

# Success Story

A case study about exceptional value we provided to our clients



## Business Process Management / Service Oriented Architecture

### JOHNSTON McLAMB PUTS AGENCY ON TRACK TO SAVE BILLIONS

When a large federal agency wanted to transform its performance management program, its executives turned to Johnston McLamb's Business Process Management/Service-Oriented Architecture practice. Johnston McLamb consultants guided the agency through both defining its business goals, as well as modeling the business processes necessary to support these goals. Ultimately, Johnston McLamb developed a custom technology solution that is enabling the agency to achieve billions of dollars in cost savings and ensure nearly 100 percent participation in the program.

#### JOHNSTON MCLAMB'S BPM/SOA PRACTICE HELPED THIS AGENCY:

- Optimize the administration of — and gain greater control over — its performance management program
- Ensure that locally-set goals align with organization-wide objectives and improve overall business
- Increase the availability and usability of data related to employee performance and make it available for re-use throughout the agency
- Achieve significant cost savings

#### TRANSFORMING A NATIONWIDE PERFORMANCE MANAGEMENT PROGRAM

With more than 700,000 employees spread across the nation, the agency was operating a distributed, paper-based performance management program. Each year, some employees and managers would meet, discuss goals for the year, and document these goals in any number of ways. Over the year, performance assessments were generated in differing forms and data was managed in a variety of ways. The agency had difficulty enforcing participation, and at one point estimated that less than five percent of employees were taking part in the program.

Not only was there no central system in place, there was also no effective method to ensure that goals being set at the local level supported agency-wide goals. By undertaking a complete BPM effort for performance management, the agency hoped to standardize the methods of setting and tracking performance goals. They also needed to collect data and link it with other organizational information, such as succession planning information. Finally, the agency aimed to achieve significant cost savings as a result of automating the collection of much of this data.

#### THE FIRST STEP: DEFINING STRATEGIC BUSINESS GOALS

All BPM efforts begin with a careful consideration of which business processes are key to an organization's overall success. In the case of this agency, Johnston McLamb's BPM consultants began by helping the organization fully define its business objectives. Many of these objectives were the same as those sought across both the federal and commercial sectors: increased revenue, decreased costs, and improved service. Many objectives also related to a mandate specific to the federal sector: the President's Management Agenda (PMA). Under the PMA, agencies are being called on to recruit, retain, and reward the best and brightest individuals to fill agency positions.

A major goal was the creation of a central system via which the employee performance management process would be administered by the agency. This would enable the organization to collect key performance indicators (KPIs) and link them to other enterprise information. This would give the agency even greater ability to use the data to make strategic personnel and operational decisions.



Additionally, the agency sought to standardize the methods by which performance goals were set and tracked across the organization. This also included being able to ensure that goals being set at the local level aligned with nationwide goals being set by agency leaders.

Finally, the agency hoped to achieve measurable cost savings as a result of moving the process to the web and automating as much data collection as possible.

### MODELING KEY BUSINESS PROCESSES THAT SUPPORT ORGANIZATIONAL SUCCESS

Johnston McLamb next began the process of evaluating how the agency's existing processes—those distributed, paper-based methods for documenting performance goals and assessments—were structured. Johnston McLamb's BPM consultants worked with the agency's senior executives to define processes that were being used by offices across the nation. The outcome was a map illustrating how KPIs supported strategic performance management processes that could be shared for other business purposes throughout the enterprise.

### BUILDING A TECHNOLOGY SOLUTION THAT SUPPORTS CURRENT AND FUTURE NEEDS

After defining the agency's strategic business goals and the key business processes that support them, Johnston McLamb developed a custom software solution that would help the agency reach its goals. This solution would not only meet the objectives outlined for this project, but—because of its service-oriented architecture approach—would be built in components that could be called upon by other groups across the enterprise that need similar information.

The technology solution that Johnston McLamb developed resulted in an integrated approach that helps the agency manage its 70,000+ executive and management level employees' performance. The solution collects comprehensive metrics that drive the overall performance management program and that encourage employees to work toward goals that support the organization's success.

One major component of the solution is a web-based balanced scorecard that draws metrics from financial, operational, human resources, and other processes across the organization. The agency chooses metrics to track, based on the overall corporate goals. Scorecards are then produced for organizational units.

A second major component of the solution is a web-based evaluation system that takes the program one more step and enables the agency's pay-for-performance program. Supervisors use it to document comments and to provide numeric ratings for each individual's success against their targets. As a result, the agency is able to measure outcomes against metric targets aligned with strategic corporate

success. Johnston McLamb also provided consulting expertise in workflow management and the process of identifying measurable goals for individual positions.

At the end of each year, metrics collected by both systems are combined to create an overall performance rating for each employee. Each employee's compensation for the next year is based on that rating.

### USING TECHNOLOGY TO ENABLE THE MISSION

When the agency undertook this transformation initiative, its leaders wanted to gain greater control over a complex and potentially controversial performance management process. They sought to move toward a solution where they could ensure that locally set goals supported enterprise-wide objectives and drove overall business performance.

With the guidance of Johnston McLamb's BPM practice, they were able to achieve that and more. The agency is now empowered with fully integrated systems that allow them to achieve repeatable efficiencies and successes as the result of well-defined workflows and supporting information architectures. The agency has also been able to attain nearly 100 percent participation in the program, as compared with the less than five percent experienced previously.

Not only has the agency achieved these operational goals, but it has also achieved significant cost savings as a result of the implementation, as highlighted in a Washington Post article. In that article, agency officials said the initiative had already been more than covered by reductions in overhead spending and other cuts made possible by the implementation. Additionally, they said the agency was on track to potentially cut costs by \$5 billion over five years.

### LET US HELP TRANSFORM YOUR BUSINESS PROCESSES AND TECHNOLOGY INFRASTRUCTURE

At Johnston McLamb, we're committed to helping businesses and government achieve dramatically improved business process and workflow. Our proven BPM/SOA practice empowers you to make business decisions based on market drivers—without being constrained by an inflexible technology infrastructure.

Contact Johnston McLamb at [jmsales@johnstonmclamb.com](mailto:jmsales@johnstonmclamb.com) to learn more about how our **business process management/service-oriented architecture practice can help you get started on the path to complete information integration and optimal data management.**