



Financial Services Assessment Guide (SAG)

Phase I Exposure Draft

January 3, 2007

Overview

The Financial Management Line of Business (FMLOB), in collaboration with the federal financial management community, is establishing a set of Financial Services Metrics that will facilitate an assessment of financial services government-wide. These metrics are designed to help identify opportunities to improve the performance and affordability of the financial services provided by Shared Service Providers (SSPs) and federal Agencies.

The Financial Services Metrics will be used for the following purposes:

- Enable SSPs to make more informed judgments regarding the performance and affordability of the financial services they provide, and how they compare to their competitors.
- Enable Agencies to make more informed judgments regarding the performance and affordability of the financial services they provide in-house, how they compare to other Agencies, and which SSP might best serve their needs as they look at potential migrations of services under the FMLOB framework.
- Enable key stakeholders, including the Chief Financial Officers' Council (CFOC), the Office of Management and Budget (OMB), and FMLOB, to make more informed judgments regarding the financial performance of SSPs and Agencies, and work with SSPs and Agencies on strategies to continually improve both performance and affordability.

Performance reports will be provided to various audiences as appropriate, including the CFOC, SSPs, Agencies and OMB, and may be made available to the public.

Performance will be evaluated against established baselines and applicable performance benchmarks. As this effort progresses, reports will provide performance trends, distinguish top performers from poor performers, identify improvement opportunities, and identify the need for corrective actions as warranted.

By making SSP and Agency performance more transparent, establishing accountability for improved results, and increasing competition among SSPs, both SSPs and federal Agencies will be encouraged to continually improve both the performance and affordability of the financial services they provide.

Performance metrics will be implemented using a phased approach. Phase I will focus on defining and collecting an initial set of high value, low burden metrics. Phase II will focus on refining these metrics, collecting an expanded set of metrics, improving reporting capabilities and accountability mechanisms, and streamlining the collection effort.

All Agencies will be required to report performance data through a single system managed by the Financial Systems Integration Office (FSIO). All data submitted to FSIO will be considered public information unless specifically identified as confidential and approved as such by FSIO.

Implementation

The overall performance metrics will be implemented using a phased approach. Each phase will build upon the previous phase's accomplishments and will emphasize communication and coordination with the financial management community.

Phase I

Phase I will be critical to building a baseline of performance and learning lessons for subsequent phases. The Phase I measures have been selected from the two mandatory service categories: IT Infrastructure Hosting and Administration and Application Management.

The initial set of ten metrics was developed based on SSP and Agency responses to the Value and Burden Survey conducted by the FMLoB during November and December 2006. Specific attention was paid to ensuring the metrics selected offered both a high value for potential users and a low burden of collection. The survey results indicated that the collection of cost measures would pose a significant burden, and therefore no cost metrics were selected for Phase I.

The Phase I metrics to be reported can be found in Appendix A.

By May 1, 2007 SSPs and Agencies must report data for March 2007 for the metrics included in Appendix A. Data for subsequent months must be reported within 30 days after the end of the reporting period.

Detailed descriptions of each Phase I metric are included in Appendix B. [Detailed descriptions of each Phase I metric will be agreed to in upcoming workshops and included in the final release of the Phase I Service Assessment Guide. FMLOB will work with agencies to determine the appropriate detailed descriptions.]

Data will be submitted to FSIO according to the instructions for data entry included in Appendix C. [Data entry instructions will be included in the final release of the Phase I Service Assessment Guide. System development is currently underway by FSIO].

Initial reports will be generated and circulated by FSIO, though targets and goals for the measures will not be set until a baseline can be established.

Phase II

Phase II will focus on expanding and refining the measures for IT Infrastructure Hosting & Administration and Application Management Services, and add a limited set of measures for the Systems Implementation and Business Process categories. The FMLoB will also establish metric reporting procedures and tools to assist Agency submission of performance data and address adding important cost measures and their collection burdens. During this phase, lessons learned from Phase I will be incorporated and result in an update to this guide.

Appendix A. FMLoB Phase I Financial Performance Measures

	Performance Measurement	Measurement Description	Measurement Methodology (Reporting Frequency)
Service Category: IT Infrastructure Hosting and Administration (measures 1-6)			
1	System Availability	Hours System is Available, expressed as a proportion of hours the system is contractually obligated to be available.	Available hours / Obligated Hours * 100 (M, Q, B)
2	Call Closure Rate within specific time periods	Time between the opening of an incident and its final closure. Final closure of the ticket often requires a waiting period or confirmation with the end user after the issue has been resolved. Include the total time here from inception through post resolution.	Number of calls resolved on the first call + the next X business hours / total calls * 100 (recommend 4-, 8-, and 24-hour time periods) (M)
3	Restoration time for All Hosting-Caused Outages	Amount of time required to restore hosting-caused outages	Total amount of time required to restore hosting-caused outages / total number of outages (F)
4	Hours/Days Elapsed Since Previous Backup	The time elapsed since the data was previously backed up. To be compared with the backup interval required according to the agency's service standards.	Count of Hours/Days Elapsed Since Previous Backup (M)
5	Number of Hosting System Shutdowns	Total number of incidents resulting in a shutdown of the primary hosting system (e.g. servers), such that end users were unable to use the FM system applications.	Sum of Shutdown Incidents (M, Q, A)
6	Number of Security Incidents Within the Past Year	Sum total of incidents involving improper login into the servers, unauthorized access to data, or unauthorized activities performed on the FM system server.	Sum total of Security Incidents (A)

Frequency Legend: A = Annually B = Bi-annually Q = Quarterly M = Monthly W = Weekly F = Following Event

	Performance Measurement	Measurement Description	Measurement Methodology (Reporting Frequency)
Service Category: Application Management (measures 7-10)			
7	Average time to restore mission critical application functionality	Following a failure of a mission critical application, the elapsed time to restore functionality since the time of the outage (or, the time outage was reported, if the outage time itself is unknown).	Total time to restore mission critical applications. (F)
8	Average Report Production Time	Average cycle time for producing a single report.	Sum total cycle time per report/ sum of the number of reports executed (M)
9	Planned Downtime (Monthly/ Yearly)	Planned periods of system unavailability, during otherwise scheduled available time, during a given period of time	Sum total minutes of planned downtime during a given period of time (W, M, A)
10	Average Response Time for User Access Requests	Average time required for security administrators to grant requested access, measured from time-date stamp of request to completion of task.	Sum total of elapsed time between request and granting of user access / number of users (M, Q)

Appendix B. FMLoB Financial Performance Measure Definitions

Future Development: Detailed descriptions of the Phase I performance measures.

Appendix C. FMLoB Performance Metric Reporting Procedures

Future Development: Instructions for reporting performance measurement data.