

(b)(5)

-
-
-

(b)(5)

In addition to the duties already noted above, we envision

(b)(5)

-
-
-
-
-
-
-

(b)(5)

(b)(5)

EMI's data collection and analysis phase included gathering information relative to several Service Desks that have been established to assist OCFO customers. These include the OMS Service Desk, the Travel Help Desk, Budget Help Desk, WCF email box, to name a few. The actual result of the practice of establishing these portals for assistance has resulted more in tracking and manipulation of a lot of service tickets rather than a "call to action" to resolve the root issues being identified as significant.

We are aware that the OCFO has established a workgroup to research and address Service Desk issues. We offer our ideas about how this function can be organized as additional information for that group. During our analysis we concluded that Service Desk processes could be more efficient and effective if consolidated. Today, users aren't sure where they need to call for help. For example, currently the OCFO Service Desk receives an average of 38% of their calls that are misdirected and should go to the Management Information Service Office (MISO). This misdirection of calls and emails causes extra work and frustration for the end user. At the same time, the Working Capital Fund offers three avenues for contacting them, which is duplicating efforts. Several of the team members are answering similar questions without the benefit of a tracking system. This practice results in a lack of inquiry data to determine what actions can be taken to better communicate a resolution to the problem and thereby eliminating the need for future calls for help.

Phase I Recommendation: Design and Implement a Technology Function

(b)(5)

Rationale for Change:

-
-
-
-
-
-
-
-
-

(b)(5)

(b)(5)

Background:

EMI observed first-hand the lack of consistencies in Standard Operating Procedures (SOPs) and the resulting organizational impacts. Examples of situations observed or discussed included circumstances grouped into five categories:

- SOP was documented, but out of date.
- SOP was documented and out of date, and each employee working with that task was cataloging their own changes to the procedure; there was not one master being updated and shared with the team.
- Written SOP was available, but employees did not feel it was useful, so it wasn't being adhered to.
- A SOP was never created and employees were accomplishing the task inconsistently depending on who was handling the task at the moment.
- Written procedures were available, but each Branch, Program, etc. felt their "uniqueness" qualified for working outside the document.

In interviews and focus groups we heard how difficult it is for employees, especially new employees, to accomplish work tasks without approved, written procedures. They discussed these issues with comments such as:

- "It takes about 2 years to learn how to do the job, since most of the learning is on-the job experiences, no formal or written procedures to follow."
- "The delivered service is inconsistent, depending on which employee completes the task."
- "I'm uncomfortable because I don't understand why the answer is one way for one individual and another way for another. Shouldn't it be the same?"
- "We have a Playbook, but it really doesn't apply to our work."
- "I keep my own notes about how I accomplish the task. I'm not sure what my co-workers do."

Recommendation:

(b)(5)

**Phase I Recommendation:
Training**

(b)(5)

Rationale for Change:

-
-
-

(b)(5)

Background:

Through a series of Program Management Officer (MO) interviews EMI heard loud and clear that one of the most important ways for OCFO to improve their customer service was to create an efficient and effective process for producing timely, accurate and meaningful financial reports. Not “financial” in terms of compliant, but “financial” with respect to being “user-friendly” for Program business management and strategic business decision-making. The MOs understand the need for compliance, but want the OCFO produced reports to be documents they can use with their stakeholders, more business management reporting.

The frustration with current reports involves significant issues such as the time involved, validation of data and the “redo” of work required so the report matches a format the Program can use. Both the Programs and the Budget Execution teams experience these frustrations. We heard these frustrations expressed as:

- “It doesn’t help me if I have to wait several days for the report. By then, the numbers are already out of date.”
- “How can I trust the numbers when the reported system number has to be massaged?”
- “We prefer to have our staff prepare the report so we get the information in a manner that is understood by our customers.”
- “It really is crazy at closeout. How can we not know how much (money) is left?”

In line with our desire to research customer satisfaction and how OCFO could improve the relationships with their customers we decided to dig deeper into this issue of Reports. We requested that the Budget Execution Team Leads self-report the amount of time spent on reports during a given month. Based on their responses, we then facilitated a focus group strictly to discuss reports. From the data provided, we were able to determine that an average of 146 hours/month is being spent by Budget Analysts working on reports. These are hours spent on reports that more than likely are then being “reworked” by someone on the Program staff, or not utilized by the Program at all.

Assuming an average OCFO hourly rate of \$51/hour for the Budget Analyst preparing the Report that’s approximately \$7,500 per Program/month on reports, which for the most part are not usable when delivered. These reports, which are known for not being useful, cost the OCFO in the range of \$1.6 million a year in labor. Addressing the issue of reports is an opportunity to reduce the labor costs, as well as greatly improve customer satisfaction.

The results of reviewing the data with a group of Budget Analysts in the focus group resulted in the identification of 58 non-recurring reports and 100 recurring reports. (See Appendix G, page 115). EMI was not successful in gaining a list of “standard” OCFO reports, but we do understand that there are several resources available through the Budget Operations Unit (BOU) where they are noted, there is just not one location for the standard templates.

Phase I Recommendation:

(b)(5)

(b)(5)

Recommendation:

(b)(5)

-
-
-

(b)(5)

(b)(5)

Phase I Recommendation

(b)(5)

(b)(5)

Rationale for Change:

-
-
-
-
-

(b)(5)

Phase II – FY16

Chart Represents Functions Only- Not Intended As an Organizational Chart

Blue Boxes Represent Recommended Phase II Activities

(b)(5)



Background:

Interviews with stakeholders and members of the Office of Finance & Accounting teams revealed that customers are generally satisfied with the performance of the Finance and Accounting staff. There is high regard for the level of accountability placed on each team and associated team members as performance results are proudly displayed and highlighted on the monthly Wall Walk.

The analysis of the data we collected from interviews and focus groups does indicate, however, a discrepancy of opinions as to whether the Office of Finance & Accounting organization is staffed appropriately. As with all business units within the OCFO there is an abundance of higher grade levels, such as, GS - 14's, 13's, and 12. The impact of a top-heavy staff mix within F&A, as in other units include:

- limited opportunity for growth and development
- lower level tasks being performed by higher grades that should be focused on more challenging work assignments

As quality work is being produced within the F&A branches and customers are satisfied, it does not appear that the teams are understaffed. However, with that said, we did note (b)(5)

(b)(5)

Recommendation:

(b)(5)

(b)(5)

during

Phase II each organization should be able to:

-
-
-
-

(b)(5)

Phase II Recommendation

(b)(5)

Rationale for Change:

-
-
-

(b)(5)

Phase II Recommendation:

(b)(5)

(b)(5)

Background:

As a result of the work performed by the OCFO in Phase I to clarify and further define the draft

(b)(5)

EMI's review of the Budget Operations Unit (BOU) revealed limited data. However, based on the data received, we understand the Budget Execution team and the Program Offices hold the unit in high regard for their guidance and advice.

Phase II Recommendation:

(b)(5)

(b)(5)

Recommendation:

(b)(5)

Our thoughts:

-

-

-

(b)(5)

-

-

Phase II Recommendation:

(b)(5)

(b)(5)

(b)(5)

Phase II Recommendation:

(b)(5)

(b)(5)

We further recommend that

(b)(5)

(b)(5)

Phase II Recommendation: Redesign and Implement the Office of Budget Organizational Structure

(b)(5)

Phase II Recommendation: Redesign and Implement the Office of Budget Organizational Structure

(b)(5)

Phase II Recommendation: Redesign and Implement the Office of Budget Organizational Structure

(b)(5)

Phase II Recommendation: Redesign and Implement the Office of Budget Organizational Structure

(b)(5)

Phase II Recommendation:

(b)(5)

(b)(5)

Rationale for Change:

-
-
-

(b)(5)

Phase II Recommendation:

(b)(5)

(b)(5)

Background:

(b)(5)

Recommendation:

(b)(5)

Phase III – FY17

*Chart Represents Functions Only- Not Intended As an Organizational Chart
Green Boxes Represent Recommended Phase III Activities*

(b)(5)



Phase III Recommendation: Evaluation of Appropriateness of Further Organizational Structure Changes

Recommendation:

Through our interviews, observations and review of documentation there were several other opportunities identified for improvement that we assessed the OCFO would not be ready to address during Phase II, but could possibly be positioned to evaluate three years from now. Naturally, our projection for readiness in three years will be influenced by the success of changes introduced in Phases I and II, and the amount of change the environment and government financial landscape encounters during this time.

The three possible changes that we recommend the OCFO evaluate in Phase III are:

-

-

-

(b)(5)

(b)(5)

These recommendations are longer term and will be dependent on workplace conditions and performance expectations at that time.

Next Steps

After reviewing our recommendations, the OCFO leadership team will need to:

-
-
-
-
-

(b)(5)

EMI is ready to continue to offer consulting services to assist the OCFO leadership with successful implementation of recommendations in the following areas.

-
-
-
-
-
-
-
-
-

(b)(5)

An example of a timeline for implementation of Phase I recommendations is provided in Appendix J, page 127.

CDC Documents Utilized During Assessment Process

General Information

CDC Acronyms

Organizational Structure

FY 2014-2016 Strategic Plan
 2012 Federal Employee Viewpoint Survey
 2002 (FY) Chief Financial Officer's Annual Report
 The Chief Financial Officers Act – A Mandate for Federal Financial Management Reform
 Email from Linnet Griffiths – GAO Report of CDC's Financial Management Weaknesses
 FMO Transformation – Mentorship Program Recommendation
 FMO Transformation – Job Shadowing Program Recommendation
 FMO Transformation – Coaching Program Recommendation
 FMO Transformation – Draft Budget Analyst Competency Assessment Questions 9/11, 12, 13, 14
 FMO Culture Assessment Developing Specific Action Plans
 GAO-Independent Accountants Identify Financial Management Weaknesses
 GAO-Lack of Disciplined Processes Puts Implementation of HHS' Financial System at Risk
 OCOO Strategic Direction Indicator Template-Final (9/19/2013)
 OCFO Office Functions
 OCFO Organizational Chart – Braches and Teams (1/19/14)
 OCFO Organizational Chart – Branches and Teams (10/25/13)
 OCFO Staffing Report (11/13/2013)
 OCFO Staffing Report (1/13/2014)
 OCFO/FMO Reorganization Proposal – Sherri Berger (1/10/2013)
 OCFO 2013 Leadership Retreat
 OCFO Retreat (Deloitte-Think Tank Session)
 OCFO Organizational Overview (Slides 11/12/2013)
 Partnership for Public Service – Best Places to Work (2012 EVS Action Plan)

Workforce Planning

2014 OCFO Workforce Development Strategy
 2013 (FY) OPHPR and FMO BES – Core BES Service level Agreement
 Human Capital Assessment & Workload Analysis (Slides 11/18/2013)
 Human Capital Assessment & Workload Analysis (Slides 08/24/2012)
 Workforce and Succession Planning Document
 Office of Budget Succession Plan – Key Positions
 Securing Approval of Changes in Organization and Functions

Succession Planning

John Christ Email (1/13/14)
 FMO Retirement – Eligibility 2013 – Branches Cumulative Retirement
 FMO Retirement – Eligibility 2013 – Summary Report
 Nine Block Assessment
 Nine Block Exercise (PowerPoint)
 OCFO Raw Data

OPM – Succession Planning Training Workshop (PowerPoint)
OPM – Suggested Metrics for Evaluating Succession Planning Effectiveness
FMO Retirement Eligibility and Succession Planning Report
Suggested Metrics for Evaluation Succession Planning Effectiveness
Succession Planning Training Workshop
Appendix A – OCFO Strategic Plan Summary – FY14
Appendix B – OCFO Retirement Eligibility Feb 27 2014
Appendix C – OCFO Succession Plan Key Positions and Competencies
Appendix D – OPM Succession Planning Tool
Appendix E – FMO-Budget Analyst 560 Training Plan
OCFO Succession Planning 5-16-2014
Securing Approval of Changes in Organization and Functions
Team Leaders and Performance Management Guidance

Position Descriptions

GS-301 Health Policy Analyst (Various Grade Levels 07-15)
GS-0318 Secretary (Grade Level 09)
GS-340 Management Officer (Grade Level 15)
GS-343 Management and Program Analysis Positions (Various Grade Levels 07-14)
GS-501 Financial Management Specialist (Various Levels 09-14)
GS-503 Financial Technician (Grade Level 07)
GS-510 Lead Accountant (Various Levels 09-14)
GS-0511 Auditor (Various Grade Levels 09-12)
GS-560 Budget Analyst (Various Levels 09-14)
GS-0685 Public Health Advisor (Various Grade Levels 09 – 15)
GS-1001 Financial Communications Specials (Grade Level 13)
GS-2210 Information Technology Specialist (Various Levels 12-14)
2012 PMAP Ratings – Branch Analysis (11/19/13)
2012 PMAP Ratings – Demographic Analysis (11/19/13)
2012 PMAP Ratings – Grade Analysis (11/19/13)
Multi-Year PMAP Analysis (11/19/13)
Performance Appraisal by Job Series

Competency

Competency Gap Assessment Report-Budget Analyst (GS-560)
Competency Gap Assessment Report-Program Analyst (GS-343)
Accounting Learning Plans
BES Learning Plans

Training

Accountant Training Catalog (DRAFT Oct 07)
Core Competency Training Catalog
Leadership and Management Competency Training Catalog (DRAFT Nov. 07)
IRIS CFO Briefing (Aug 2013)
IRIS (B&PI) Module Training for FMO Budget Analysts
Training Guide/B&PI Training

Customer Surveys

- 2014 Customer Satisfaction Survey DRAFT Questions
- 2013 OCOO Customer Service Survey w/ Questions and Responses (2)
- Close Loop Document OCFO-CTL 2013
- Customer Engagement CEG One Pager
- Engagement Survey – Email from Sherry Berger (11/13/2013)
- OCFO Customer Engagement Group Feedback (Apr. 2014)

Processes

- 2014 (FY) Accounting Branch Nov Metrics Detail
- 2013 (FY) Accounting Branch Measures
- Budget Execution Services Playbook – “How to” Guide for OCFO BE Services (April 2008 and December 2013)
- Budget Formulation Process (DRAFT 7/16/13)
- Federal Budget Process
- HPCM Architecture
- IAA AR Briefing (Current State and Next Step-2)
- UFMS Manual v6 (10/03/08)

Best Practices

- Chief Financial Officers Act - 1990
- CFO Act of 1990 – 20 Years Later Review Report
- Delivering on the Accountable Government Initiative and Implementing the GPRA -2010
- Government Performance & Results Modernization Act-2010 Public Law
- GPRA Modernization Act – 2010
- OMB Cir A-11-Preparation, Submission and Execution of the Budget
- FY 1975 – 2014 Historical Table – BA Only
- FY 2004 – 2014 Historical Table - Comparable
- Independent Accountants Identify Financial Management Weaknesses
- Overview of FMO Service Desk Operations
- FMO Service Desk Analysis – Total Annual Resolution Time
- FY 2012 FMO Service Desk Tickets – Rankings by Resolution Time
- FY 2013 – OCFO Service Desk Dashboard
- IAA AR Briefing – Current State
- Delivering on the Accountable Government Initiative and Implement the GPRA 2010
- Government Performance & Results Modernization Act – 2010 Public Law
- OMB CIR A-11-Preparation, Submission and Execution of the Budget
- OMB MAX Documentation
- FY 14 Enacted Side-by-Side Appropriations Language
- FY 14 Operating Plan
- OCFO Placement
- OCFO Service Desk Misdirect MISO Tickets
- OCFO Org Chart
- OCFO Service Desk FAQ's
- WCF Robust Training
- OCFO IT Investments

Proposed OCFO Staffing Mix

The chart on the following page summarizes EMI's proposed staffing mix for the OCFO. The assumptions used in determining the staffing levels include:

- employees are fully trained
- employees are performing at a high level of productivity
- employees have the necessary systems, tools and equipment to be efficient and effective in their roles of delivering value to OCFO customers

EMI assumes that our proposed staffing level which is lower than current levels for several organizations within the OCFO is a result of improved performance efficiencies and therefore higher productivity with less staff. We estimate addressing performance issues will account for at least 20-30% of the reductions listed in the chart.

OCFO Unit	Current Staff	FTE's	Recommended Staff	FTE's	Comment/Assumptions
Human Capital and Business Services	Human Capital and Admin Services Team	8	(b)(5)		
	Performance Management Team	8			
	MO/Directs	4			
		20			
Budget Execution Services/Budget Operations Unit	Branch 1	34			
	Branch 2	17			
	Branch 3	21			
	Branch 4	34			
	Branch 5	20			
	Branch 6	18			
	BOU	20			

OCFO Unit	Current Staff	FTE's	Recommended Staff	FTE's	Comment/Assumptions
		164	(b)(5)		
Finance & Accounting	No change	118			
Appropriations, Legislative, Formulation Office	No change	19			
Working Capital Fund	No change	4			
Office of the Director and Senior Leadership Team	CFO Director F&A Director Budget Assistant Senior Advisors Deputy	8 8			

Complexity Model and Score Development

In early April the OCFO Budget Analyst Team Leads (TL) were asked to participate in a data collection activity to provide data we believed would help us identify ways to view customer needs differently and identify ways for improving customer service. Team Leads were assisted with this data call by the Budget Analysts (BA) that directly report to them supporting the C/I/O.

Each TL received instructions for providing specific Program data, such as:

- Estimate the Percent (%) of time each team member works with for the applicable funding source; enter 0% if a funding source does not apply. During the BA interview process, many analysts stated that capacity or ability to support their specific C/I/O customer was influenced by funding source.
 - Direct Appropriations
 - IDDA's
 - Other Transfers
 - CRDA's
 - Royalties
 - Gifts (all types)
 - IAA Receivable
 - IAA Payables
 - Cable Funds
 - Other (if applicable fund sources not mentioned)
- Data relative to reports prepared during the month. The BAs also referenced the time involved with providing analysis, reports, and reconciliation of numerous data sources prior to providing advice to their customer.

Recognizing that there is a level of complexity to working with all funding sources, EMI worked with the Budget Execution leadership to rank the funding sources. The level of difficulty transitioned into a complexity factor for budget analysis. From the data provide, the following rating scale was created:

Funding Source (% of time)	Label	Difficulty Rating
IAA Receivable (Reimbursable)	IAA-R	4
Gifts (all types)	Gifts	3.5
IDDA's	IDDA's	3
Other Transfers	Transfers	3
CRDA's	CRDA's	3
Royalties	Royalties	3
Cable Funds	Cable Funds	3
Direct Appropriations	Direct Appropriations	2
	IAA-P	2
Other (if applicable fund sources not mentioned)	Other	1

The complexity model and score assumed the complexity of the Budget Analyst role to be a function of the following three factors. These factors were used in

(b)(5)

- Level of Difficulty (Complexity) (Weight)
- Percentage of Time BA's spend with various funding sources (Time)
- Number of Budget Analysts (Resources)

Each Team Lead supplied a data collection spreadsheet that was summed across all divisions and included individual BA data, to create a single aggregated Program-level funding source Customer Profile as referenced on page 29.

Example:

Program	Branch	Direct Appr	IDDAs	Transfers	CRDAs	Royalties	Gifts	IAA-R	IAA-P	Cable Funds	Other	TOTAL
NCEZID	1	61.1%	0.6%	0.0%	1.2%	3.3%	3.0%	10.2%	16.4%	3.5%	0.7%	100.0%
NCHS	2	43.7%	0.0%	0.0%	0.0%	0.0%	0.3%	37.3%	11.2%	0.0%	7.4%	100.0%
OSTLTS	3	68.2%	4.6%	1.9%	0.0%	0.0%	0.0%	24.1%	1.2%	0.0%	0.0%	100.0%
NCCPHP	4	67.8%	0.5%	19.6%	0.0%	0.0%	0.8%	0.0%	11.3%	0.1%	0.0%	100.0%
CGH	5	4.8%	90.1%	0.0%	0.0%	0.1%	0.1%	0.0%	0.0%	5.0%	0.0%	100.0%
OCOO	6	92.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	6.9%	0.1%	0.0%	100.0%

The product of complexity and percent of time across the BA resources became the indicator used to rank similar / dissimilar programs.

Example:

	Program	NCEZID	OSTLTS	CGH		NCEZID	OSTLTS	CGH
	Branch	1	3	5		1	3	5
	Complexity (Wt.)							
Direct Appr	2	0.611	0.682	0.048		1.22	1.36	0.10
IDDAs	3	0.006	0.046	0.901		0.02	0.14	2.70
Transfers	3	0.000	0.019	0.000		0.00	0.06	0.00
CRDAs	3	0.012	0.000	0.000		0.04	0.00	0.00
Royalties	3	0.033	0.000	0.001		0.10	0.00	0.00
Gifts	3.5	0.030	0.000	0.001		0.11	0.00	0.00
IAA-R	4	0.102	0.241	0.000		0.41	0.96	0.00
IAA-P	2	0.164	0.012	0.000		0.33	0.02	0.00
Cable Funds	3	0.035	0.000	0.050		0.10	0.00	0.15
Other	1	0.007	0.000	0.000		0.01	0.00	0.00
					TOTAL	2.33	2.55	2.95

Use of Complexity Score for Program Segmentation

The complexity score was then used to explore whether certain Programs could be grouped by other variables from the data collected.

Program	Branch	BES FTE	Program FTE	Contracts	Grants	IAA-RP	CANS	Complexity
NCEZID	1	15	2492	1851	129	397	1846	2.33
OSTLTS	3	7	1524	466	49	37	221	2.55
CGH	5	9	1578	519	1160	2	404	2.95

A SAS data mining technique called *recursive partitioning* was applied to the dataset to evaluate the relationship between Complexity (Y) and a host of X values (e.g. Number of Contracts, Grants, Inter-Agency Agreements Receivable / Payable, and Common Account Numbers). The partitioning method exhaustively searches for all possible cuts or groups of the data that best predict (explain) the Y value, which in our case is the Complexity Score. This technique is very powerful because:

- It is good to explore relationships without having a good prior model available
- It can handle large or small problems (datasets) easily
- The results are very interpretable

Based upon the partitioning analysis the variables that impact and explain Program Complexity the most were:

- Number (#) of CANS (Common Accounting Numbers)
- Number (#) of Inter-Agency Agreements – Receivables/Payables)

The thresholds determined were:

- Number (#) of CANS: 404
- Number (#) of IAA -Receivables / Payables: 37

Consequently, the first iteration of Program groupings using the Complexity Score resulted in the following table:

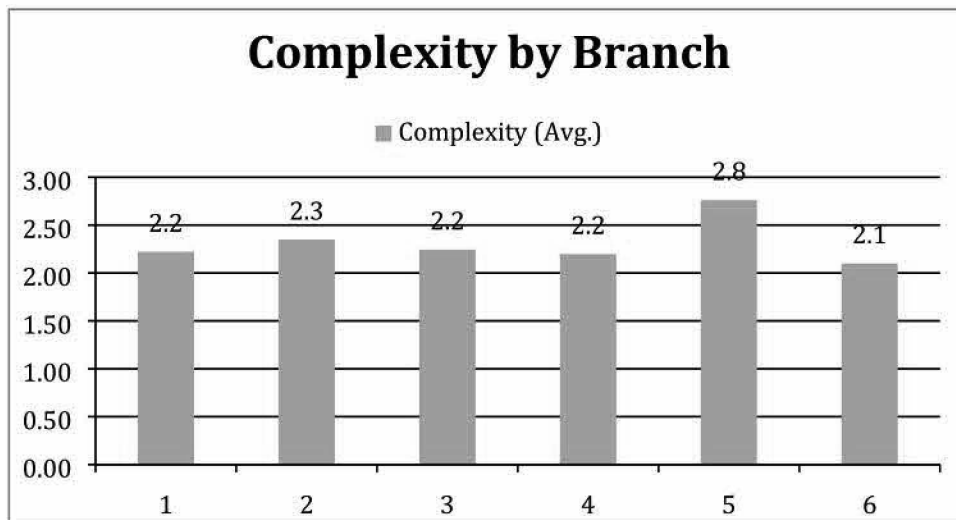
CANS < 404; IAA-RP >= 37 Complexity Avg. 2.2	CANS >=404; IAA-RP >=37 Complexity Avg. 2.3
OSTLTS OPHPR-SNS NCIPC-ONDIEH OCOO NCBDDD	NCEH-ATSDR NCHHSTP GAP NIOSH NCCPHP NCHS NCIRD-OID-ICU NCEZID

CANS < 404; IAA-RP < 37 Complexity Avg. 2.1	CANS >=404; IAA-RP < 37 Complexity 3.0
OCOO-ITSO WTC* OCOO-PGO OCOO-OCFO OCOO-HCRMO OSELS1-3	CGH

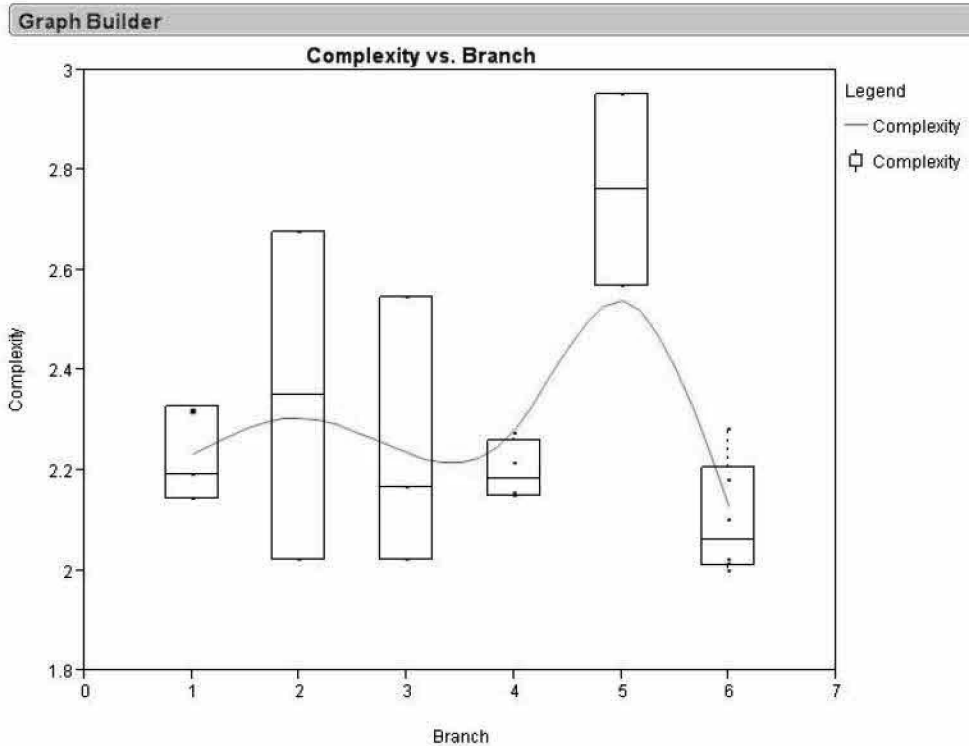
(*) WTC is within NIOSH

Evaluation of Current State Branch by Complexity Score

The evaluation of the current state average Program complexity score by Branch suggests that Branch 5 had the most complex programs to support.



However, a box plot of the individual values showed that within each branch there was variability in the Program complexity, which is masked just by looking at average score.



Conclusion:

Based upon the analytics performed and reasoning, EMI believed the OCFO could strongly consider the differences in customers (C/I/O Program) and holistically develop (b)(5) (b)(5) This groundwork evolved into (b)(5) within EMI recommendations to the OCFO.

Stakeholder Themes

The table on the following page depicts a summary of most significant comments culled from approximately 128 stakeholders who were either interviewed personally by an EMI consultant or participated in an EMI focus group. The questions the stakeholders were responding to were focused on helping to identify opportunities for improvements across the OCFO. As such, the comments highlighted deal with improvement efforts and not with areas of the organization that are currently meeting stakeholder needs.

Stakeholders from the following groups participated:

- Budget Analysts
- Appropriations Legislative and Formulation
- Team Leads-Budget Execution Services and Finance & Accounting
- Branch Chiefs-Budget Execution Services and Finance & Accounting
- Budget Operations Unit
- Program Management Officers
- External Customers (from CDC Business Units)

In order to maintain interviewee confidentiality the data has been presented with regards to sensitivity. Clustered comments were then grouped into subcategories to provide the most significant and appropriate details.

We received many verbatim comments during the data-gathering phase of the project. The table below indicates the six (6) most referenced themes, the percentage of comments in that theme measured against the total and several most relevant examples of the theme.

Assessment Themes and Relevant Comment Examples

Major Category-(% of Total Comments)	Subcategories	Examples
Culture (28%)	<ol style="list-style-type: none"> 1. Sense of entitlement 2. Lack of employee motivation 3. Resentment and distrust 4. Division between departments 5. Playbook/Standards/SOP non-existent/inconsistent 	<ul style="list-style-type: none"> • "We have islands of people." • "Negative attitudes of entitlement and being owed are commonplace." • "I don't feel like my opinion matters." • "It's who you know." • "We take care of our people." • "Positions are based on people rather than organizational needs."
Training and Development (23%)	<ol style="list-style-type: none"> 1. Need cross training 2. Need more technical Training 3. Professional Development needs more structure 	<ul style="list-style-type: none"> • "Employees are reluctant to cross train because knowledge is power in this culture." • "Would have preferred a more formal approach to orientation." • "Some staff are beyond a point where they can build skills." • "Not sure what's required to be successful."
Communication (21%)	<ol style="list-style-type: none"> 1. Lack of collaboration 2. Communication overload 3. Ineffective feedback 4. Siloed communications 	<ul style="list-style-type: none"> • "Communication is disjointed and not inclusive." • "There needs to be someone in charge of communication." • "Communication siloed." • "Leaders not always on the same page." • "It's more about who you know to get information." • "Too many emails!" • "Learned to cover my back."
Performance Management (19%)	<ol style="list-style-type: none"> 1. Poor performance not addressed 2. Performance Management process needed 3. Inconsistent Skills/Competencies 4. Inconsistent actions to address performance gaps 4. Lack of accountability 	<ul style="list-style-type: none"> • "Too reliant on people and not on position requirements." • "Limited bench strength." • "Key positions – one deep." • "Not held accountable for performance." • "Supervisors tend to avoid performance issues/problems."
Organizational Structure (11%)	<ol style="list-style-type: none"> 1. Too many layers 2. Ghost structure/Shadows 	<ul style="list-style-type: none"> • "Perception is that currently there are many layers within the current organization." • "OCFO structure is top heavy (reference to grades)." • "Leadership has assistants for assistants and I can't get my vacancy filled." • "Hard to determine staff levels when everyone is rated as good or better." • "Not sure what everyone else here does."
Leadership (11%)	<ol style="list-style-type: none"> 1. Strategy not filtered down to everyone 2. History of Instability 3. New leadership is communicating more 4 Do not understand employees' roles/processes 	<ul style="list-style-type: none"> • "Vision has not been effectively communicated." • "Can't describe what "One OCFO" means." • "Leadership is operational and not strategic." • "OCFO being led by people who really don't understand the processes." • "I need help solving problems, not just talking about them."

CFO Current State Themes

The following themes were derived from conversations with over 128 stakeholders in interviews and focus groups during the data-gathering phase of the OCFO Organizational Assessment. Themes are grouped into 8 major categories. . The questions the stakeholders were responding to were focused on helping to identify opportunities for improvements across the OCFO. As such, the comments highlighted deal with improvement efforts and not with areas of the organization that are currently meeting stakeholder needs.

Organizational Structure

- Lack of consistent process to integrate BES function into the FMO organization has had lingering consequences.
- Siloed and fragmented; each holding on to their history and champions.
- Geographic dispersion has supported autonomy and impacts abilities to build trust and communications.
- Processes and systems haven't kept up with C/I/O demands.
- Void of direct access to Executive Director sends the message, internally and externally, that science is more important than financial stewardship.

Leadership

- Lack of supervision, accountability and honest performance evaluations has created a culture accepting of deficiencies.
- OCOO's direct involvement results in confusion and appears to weaken the CFO's leadership role.
- Perception of OCFO's office performing a "gatekeeper" role impacting customer and stakeholder interactions.
- Lack of communication regarding vision implementation creates confusion regarding what's specifically needed for the OCFO to be successful.
- Lack of respect for chain of command.
- Window of opportunity to implement change is limited.
- Perceptions that "dictate" are initiated without collaboration.

Customer Service

- OCFO focus is more internal rather than external in understanding what stakeholders need and want.
- No specific customer service training to set expectations of what and how to deliver to customer needs.
- OCFO staff is viewed as "friendly", "nice people"; but not responsive to customer specific needs.
- Greater analytical skills to meet customer needs are viewed as lacking.
- Disconnect between OCFO "standards" and what the customer needs to manage their businesses; i.e., user-friendly reports.

Workforce and Performance

- Performance standards have not kept pace with CDC expectations and demands.
- Expectations for Branch autonomy and authority present challenges for improving alignment and trust.
- Unaddressed performance problems become the “new norm” further challenging abilities to meet stakeholder needs.
- Too many initiatives without prioritization creates activities, but not necessarily on the right strategic issues.
- Organization is top heavy with GS 13s and 12s.
- Assignment by “person” vs. “competency” sets a practice focused on individual capabilities vs. what the organization needs.

Processes and Systems

- Most Standard Operating Procedures either outdated, or do not exist.
- Impact of lack of SOPs on training, cross-training, skill development, career pathing.
- Service desks are not handled in a consistent manner and collected data is not consistently utilized to make improvements.
- Too many manual processes, not yet automated, leads to inefficiencies and ineffective utilization of staff.
- Supervisory and management training are not organizational expectations.
- Business units and financial systems don’t collaborate to solve problems.

Training, Development and Succession Planning

- Absence of strategic alignment of competencies and performance expectations throughout the employment cycle.
- Lack of OCFO Orientation to clarify vision, mission, goals of the organization and how they relate to each employee.
- Void created by no OCFO Orientation to illustrate the alignment and interdependency of all the OCFO organizational units.
- Absence of training for supervisors on roles, responsibilities and expectations, such as Performance Management.
- “One deep” positions create opportunities for hoarding of information.
- Gap created by lack of connection between SOPs and training.
- Lack of linkage of Succession Plan to the full Human Capital cycle.

Communications

- Face-to-face, or person-to-person communications is not a preferred style – impacting efficiencies.
- Geographic dispersion and telework become an excuse for lack of face-to-face participation, which further fortifies the silos.
- Email volume and attempts to manage it results in inefficiencies - misunderstandings, re-work, and further alienation.
- The quantity of emails received has become a “badge of pride.”
- Leaders send mixed messages creating confusion and a “let’s wait and see” attitude.
- Too many avenues for getting communication creates confusion; quantity vs. quality.
- SharePoint may not be easy to use, and therefore isn’t utilized to the extent it could be.

Work Priorities

- Many initiatives/task requests occurring at the same time; sometimes hard to align and prioritize with the Strategic Plan.
- Forming “workgroups” seems to be a process that is frequently embraced often without planning, integration or consideration to existing workload and specific deliverable.
- Leaders outside of OCFO appear to be able to engage staff for workgroups without supervisor approval and workload monitoring.
- Delayed assignment of a Project Manager to manage workgroups created a void in accountability, integration, deadlines and periodic monitoring.

SUMMARY OF BEST PRACTICES OCFO OUTREACH INTERVIEWS

Interviews Conducted by



**Evolution Management, Inc.
4994 Lower Roswell Road, Suite 32
Marietta, GA 30068
770.587.9032
www.evolutionmgt.com**

A SBA 8(a) Certified, Woman-Owned, Small Disadvantaged Business

Table of Contents

Executive Summary	3
Agency Demographics	4
Best Practice/Lessons Learned by Theme:	
Organizational Culture	4
Customer Focus	6
Strategic Partners	6
Leadership and Accountability.....	7
Appendix: Interview Questions	8

Executive Summary

As a component of an Organizational Assessment engagement with the CDC's Office of the Chief Financial Officer (OCFO), Evolution Management, Inc. (EMI) was authorized to conduct interviews with three organizations that agreed to participate in a one hour interview relative to specific best practices of their financial organizations. The OCFO's office released invitations to six agencies inviting their participation. The three agencies agreeing to talk with us included:

- National Institute of Health (NIH)
- Food and Drug Administration (FDA)
- Nuclear Regulatory Commission (NRC)

The interviews were conducted over the phone during the period April 11, 2014 to May 16, 2014.

Several themes emerged from our conversations:

- Organizational culture
- Customer-focus
- Strategic partners
- Leadership styles

EMI conducted the interviews in isolation of much of our other project data collection and analysis. Our design was intentional to ensure an unbiased ear to the conversations and lessons learned that were shared by each agency. The best practices shared during the outreach interviews were combined into our analysis only after we prepared our recommendations for improving organizational effectiveness and efficiencies. This process assisted with validating and expanding our recommendations.

On behalf of the CDC OCFO organization and our project team, we appreciate and thank the participating agencies for their willingness to respond to our quest for best practices in agency financial management. The most important outcomes of our interviews, of course, are the best practice/lessons learned.

The following information has been redacted to honor confidentiality we guaranteed to each agency. One important note about best practices: they work for a specific organizational culture and environment. It is not our intention to share these practices as "end-all" answers to organizational issues. We trust as you consider the practices shared that you will engage the idea from a vantage point that also takes into consideration the leadership, culture, and situational environment of your current enterprise as you evaluate how the practice may assist you in the on-going development of your organization.

Agency Demographics:

Of the agencies that responded to interview the following table contains demographics relating to the respondents:

Agency	Current FY Budget	Number FTE's - Agency Wide	Number of FTE's - OCFO
NIH	\$39,900 Billion est.	17,000 est.	136
FDA	\$4,700 Billion est.	14,550 est.	261
NRC	\$3,831 Billion est.	4,211 est.	109
CDC	\$6,900 Billion est.	14,000 est.	331

The following qualitative data is organized around themes analyzed from all the interview questions and answers.

Important note: Not EVERY agency had a best practice for each category. Due to the small population a frequency analysis on comments was not included to keep the information from being identified by agency.

Organizational Structure and Culture:

The organizational culture theme *defined* as demonstrating a culture of collaboration and partnership within and across the organization, as well as with its stakeholders. This culture is also reflected in the relationships between management, employees, and the unions.

Best Practices:

- It is critical for the CFO to have several levels of internal controls:
 - A Senior Assessment team, which is made up of senior agency officers (financial and operational) who review the integrity of all of the financial functions, ensuring the adherence to proper regulation, policy, procedures, and practices.
 - A separate Financial Reporting Team
 - An Internal Controls and Planning Team that reviews financial compliance by the Programs
 - An Internal Control test that is performed by an outside consultant
- Centralizing the budget analyst/execution function appears to be the preference. However, where analysts are embedded in Programs, they are managed collaboratively by the OCFO with the input of Program personnel.
- Maintaining an up-to-date performance management process is vital for being able to ensure the right people are being placed in the right seats to do the right work.
- Maintaining a Policy & Quality function aids in providing managerial oversight to policy development, oversight of independent audits, and provides a focal point for the assessment of financial functions.
- A Policy & Quality function also adds value for developing and leading the process of validating internal controls, financial safeguards, accounting systems and regulatory compliance, while also identifying critical issues impacting financial programs with special emphasis on policy and approaches to problem solving.

- Where possible, look to reduce the number of staff in the OCFO by hiring more college interns as GS-7s. This practice results in the benefit of providing higher skill levels at a lower cost.
- To ensure the IT function and processes are supporting the needs of the customers and the organization a Data Council, made up of key users meets to review upcoming needs, current support, issues, new technologies, etc. may be helpful.
- It may be beneficial for the CFO to be responsible for acquisitions and grant activities.

The following best practices relate directly to the Working Capital Fund:

- To the extent possible, take a holistic approach in the implementation and management of the Working Capital Fund process. Because organizations are made up of different centers, programs, functions, etc. there is an inherent dependence on each other. They must work interdependently in order for the entire organization to be successful. Examples of this approach include:
 - Having an executive level WCF Steering Committee - made up of the organization's senior leadership
 - Having an implementation team made up of supervisors who are key users and/or key stakeholders to the WCF process.
 - Ensuring WCF workgroup membership represents a makeup of a cross section of the entire organization.
 - Including internal and external customers input into the WCF implementation and management process
- Programs are not billed directly for Working Capital elements such as: space usage, utilities, equipment etc. These items are charged to a "central fund" and assessed to each program based on analysis conducted by the WCF manager. The amount includes a percentage increase to cover unexpected emergency spending.
- To ensure there is technical expertise in the management of the WCF process, the actual WCF function is managed by a GS-15 (from the OCFO) who analyzes the performance data to determine the required minimum funding levels, based on data provided by the Programs. This information is then provided to the organization's WCF steering committee. Because the composition of these steering committees is usually multi-disciplinary, the analysis provided by the GS-15 to the committee will increase the quality of the decisions that they make in the implementation and management of the WCF.
- In some cases, the Deputy CFO is responsible for the Working Capital Fund, the accounting systems, and the internal controls, while the budget process remains with the CFO.

Customer-Focus:

The customer-focus theme is *defined* as intentional desire to add value to each stakeholder. This is ensured through strong external and internal customer-focus monitoring, which is integrated into policies and operating procedures.

Best Practices:

- Assist in the success of external customers and stakeholders by establishing and maintaining relationships built on adding value. Through developed relationships the financial offices gained respect as strategic partners, as opposed to being seen as a "necessary evil."
- Besides providing customer surveys, some agencies use technology such as ideation software. Ideation software allows for a creative process of generating, developing, and

communicating new ideas, while tracking customer input. It is used to collect and develop ideas that improve the OCFO's value proposition and increased responsiveness to the needs of both internal and external customers.

Examples of how this software is used:

- Allows workgroups to work together without having to leave their workspace
- Lessens the reliance on reserved meeting spaces
- Captures notes and records information, and then disseminates it
- Supports a collaborative and innovative process for problem solving and decision making
- Provides the OCFO with real-time feedback from its customers

Strategic Partners:

The strategic partner theme is *defined* as the CFO having direct, unfiltered access to senior executive leadership. As the strategic "financial" partner, the CFO provides information to their strategic "operational" partners in order to assist them in making effective and efficient strategic business decisions.

Best Practices:

- A best practice is to ensure that the financial organization is assisting with operational decision making by:
 - Minimizing the amount of financial risk to the organization
 - Responding in a timely manner to the changing operational requirements of stakeholders
 - Ensuring the effective and efficient management of financial and budgetary systems
 - Providing accurate and timely financial and budgetary reporting that is user-friendly
 - Establishing effective processes for internal audit controls over financial, budget and policy making processes
 - Ensuring employees have proper tools and current skill sets to respond to customer needs
 - Creating an environment of responsibility and accountability
- A best practice for ensuring financial functions are properly managed includes establishing and sustaining a work environment of effective communications which encourages:
 - Open, honest and respectful communications, in all directions across the organization
 - Communications that is predominately two-way
 - Opportunities for providing feedback
 - Employee participation in process improvement initiatives
 - The open exchange of information amongst leadership, employees and external customers
- As a strategic partner on the agency's executive leadership team, the CFO chairs the WCF Steering committee. This brings the CFO's financial and leadership abilities to the strategic decision making process.

Leadership and Accountability:

The theme of leadership and accountability is *defined* as working closely with external customers in a collaborative manner. A best practice is to hold all OCFO staff, as well as business partners accountable for following established financial and budgetary standards.

- A continuous, concerted effort is made to establish and sustain collaborative working relationships with the various stakeholders utilizing the OCFO's services.
- Deputy CFO, in some cases, holds responsibility for managing the OCFO IT processes.
- The CFO and the Executive Director work to establish and maintain a collaborative working relationship on all significant financial matters
- During implementation of the WCF, a high level steering committee, formed of senior executives representing different program perspectives, can be very helpful. This ensures there was equal input from the non-financial side of the house along with the financial; ensuring the administrative and financial perspectives were incorporated into the decision making process.
- Ensure a strong Management Services or Human Capital Office is engaged and supporting the organization with strategic Human Capital practices to meet immediate and future needs of the organization.
- The individual OCFO supervisors, Human Capital representatives, and the Union work in partnership to identify and determine the minimum required skill levels for specific jobs.
- In addition, it may be helpful to have the Deputy CFO, individual supervisors, Human Capital representatives, and the Union work together to develop and perform skills gap analysis in order to develop training processes that are designed to help meet minimum skill requirements.
- There is recognition and greater awareness of the impact of historically upgrading required hardware and software, while often neglecting the required work to upgrade employee skill sets.

APPENDIX: Best Practices Interview Questions

1. CFO's access to the Executive Director;
 - a. What is the current reporting relationship between the CFO and the head of your agency? (Direct or Indirect)
 - b. If indirect, what type of access does the CFO have to the agency head
2. Dedicated Deputy CFO position;
 - a. Do you have a Deputy CFO?
 - b. If they have a Deputy CFO - Does the Deputy CFO have the same level of responsibilities as the CFO?
 - c. If they have no Deputy CFO - Who fulfills that role and what are their levels of responsibilities?
3. Internal Auditor function;
 - a. Who is responsible for the internal controls for your agency (i.e., agency management and auditing and risk management)?
 - b. What are some of the major internal controls that you have in place?
4. Management Service and OCFO's Human Capital and Business Services function;
 - a. What processes do you have in place to support the continued growth and expertise of your financial management personnel?
 - b. Is there an HR function within OCFO and how is that structured? Does each department have an HR generalist that is directly aligned with the "Central" HR Department?
 - c. How do you evaluate financial management-related positions?
 - d. How do you strengthen the educational and background requirements to serve in the financial management discipline?
 - e. In general, how is training conducted (within the Departments, through an in-house university, or outside of the Agency)?
 - f. What types of business services are offered by the OCFO (communication, service desk, facilities, etc.)?
5. Director of IT, and the realignment of Finance Systems;
 - a. Who has responsibility for managing the IT function for the OCFO?
 - b. What are the roles and responsibilities of that individual or group?
6. Integrate the Working Capital Fund into the core business processes;
 - a. Do you have a Working Capital Fund process in place?
 - b. How was the Working Capital Fund process integrated into the core business functions of your agency?
7. Budget Execution process;
 - a. How are you structured to do Budget Execution?
 - b. How many positions do you have who are directly related to Budget Execution?
 - c. What are those positions and what are their grade levels?
8. BES to the programs or are they retained at the OCFO;
 - a. Do your Budget Execution positions take their direction from the Programs they support or from the OFCO?
 - b. If direction comes from the programs, how do you maintain consistency in financial standards and the reporting process?
 - c. What type of results are you seeing in consistency in financial standards and the reporting process?

9. Procurement and Grants functions under the responsibility of the CFO;
 - a. Is your Procurement and Grants function located in the OCFO?
 - b. If not, does the CFO have the authority to influence the contract development award process?
 - c. If not, how does the CFO ensure the timely commitment of funds?
10. Are there other things that you have done that could be considered "best practices?"

Recurring & Non-Recurring Reports

The following tables represent, to the best of our abilities, information relative to recurring and non-recurring reports. Initial information regarding reports was provided by Team Lead through the data collection exercise. A focus group was designed to dive deeper into the topic of reports based on the reported data. However, in focus group with the Budget Analysts it became clear that depending on the specific customer needs, the report type might be recurring or non-recurring. The following lists are presented, to the best of our interpretations, of their attempt to clarify between recurring and non-recurring.

The recurring reports are those that occur more than once. The non-recurring reports are ad-hoc in nature and are a result of customer requests. The purpose of this data is to highlight the number of reports that are requested to enable the OCFO to further investigate the possibilities for standardization.

Recurring Reports:

#	Report
1	Contract Tracking
2	OC 25 DETAIL
3	Spending Visa
4	Prior Year Obligations
5	PYFR
6	29.9Z
7	Annual FY AAR's
8	Annual Spending Plan
9	Anticipated Reimbursable IAA's
10	BAC
11	Bi-Weekly Updates
12	Blackberry
13	Budget Analyst Verification
14	Budget Build
15	Budget Funding Source
16	Budget Insight
17	Budget POT/Status/Funding Source
18	CAN Listing/Log
19	CAN Obligations
20	Ceiling Allocations
21	Ceiling Distribution
22	Ceiling Target
23	Commission Corp Special Pay
24	Comprehensive Projections
25	Contract Tracking

26	Cost Saving
27	CR CEILING
28	CR PPHF Spending
29	CR Spending Plans
30	Cross-Cutting Codes
31	DA/Direct Assist. Positions
32	Daily Reconciliation
33	Data Calls
34	Detail Ceiling Distribution
35	Detail Pivot Tables
36	Division Review w/MO
37	EPI AIDS TRAVEL
38	Exempt Positions
39	Fareshare
40	Funding Codes
41	Funding Consideration
42	Funds by Detail
43	Funds Control
44	Gift Funds
45	GSA
46	Haiti SOF Report
47	Historical Data
48	ICE Action
49	IMPAC II
50	International Conference Calls (onside core business hours)
51	Labor Distribution (LDS)
52	MO AD Hoc Program updates
53	Monthly Grant
54	MOPE
55	Movement of Funds
56	Object Class Summary
57	Object Class Update
58	Obligation
59	OC 25 DETAIL
60	OC 41 DETAIL
61	OC Allocations
62	OCFO Severability
63	OD Office
64	Office Supply
65	ORISE
66	Payable IAA Reconciliations
67	Payroll
68	Payroll -FTE's n HQ CANs

69	Payroll Reconciliation
70	PBMS Vacancy Report
71	PEPFAR 2004-2014
72	Personnel Fallout/Detail
73	Personnel Projections
74	Pivot Tables (BA, OC, BID & Apportionment)
75	PPHF
76	Prior Year Obligations
77	Program Share Cost
78	Project Accounting Codes
79	PR's
80	PS & B
81	PYFR
82	Reconcile BPI
83	Reimbursable Reconciliation
84	Relocation Report
85	RSPH Students
86	S & B Pivot
87	SAS License Renewals
88	SOF
89	Spend Plan
90	Spend Plan Updates
91	Spending Visa
92	SRP
93	Status of Agency
94	Tanzania Gift Fund
95	Travel
96	Update Apportionment
97	Update IAA/Grant Log
98	User Fee Reconciliation
99	VCF Checkbook
100	VCF QTRLY

Non-Recurring Reports

#	Report
1	CAN Clean-Up
2	CAN Realignment Report
3	CAN's/Project Accounting Codes
4	Ref Cross Cutting Codes
5	AD HOC
6	Congressionally Mandate
7	Custodial Accounts #
8	Extramural R&D
9	NSF - NIH Annual Research Reporting
10	OMB Mandate
11	COAST
12	Multi-Year Obligations
13	OaSYS, Coast
14	OGAC/PEPFAR
15	Post Transactions/Error
16	Trend Analysis
17	UFMS/IRIS To COAST
18	YR -YR comparison
19	AD Hoc Payroll
20	Hiring Actions
21	Medical Special Pay
22	Officers Leaving Early
23	PBMS Research
24	Staffing
25	Vacancy
26	QA-QC-Grading ICE
27	A&A Module IRIS
28	Allocations & OC Ceiling Allocations
29	Apportionment
30	CR/Sequestration Projection
31	E-IRIS
32	New BID
33	NEW FY Planning
34	PID/BID
35	Sequestration Tracking
36	AD HOC - IAA
37	AD Hoc for MO
38	AD HOC for OCFO
39	AFPS LDS
40	Average Cost

41	Budget Status
42	CAN Rollover
43	Conference Report
44	Cost Efficiency
45	Depends on Customer Request
46	FEDEX
47	INV INQUIRY
48	OAMS-C Spreadsheet
49	Pending VISA Credit Card
50	Performance Report
51	Receivable Carryover
52	SOF
53	UFMS Data Research
54	Unobligated Relocation
55	Various Data Calls
56	Various Historical Reports
57	Various IRIS
58	Year End Reports

Overview of Proposed Recommended BES Positions/BP&I Process

Position Name	Proposed Grade	Proposed Role Description	Example of Level of Work Handled by this Position (BP&I Process)
(b)(5)			

(b)(5)

(b)(5)

(b)(5)

(b)(5)

Example of Timeline and Responsibilities for Implementation of Change

*Prioritization/Risk Categories:

Vital = A "Show Stopper" If this action is not executed successfully the implementation cannot effectively move forward.

Critical = This action does not rise to the level of "Vital"; moving forward can be accomplished, but with greater difficulty if not executed successfully.

Important = This action does not rise to the level of "Critical", but if not executed or executed well, this action could rise to the level of "Critical", or even "Vital" in some cases.

		Priority*	PHASE I											
Level of Work	Possible Action		J	A	S	O	N	D	J	F	M	A	M	J
Organization	1. Select recommendations to implement	Vital												
	2. Develop high level change planning and communications plans	Critical												
	3. Inform and solicit buy-in from direct reports	Vital												
	4. Secure executive leadership buy-in and a change management champion; champion should be one-level up in the organization from where OCFO currently reports	Vital												
	5. Inform and solicit buy-in from staff													
	6. Form cross-functional implementation team to work with an unbiased facilitator on Strategic Implementation and Communication Plans to guide change work, metrics and schedule	Critical												
	7. Implement agreed upon PHASE I recommendations from EMI report. Establish accountability and action plans for each recommendation													
	(b)(5)	Vital												
		Vital												
		Vital												
		Vital												
		Vital												
		Vital												
	8. Implement recommendations per the Plan; keeping all stakeholders informed of actions, progress and challenges (once selections are made, roadmap can be updated)	Vital												
	9. Implementation team monitors and reports to the executive steering committee on metrics and progress	Critical												
	10. Modify Plans as change is moved forward and additional recommendations can be addressed	Important												
	11. Implement Executive and Team Coaching in conjunction to addressing topics such as: change management, leading change, and resolving organizational conflict	Critical												
	12. Executive leadership provides support, resources and commitment for the appropriate development, rollout, and sustainability of the Change and Implementation Plans	Vital												

Business Unit	1. Understand changes and assist with a unified approach and message regarding organizational change	Vital													
	2. Create opportunities to explain changes to staff and help them understand how the changes will improve the organization's abilities to satisfy stakeholder needs through a One OCFO approach to change - across the organization	Important													
	3. Ensure supervisors are ready to assist staff struggling with understanding and acceptance of organizational changes	Vital													
	4. Help staff reprioritize their work assignments; most importantly stopping things that are not efficient and/or effective	Critical													
	5. Establish new performance metrics and behavioral expectations in alignment with Implementation Plan; this will continue to evolve as various changes are implemented	Vital													
	6. Aid staff in understanding how organizational change happens, and the best methods for ensure success and sustainability	Important													
	7. Actively participate and demonstrate changes in leadership and supervisory styles and capabilities to align with the changing needs of the organization	Critical													
Individual	1. Understand organizational changes being implemented and the impact they will have on position responsibilities	Vital													
	2. Clarify what competencies and experience are needed for success in the future, if work functions are changing	Critical													
	3. Secure career transition assistance, if this is a selected recommendation, to assist with career transition steps within and outside of OCFO	Critical													
	4. Seek to improve understanding of what is required from individuals to support and sustain successful organizational change and modify behaviors and attitudes about change	Important													
	5. Become a Change Agent supporting the future success of OCFO and the CDCs mission	Important													

Glossary of Terms

C/I/Os Centers, Institutes, and Offices.

Change Management Change management is the process, tools and techniques to manage the people-side of change to achieve the required business outcome. Change management incorporates the organizational tools that can be utilized to help individuals make successful personal transitions resulting in the adoption and realization of change.

Competency The knowledge, skills and abilities required to perform a specific task or function.

Complexity Score The product of funding type difficulty weighting times the Program level aggregated funding source; a weighted value.

Customer-Centric Model A service delivery approach that acknowledges the C/I/O customer needs as unique segments utilizing the complexity score.

Customer Profile A grouping of similar Programs based on partitioning the Complexity Scores.

Human Capital The collective knowledge, skills and abilities of an organization's employees.

Human Resource Management The formal structure within an organization responsible for all the decisions, strategies, factors, principles, operations, practices, functions, activities and methods related to the management of people.

Job Analysis A process which utilizes a number of Human Resource and organization development tools to assess each position in terms of activities involved and competencies or required job skills needed to successfully perform the expected tasks. The goal of the analysis is to provide the organization with the appropriate data to align organizational performance needs with employment-cycle Human Resource management functions such as: recruitment, hiring, on-boarding, training and development, career pathing, workforce and succession planning, and performance management.

On-boarding The on-boarding process, which involves orientation, has administrative, technical and organizational components. The orientation goes beyond forms, and should include useful information that engages the employee in affiliating with the OCFO – it's vision, mission, goals, structure, interrelationships, leaders, and key messages regarding how to be successful.

Organizational Development An effort (1) planned, (2) organization-wide, and (3) managed from the top, to (4) increase organization effectiveness and health through (5) planned interventions in the organization's processes, using behavioral-science knowledge

Organizational Structure An organizational structure defines the scope of acceptable behavior within an organization, its lines of authority and accountability, and to some extent the organization's relationship with its external environment. Ideally, organizational structures should be shaped and implemented for the primary purpose of facilitating the achievement of organizational goals in an efficient manner. Having a suitable organizational structure in place – one that recognizes and addresses the various human and business realities of the organization – is a prerequisite for long-term success.

About Evolution Management, Inc.

Evolution Management, Inc. is a certified SBA 8(a), woman-owned, small disadvantaged business (WOSB). Established in 1994, our passion is to share our expertise as we plan and guide organizations to **COLLABORATE, CHANGE, EVOLVE** and **EXCEL** in their management of people, processes and organizational change.

Working in partnership with our clients, EMI provides organization development and Human Resource management consulting expertise to design customized pathways for implementing and sustaining organizational changes needed to improve performance, satisfaction and profitability.

EMI leverages the best in an organization to identify and address the culture and people changes required to improve future performance goals. Our solutions are client-specific, based on a solid framework of organization development, Human Resource and adult learning principles. EMI has extensive experience with various methodologies, techniques and approaches. This experience allows us to customize our solutions to the unique needs of our clients. We do not support a one-size fits all mentality. We are goal-driven, not tool driven.

The future requires continuous learning and talent readiness. To meet this need, EMI partners with clients to assess, design, develop and facilitate customized training events to expand future knowledge, skills and abilities. EMI offers instructor-led as well as e-learning options.

EMI makes change easier through executive coaching sessions where skills and work-style preferences are assessed, developed and aligned with organizational and professional goals. Experienced EMI coaches utilize a variety of results-oriented assessments and adult-learning methodologies to transition and align performance behaviors.

EMI offers “as needed” Organization Development and Human Resources Management experts as a perfect interim staffing solution, as well as a supplement to full-time staff. EMI’s team of professionals work in a participative, flexible and creative manner to identify ways to improve efficiencies and performance results.

Our strategic and holistic approach follows a systems consulting model and begins with seeking to understand the clients’ uniqueness before presenting our recommendations; staying true to our goal-driven, not tool-driven values.

EMI Team Members Associated with the OCFO Organizational Assessment Project

Deborah A. King, RCC™, SPHR, President
Thomas Bowen, CPA
Alysin Foster
Frank Foster
Kevin Holston
Cathy Missildine, SPHR
Ekene Onu

