

# Shared Services U.S. Department of Commerce

# About the Department of Commerce

## *Mission and Strategic Objectives*

**The mission of the Department is to create the conditions for economic growth and opportunity.**

The Department works with businesses, universities, communities, and the Nation's workers to promote job creation, economic growth, sustainable development, and improved standards of living for Americans.

**The Department is comprised of 12 bureaus that work together to drive progress in five business facing key goal areas:**



- **Trade and Investment** - Expand the U.S. economy through increased exports and foreign direct investment that leads to more and better American jobs.
- **Innovation** - Foster a more innovative U.S. economy—one that is better at inventing, improving, and commercializing products and technologies that lead to higher productivity and competitiveness.
- **Environment** - Ensure communities and businesses have the necessary information, products, and services to prepare for and prosper in a changing environment.
- **Data** - Improve government, business, and community decisions and knowledge by transforming Department data capabilities and supporting a data-enabled economy.
- **Operational Excellence** - Strengthen the Department's capacity to achieve its objectives, maximize return on program investments, and deliver quality, timely service.

# Commerce at a Glance

## *Recent Initiatives and Statistics*

### **Initiatives:**

- Secretary Pritzker announced NEI/NEXT to ensure the capitalization on and connecting with opening markets around the world by US businesses in May of 2014. The US set a new record in 2014 with \$2.34 trillion in exported goods and services. This accounted for 13.4% of GDP and the NEI/NEXT program significantly contributed to the success.
- The FY2016 budget supports BusinessUSA.gov to create a “no wrong door” policy for small businesses needing government assistance.
- The National Network for Manufacturing Innovation (NNMI) was established in and is showing early signs of success in breaking down silos between manufacturing institutes. For that reason, Congress recently passed the Revitalize American Manufacturing and Innovation Act to expand NNMI and give the DOC authority to establish advanced manufacturing institutes in technology areas.

### **Quick Statistics:**

- **326,033** – the number of patents and trademarks granted in 2014 by **PTO**
- **95,471** – the length in miles of the U.S. shoreline, as measured by **NOAA**
- **3, 1, 1** – the numbers of Nobel Prizes in physics, National Medal of Science, and MacArthur Fellowship Genius Grants won by the scientists at **NIST** Boulder Laboratories
- **400 billion** – US dollars that are allocated in federal and state funding based directly on **Census** data

# Department of Commerce Organization

## Twelve Distinct Bureaus and Offices



**Name** – Department of Commerce

**Employees** – 45,549

**FY16 Budget** – \$9.8 billion



**Name** – Bureau of Economic Analysis

**Employees** – 456

**FY16 Budget** – \$114 Million



**Name** – Economics and Statistics Administration

**Employees** – 31

**FY16 Budget** – \$113 million



**Name** – National Oceanic and Atmospheric Administration

**Employees** – 11,744

**FY16 Budget** – \$6.1 billion



**Name** – Bureau of Industry and Security

**Employees** – 370

**FY16 Budget** – \$115 million



**Name** – International Trade Administration

**Employees** – 1,389

**FY16 Budget** – \$506 million



**Name** – National Technical Information Services

**Employees** – 100

**FY16 Budget** – \$122 million



**Name** – U.S. Census Bureau

**Employees** – 14,732

**FY16 Budget** – \$1.5 billion



**Name** – Minority Business Development Agency

**Employees** – 49

**FY16 Budget** – \$30 million



**Name** – National Telecommunications and Information Administration

**Employees** – 321

**FY16 Budget** – \$49.2 million



**Name** – U.S. Economic Development Administration

**Employees** – 161

**FY16 Budget** – \$273 million



**Name** – National Institute of Standards and Technology

**Employees** – 3,161

**FY16 Budget** – \$1.1 billion



**Name** – Patent and Trademark Office

**Employees** – 11,901

**FY16 Budget** – \$3.5 billion

# The Shared Services Model Applied to Commerce

## *The Unique Nature of Commerce*

### Background

- To deliver Commerce's mission, customers need access to high quality services in the core functional areas of Human Resources (HR), Acquisitions (ACQ), Information Technology (IT) and Financial Management (FM).

### Challenges

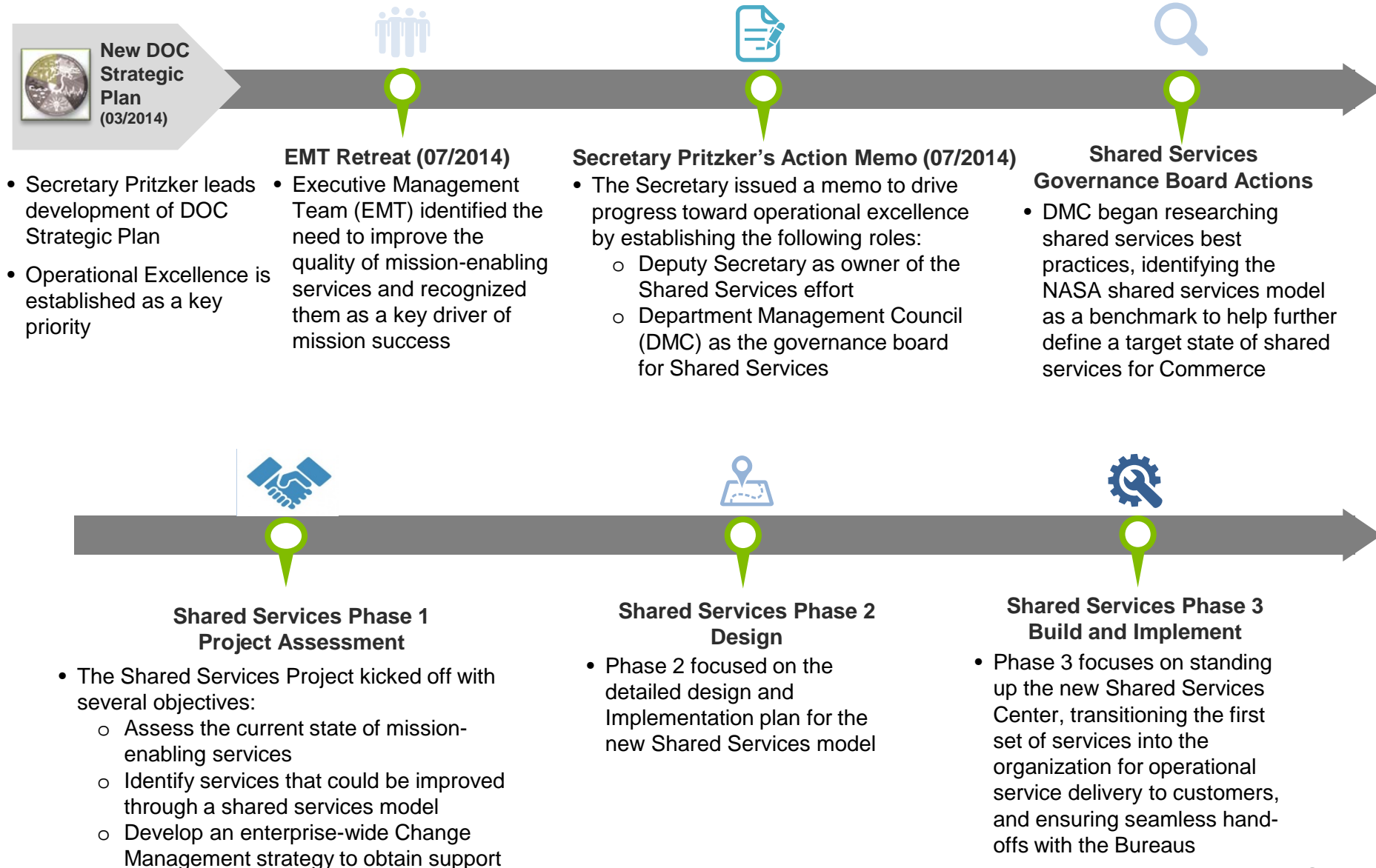
- The DOC model is largely a federation of unique entities and has to be treated appropriately.
- Over time, DOC bureaus began to shift time and resources away from strategic functions and activities due to persistent issues with the quality, reliability and cost transparency of current mission support services.

### Unique Solution

- In March of 2014, operational excellence was established as a key priority in the Department of Commerce Strategic Plan.
- In line with this charge, leadership conducted a full Assessment with involvement from functional leadership across all of the distinct Bureaus.
- This resulted in a decision to move select transactional services in HR, ACQ, IT, and FM to a shared services model.
- The decision looked different for each function, much like the diversity reflected across the functional areas within DOC.

# DOC Shared Services Project Overview

*Timeline in more detail*







# Assessment of DOC Services

## Phase 1 Current State Findings

The Assess Phase used a data-driven approach that analyzed inputs from Bureau Representatives to determine the current state of functional, mission-enabling services for the SSO.

	Customer Experience	Performance Measurement	Mission Focus
Current State Assessment	<ul style="list-style-type: none"><li><i>Inconsistent service quality</i></li><li><i>Inefficient issue resolution and responsiveness</i></li><li><i>Weak vendor relationships</i></li><li><i>Lack of cost transparency</i></li><li><i>Highly manual, time-consuming, and unclear processes</i></li><li><i>Lack of interoperability between systems</i></li></ul>	<ul style="list-style-type: none"><li><i>Lack of visibility into service performance</i></li><li><i>Inability to monitor and manage service quality</i></li><li><i>Reactive, case-by-case issue management</i></li><li><i>Lack of standardized performance metrics and reporting processes</i></li></ul>	<ul style="list-style-type: none"><li><i>Mission staff consumed with transactional back-office activities</i></li><li><i>Lack of partnership with the business to deliver strategic, mission-focused services</i></li><li><i>Ineffective and inefficient support services impede mission achievement</i></li></ul>
	<p><b>70%</b> of leaders indicated dissatisfaction with timeliness and quality of recruiting and staffing</p>	<p><b>98%</b> of customers indicated that lack of transparency is one of their key issues with the acquisition lifecycle</p>	<p><b>66%</b> of HR time across the Department is focused on Transactional Activities, including an Average of 36% of Time Spent Answering Employee Inquiries</p>
	<p>Multiple IT solution architectures across Bureaus have led to redundancies, incompatibilities, manual processes, inconsistent performance and, as a result, variable end user experiences.</p>	<p>HR customers currently have limited transparency and insight into the cost, performance, procedures, and policy of HR.</p>	<p>Procurement providers are spending an inordinate amount of time and expertise executing small and common procurements, slowing down the process, and shifting focus from mission related purchases.</p>

# The Shared Services Model Applied to Commerce

## *Benefits of Shared Services to Commerce*

DOC leadership outlined three main objectives to accompany the decision to develop a shared services model: (1) enhanced customer experience, (2) increased performance management, and (3) strengthened mission focus. Each of these objectives corresponds to expected benefits of a shared services model.

### Shared Services Benefits

- ✓ *Enhanced quality and consistency of services*
  - ✓ *Transparency into action status and outstanding requests*
  - ✓ *Efficient issue resolution and responsiveness*
  - ✓ *Empowerment of customers with direct access to real-time information*
- 
- ✓ *Greater process and cost transparency and accountability*
  - ✓ *Increased ability to monitor and manage service quality*
  - ✓ *Continuous improvement of services*
- 
- ✓ *Management and staff will have more time for strategic and mission activities*
  - ✓ *Greater partnership between the business and mission support services to create value for the mission*
- 

### DOC Objectives

**Enhanced Customer Experience**

**Increased Performance Measurement**

**Strengthened Mission Focus**



# DOC Shared Services Project Overview

## *Phase I Outcomes*



- ✓ Determined guiding principles for and designed the **future state Shared Services operating model**



- ✓ Decided on specific Acquisitions, FM, HR, and IT **services for transition into the new SSO to be provided to all Commerce Bureaus**



- ✓ Outlined the **governance model and roles and responsibilities** of leaders across DOC in the future service delivery model



- ✓ Established a dedicated Shared Services project team to lead the Design Phase

# DOC Shared Services Project Overview

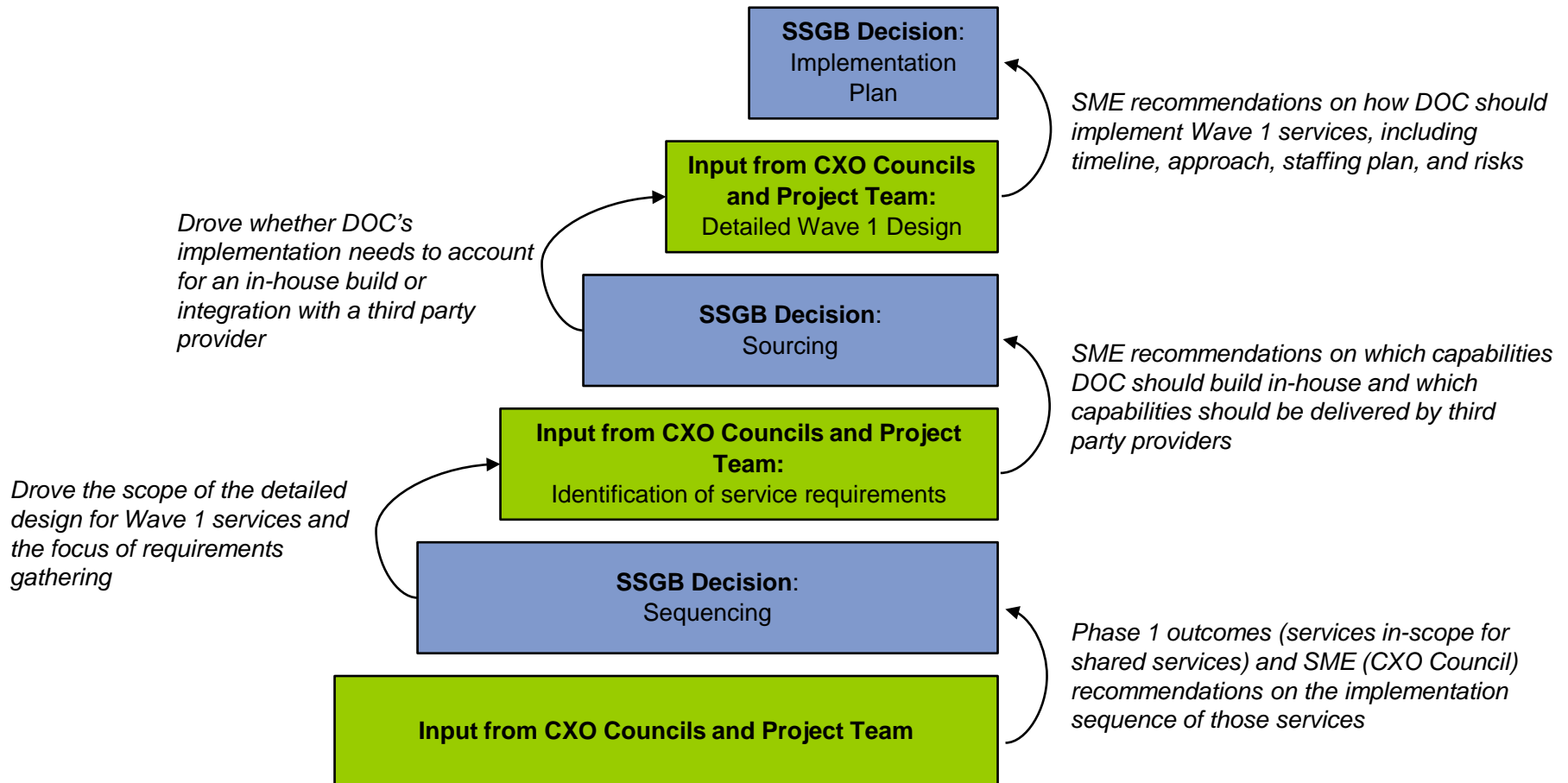
## Phase 2 Design Decisions



The SSGB made decisions regarding Shared Services based on input from the CXO Councils and Shared Services Project Team.

### Key Decision Implications

### Key Pre-Work Required for Decisions



# DOC Shared Services Project Overview

## *Phase I Outcomes*



- ✓ Determined **the sequencing, or priority, of services and Bureaus to transition** to shared services based on the biggest need and impact to the mission.



- ✓ Identified **who would provide the services**, whether DOC in house or through a third party provider.



- ✓ Established SSGB **decision gates for the Build and Implement Phase.**



- ✓ Designed the new **SSO CONOPs and future state processes** according to the Design Principles and overall program objectives.

# DOC Shared Services Project Overview

## *Phase III Anticipated Outcomes*



- ✓ Found **suitable site** for the SSO
- ✓ Procured necessary **technology**
- ✓ Hired foundational **staff**



- ✓ Contracted with **functional service providers**
- ✓ Developed and finalized **SLAs** between the SSO and Bureaus
- ✓ Defined appropriate **integrated service delivery model (enterprise and local organizations)** roles and processes



- ✓ Established the SSO steady state **governance model**



- ✓ **Transitioned customers** to the SSO for the delivery of in-scope services
- ✓ Delivered service as part of a **seamless integration** of mission-enabling services

## **Scope, Sourcing & Sequencing Decisions**

## DOC Shared Services Scope Decisions

<i>Elements Transitioning to Shared Services</i>		
Function	Service	
<b>ACQ</b>	Strategic Sourcing	IGCEs
	Training	Contract Closeout
	SOW Development	Purchasing
<b>HR</b>	PAR Processing	Recruiting and Hiring
	Terminations (partial)	Retirement (partial)
	Employee Relations (partial)	HR Development (partial)
	Performance Management (partial)	Benefits and Compensation Management (partial)
	Workforce Planning (partial)	Organization and Position Management (partial)
	HR Infrastructure (partial)	
<b>IT</b>	Printing	Video Teleconference
	Wired Network	Wireless Network
	Customer Relationship Management	Identity Management
	Asset Management	Audio Conferencing
	Cloud Services	Data Center Services
	Email	Telecommunications
	Mobile Application Development	Mobile Device Management
	Record Management	
<b>FM</b>	Travel	Relocation

## DOC Shared Services Sourcing Decisions

	Build Capability within DOC	Buy Capability from a Third Party	Rationale
HR	<ul style="list-style-type: none"> <li>Retirement Counseling</li> <li>Reasonable Accommodations</li> <li>Employee Assistance Program (EAP)</li> </ul>	<ul style="list-style-type: none"> <li>Talent Acquisition</li> <li>PAR Processing</li> <li>Terminations</li> <li>Wave 1 HR Infrastructure</li> <li>Retirement Processing</li> <li>Compensation Management</li> <li>Benefit Management</li> <li>HR Development</li> <li>Performance Management</li> <li>Employee Relations Case Mgmt</li> </ul>	<ul style="list-style-type: none"> <li>Overall Buy recommendation is because the Shared HR services are not inherently governmental and third party market providers have demonstrated successful performance</li> <li>Retained HR organization can focus on strategic, high value activities</li> <li>Build recommendation for two of the services was based upon relative immaturity of the market, other Agencies reverting back to internal delivery after outsourcing (Retirement Counseling) and the need for highly specialized counseling requiring DOC and government knowledge</li> </ul>
ACQ	<ul style="list-style-type: none"> <li>Core Group of Government staff to perform inherently Governmental functions</li> </ul>	<ul style="list-style-type: none"> <li>Purchasing Portal</li> <li>Requirements (SOW/PWS) Development Support</li> <li>IGCE Development</li> <li>Contract Closeout</li> <li>DOC Wide Strategic Sourcing Capability</li> <li>CO/COR Training</li> </ul>	<ul style="list-style-type: none"> <li>Overall BUY recommendation is because of the ability for a third-party provider to scale and provide quick value and flexibility</li> <li>Bureaus are already buying services through multiple contracts to third-party providers drawing the need for standardization of quality of service, transparency, and cost savings through a centralized buy</li> <li>Build recommendation is for inherently governmental functions within each of the services</li> </ul>
IT	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>Customer Relationship Management (CRM)</li> <li>Video Teleconference (VTC)</li> <li>Printing</li> <li>Wired Network</li> <li>Wireless Network</li> <li>Identity Management</li> </ul>	<ul style="list-style-type: none"> <li>Overall BUY recommendation is because the services are not inherently governmental, and there are mature third party providers already providing these services within DOC</li> <li>Consolidating multiple third party providers will increase ROI, minimize duplication, and improve quality, consistency and predictability of IT user experiences</li> <li>Retained IT organizations can minimize their responsibility to deliver commodity services and focus on the mission</li> </ul>
FM	<ul style="list-style-type: none"> <li>Travel</li> </ul>		<ul style="list-style-type: none"> <li>Overall Build recommendation because many activities are closely tied to other FM processing functions, and no cost-effective third party option to perform FM processing functions related to travel</li> </ul>

# DOC Shared Services Sequencing Decisions

Wave 1		Wave 2	Wave 3
HR	<ul style="list-style-type: none"> <li>Talent Acquisition: NOAA, DOCHROC Serviced Bureaus</li> <li>PAR Processing: All Bureaus</li> <li>Separation Management: All Bureaus</li> <li>HR Infrastructure: All Bureaus</li> </ul>	<ul style="list-style-type: none"> <li>Talent Acquisition: NIST, Census, ESA, BEA, PTO</li> <li>Retirement: All Bureaus</li> <li>Compensation Management: All Bureaus</li> <li>Benefits Management: All Bureaus</li> <li>HR Development: All Bureaus</li> <li>Performance Management: All Bureaus</li> <li>Employee Relations: All Bureaus</li> <li>HR Infrastructure: All Bureaus</li> </ul>	<ul style="list-style-type: none"> <li>Selected sub-processes of: <ul style="list-style-type: none"> <li>Organization &amp; Position Management*: All Bureaus</li> <li>HR Strategy &amp; Business Alignment*: All Bureaus</li> <li>Workforce Planning &amp; Analytics*: All Bureaus</li> <li>Labor Relations*: All Bureaus</li> <li>HR Infrastructure: All Bureaus</li> </ul> </li> </ul>
ACQ	<ul style="list-style-type: none"> <li>Categories based on existing strategic sourcing contracts to transition: <ul style="list-style-type: none"> <li>IT and Telecom (Verizon, ATT, T-Mobile)</li> <li>IT Software (McAfee, TrendMicro, Symantec, etc.)</li> <li>Miscellaneous Office Machines (Printers/MFDs)</li> <li>Common IT Hardware (PCs, Network Equipment and Accessories)</li> <li>Office Supplies</li> <li>Micro Purchases</li> <li>Audit Services</li> </ul> </li> <li>Print Management Services</li> <li>Contract Closeout</li> <li>Independent Government Cost Estimate (IGCE)</li> <li>Functional Support Service Contracts</li> </ul>	<ul style="list-style-type: none"> <li>Expanded Strategic Sourcing Opportunities: <ul style="list-style-type: none"> <li>Janitorial Services</li> <li>Conference Services</li> <li>Other common categories as identified</li> </ul> </li> <li>Requirements – RFP/SOW Development</li> <li>CO/COR Training</li> <li>Functional Support Service Contracts</li> </ul>	<ul style="list-style-type: none"> <li>Expanded Strategic Sourcing Opportunities: <ul style="list-style-type: none"> <li>Security/Guard Services</li> <li>Professional Services (PMO Support Services)</li> <li>Facilities and Construction (A&amp;E Services)</li> <li>Bulk Fuel and Lubricants</li> <li>Other common categories as identified</li> </ul> </li> <li>Functional Support Service Contracts</li> </ul>
IT	<ul style="list-style-type: none"> <li>HCHB Bureaus: <ul style="list-style-type: none"> <li>Printing</li> <li>Video Conferencing</li> <li>Customer Relationship Management</li> <li>Wireless Network</li> <li>Identity Management</li> <li>Wired Network</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Non-HCHB Bureaus: <ul style="list-style-type: none"> <li>Printing</li> <li>Video Conferencing</li> <li>Customer Relationship Management</li> <li>Wireless Network</li> <li>Identity Management</li> <li>Wired Network</li> </ul> </li> </ul>	<p>Implementation sequencing will be recommended for the below remaining nine approved services following further high-level scoping and definition exercises.</p> <ul style="list-style-type: none"> <li>➤ Mobile Application Management</li> <li>➤ Mobile Device Management</li> <li>➤ Records Management</li> <li>➤ Asset Management</li> <li>➤ Audio Conferencing</li> <li>➤ Cloud Services</li> <li>➤ Data Center Services</li> <li>➤ Email</li> <li>➤ Telecom</li> </ul>
FM		<ul style="list-style-type: none"> <li>Travel</li> </ul>	

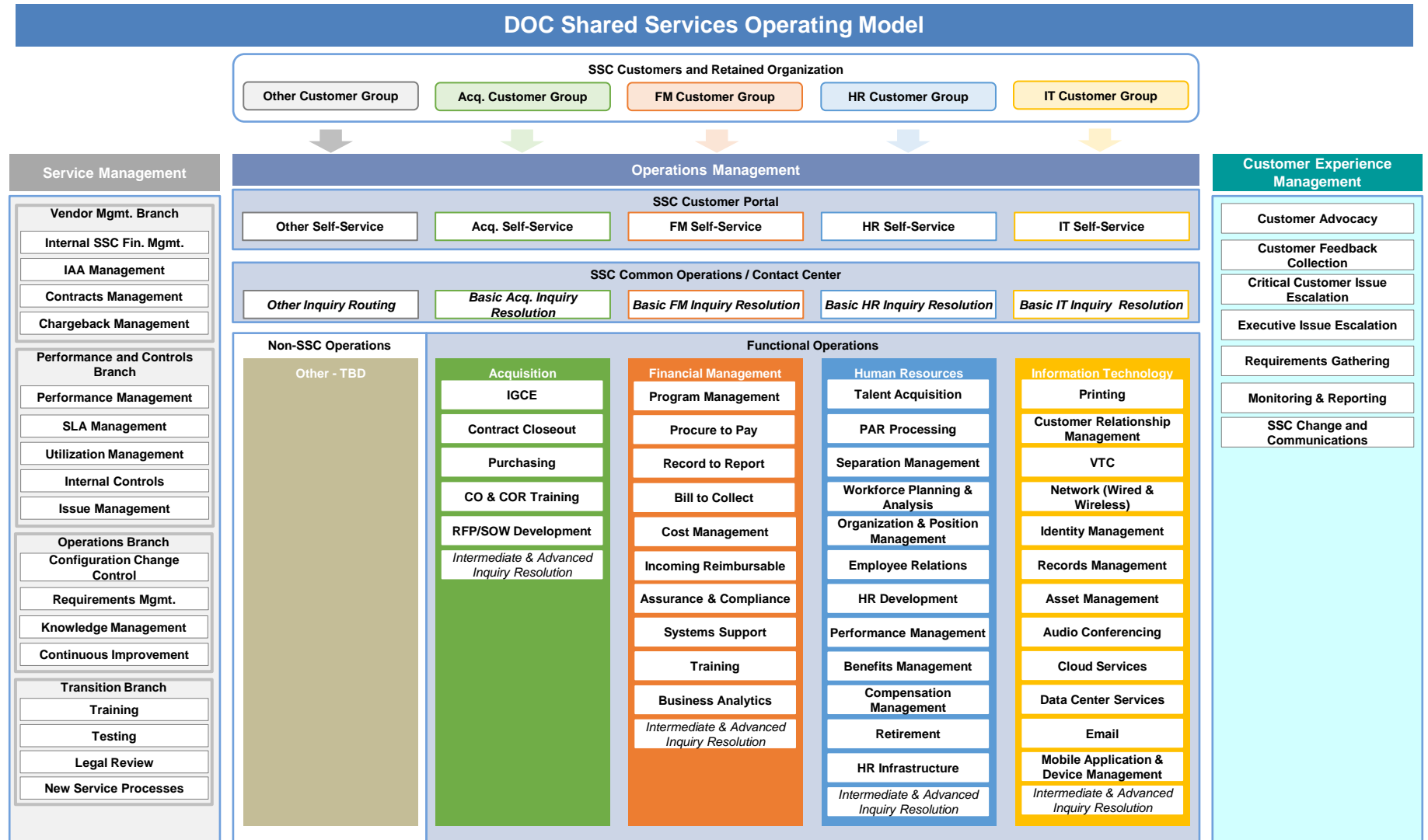
*\*Majority of activities will be performed by non-SSC components of the service delivery model such as on-site at bureaus or within the CXO organizations*



# **Shared Services Organization (SSO) Concept of Operations**









# SSO Service Delivery Model

## Concept of Operating Model



# SSO Service Delivery Model

## Enabling Technology Overview

Enabling Technology			Description	Benefits
Case Management Technology	SSC Self-Service Portal		Provides a single entry point for Bureaus, customers, vendors, and staff; integrates ticket, workflow and integration, and knowledge management technologies	<ul style="list-style-type: none"> <li>✓ <b>Enhances transparency for customers</b> through use of real-time status updates</li> <li>✓ <b>Intelligently scales operations</b> for customers through the consolidation and facilitation of major processes</li> <li>✓ <b>Increases awareness and decision making capabilities</b> of SSO leadership</li> </ul>
	Ticket Management System		Tracks requests received by the SSO through tickets and provides a record of actions; data can be analyzed to provide visibility into compliance, performance, and other SSO reports and data	
Workflow and Integration Management Technology			Serves as data exchange solution by facilitating the execution of business processes and services through automated workflows, approvals, and integrations with third party vendor or legacy Bureau systems	
Knowledge Management Technology			Stores process and procedure reference documents, including a repository for responses to caller questions	
Contact Management Technology	Interactive Voice Response (IVR)		Enables efficient handling of telephone inquiries through a front-end voice solution; allows customers to interact through a keypad or speech recognition	<ul style="list-style-type: none"> <li>✓ <b>Decreases operational costs</b></li> <li>✓ <b>Improves customer service</b> by ensuring that the most capable contact center representative available is assigned the request</li> <li>✓ <b>Reduces overall handle time</b> by enabling customers to self-authenticate before reaching contact center agents</li> </ul>
	Computer Telephony Integration (CTI)		Enables the agent to have customer voice and account information delivered to their desktop	
	Automated Call Distributor (ACD)		Routes incoming calls based on customer inquiries; may include call queuing and automatic call routing	
	Digital Recording		Enables the ability to digitally record voice interactions, agent entered keystrokes, and system updates for quality scoring and regulatory requirements review	



# SSO Service Delivery Model

## HR BPA Scope

DOC has the need for a full range of HR services provided in accordance with the Office of Personnel Management (OPM) HR Line of Business Reference Model, which can be found at [www.opm.gov](http://www.opm.gov). The scope of this BPA will provide for the full range of HR services offered under GSA schedule 738X, including the following:

### BPA Scope

- Talent Acquisition
- Learning Center DOC-wide Training
- Benefits Processing
- Retirement Management
- Personnel Action Request (PAR) and Mandatory OPM Processing
- Compensation Management
- Performance Management
- Separations Processing
- HR Reporting & Analytics
- HR Infrastructure
- Employee Relations (ER)
- Labor Relations (LR)
- Workforce Planning and Analysis
- Organization and Position Management
- HR Strategy and Business Alignment
- Customer Liaison Advisory Services
- Staff Augmentation
- Integration Support Services
- Other Consulting Services

### Integrated HR Service Delivery Model



# SSO Service Delivery Model

## Acquisitions Scope

DOC has the need for third party support to deliver acquisition lifecycle activities and provide Department-wide strategic sourcing as part of its Acquisition Shared Services function. The table below outlines the initial set of Acquisition support needed by DOC in Wave 1.

Wave 1 Acquisitions	Scope
Contract Close-Out	<ul style="list-style-type: none"><li>• Provide Contract Closeout Services to all DOC customers as part of a larger portfolio of shared services provided by DOC's SSO</li></ul>
IGCE/ Requirements Development	<ul style="list-style-type: none"><li>• Provide consultative services and expertise for market research, cost estimates, and requirements of mission-centric acquisitions</li><li>• Help program customers develop IGCE's that drive fair and reasonable cost structures in product and service acquisition</li><li>• Translate customers' conceptual needs into actionable requirements for RFPs</li></ul>
Acquisition Staff Augmentation	<ul style="list-style-type: none"><li>• Augment Federal acquisition personnel</li><li>• Support efficient and timely delivery of SSO Acquisition services, including order processing for commodities and service processing (janitorial, Contract Closeout services, etc.)</li><li>• Support contract operations, including creation of strategically sourced contracts based on data analysis and demand management</li></ul>
General Staff Augmentation	<ul style="list-style-type: none"><li>• Augment Shared Services personnel and other high demand roles across DOC</li></ul>
Strategic Sourcing	<ul style="list-style-type: none"><li>• Establish Department-wide procurement vehicles for the acquisition of common purchases across DOC</li></ul>

# SSO Service Delivery Model

## Information Technology Scope

DOC has the need for third party support to provide managed services for commodity IT buys across the Department of Commerce. The tables below outline the managed service needs in Wave 1 and beyond.

Wave 1 Acquisitions	Description
CRM	A managed services activity that will provide an enterprise-wide vehicle/ELA for procurement of a CRM platform as a Software as a Service (SaaS). It will also provide access to professional and training services.
Identity Management	The initial phase of Identity Management shared service will provide an enterprise level identity management solution to store single DOC wide identity information
VTC	A managed service that will provide all VTC equipment and software, along with the services required to implement, operate and maintain enterprise VTC solutions for all DOC bureaus
Printing	A managed service that will provide all equipment, consumables, maintenance, service, and reporting required to satisfy network printing and publishing needs across all DOC bureaus. It does not include local printers
Wired and Wireless	A managed service that will provide for the consolidation of the provision and management of existing unclassified wired and wireless networks within DOC bureaus
Future IT Acquisitions	
<div> <div>➤ Mobile Application Management</div> <div>➤ Mobile Device Management</div> <div>➤ Records Management</div> <div>➤ Asset Management</div> </div> <div> <div>➤ Cloud Services</div> <div>➤ Data Center Services</div> <div>➤ Email</div> <div>➤ Telecom</div> </div>	

# Top Three Takeaways

- The US Department of Commerce is a loose federation of bureaus, each with a distinctively different mission. As such, Commerce's shared services delivery model must be flexible enough to reflect differing needs and wants.
- The business driver for shared services is the urgent need for improved performance. The common refrains of Commerce professionals are: "I can't hire" and "I can't buy". Shared services has been designed to address the systemic issues of flat or diminishing federal budgets and a declining population of qualified people to perform mission-enabling work.
- As good stewards of taxpayer dollars, we want to ensure that our skilled and dedicated federal professionals are able to focus on achievement of their bureaus' mission. By taking a "blended approach" to shared services, we should be able to realize this objective.