

Shared Services: Acquisition Challenges

Presentation to Shared Services Leadership
Council in partnership with the National
Academy of Public Administration and the
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Why Shared Services?



Challenges

Antiquated legacy systems

Poorly designed processes

Budget constraints

Understanding life cycle costs

Data rights

Cyber security

Opportunities

Transforming people, processes, and technology

Workforce of the future

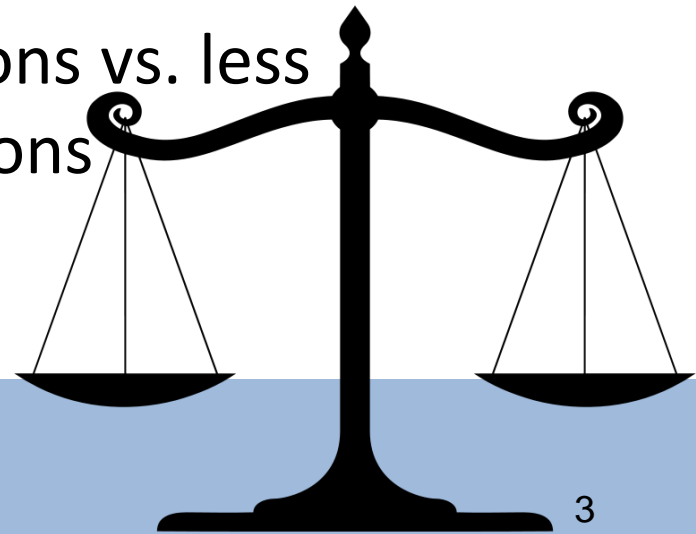
- 9 to 5 is dead
- Gig economy
- Knowledge economy

Rapid tech change

- Artificial intelligence
- Robotics

Acquisition: A Balancing Act

- Government aims to make best use of taxpayer dollars
- Procurement interests can be in conflict
 - Lowest price vs. public policy objectives
 - e.g. sourcing requirements, socio-economic and small business participation
 - More expensive tailored solutions vs. less expensive standard configurations



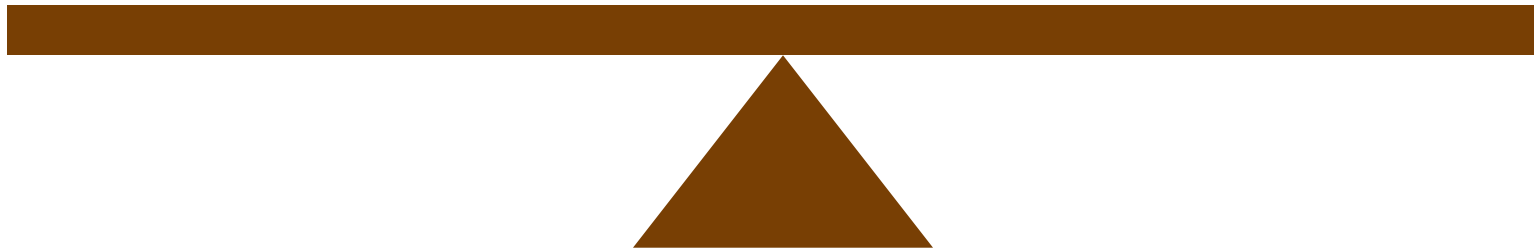
Considerations for Acquiring Shared Services

Shared Service Objectives

- Standardization
- Scalable
- Reduce Costs and Contract Duplication

Acquisition Objectives

- Protect tax dollars
- Best value
- Socio-economic goals
- Competition



Standardization vs. Customization

Acquisition Trade-offs



Impact	Standardization	Customization
Efficiency	More	Less
Contracts	Less	More
Competition	Less	More
Small Business Participation	Less	More

Case study: Commercial e-Commerce Portals

- Required by Section 846 of FY2018 National Defense Authorization Act (NDAA)
- GSA charged with establishing e-commerce portals to:
 - Leverage commercial technology
 - Streamline purchasing
 - Improve buyer experience
- Challenges:
 - Rethink “what is competition?”
 - Promote competition: how many portals?
 - How to balance public policy objectives (e.g. sourcing requirements) vs. ease of procurement



Acquisition Considerations



Competition

- What are barriers to Federal participation?
- Is a critical mass needed?
- How many contracts to award?
- How do we ensure socio-economic and small business participation?
- How do we maintain a healthy marketplace?

Contracts

- What contract types work for various solutions?
 - e.g. fixed price or “pay-by-the-drink” model
- How do we incentivize contractors?
 - Performance vs. outcome based
- How do we ensure the Government isn't locked in to one provider?

What's the Impact of A-76?

- OMB Circular A-76, “Performance of Commercial Activities”
 - Whenever commercial sector performance of a Government operated commercial activity is permissible, in accordance with this Circular and its Supplement, comparison of the cost of contracting and the cost of in-house performance shall be performed to determine who will do the work.
 - Current moratorium on conducting competitions
- Impact of FAR clause 52.207-3 -- Right of First Refusal of Employment



Other Acquisition Challenges?

- What have we missed?
- What are your experiences?



Next Steps

**Share your Acquisition Challenges,
Use Cases,
Lessons Learned &
Best Practices**

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Thank You