11/14/2012 Schedules Modernization Customer Focus Group

11/14 – Customer Attendees – 22+ Customer Participants. Organizations represented included : U.S. Probate & Pretrial Services Office; DoL; DHHS /NIH/NHGRI; DHS/TSA; DISA; DoD; NASA; US Air Force; US USMC; DoI; SSA; USDA; IRS; DSCA: and others. 10 GSA participants including facilitator.

1. Facilitator opened the meeting by welcoming participants and discussing the key objectives of the session such as:
   o GSA's business drivers and the high-level objectives for the Schedules Modernization Initiative.
   o The four Solution Sets that have been identified as key tenets for the Schedules Modernization Initiative as shown below:
      Data Driven Pricing
      Flexible Contracting
      Enhanced Service Delivery
      Increased Knowledge Management Capabilities

2. The primary solutions sets that were the focus for the discussion were: Data Driven Pricing and the Flexible Contracting.

3. The crux of the Data Driven Pricing Solution Set is the introduction of pricing tools, policies, and procedures that will give better insight into pricing variability. The basic assumption is that such information could be helpful to customers and vendors. Information regarding how the team developed the solutions was discussed.

4. Focus group participants were asked to respond to the following set of questions:
   o Is price, or price related factors, currently your top priority in acquisitions? What is your perception of GSA's prices?

   o What pricing information would you want to access to better plan your procurement? For example, would you be interested in receiving any information on actual prices paid by other users?

   o Would you be interested in a tool that not only provided list price on GSA's contracts, but also of other major government-wide contract vehicles?

   o What do think of mandating tier volume discounts at the order level and/or contract level?

5. Highlights from the Data Driven Pricing discussion are shown below:

PRICING COMMENTS:

- One participant commented that routinely, their colleagues find items cheaper on the open market. It is frustrating trying to explain why the schedule route is the preferred agency buying method. Others agreed they've had similar experiences.
  - GSA Response - Understandable concern and reminded participants that the schedule prices should be the starting point for negotiations.
- Regarding the importance of price when selecting goods and services, one participant commented that, within their agency, in recent years, price has increased in relative importance. It's important with products but is also becoming more important with services.
- Another participant explained the difficulties they've had when trying to procure software licenses and software solutions. Another participant commented that awards based on technical specifications results in strong competitions. Another challenge when procuring software solutions was cited because some vendors will combine several, interrelated items in order to provide their solution; however, it is difficult to evaluate the specific cost for each item because of how the solution is packaged.
- A participant noted that some vendors discount prices due to special sales promotions or other reasons. Wanted to know if GSA could tap into such price adjustments.
  - GSA Response – It is acceptable for sellers to reduce prices. As part of modernization, GSA will try to make the process as fast as possible.

PRICING TOOL COMMENTS:

- Regarding the pricing shown in the proposed pricing tool, participants said they'd also like the tool to include FSSI and GWAC prices too.
- Ensuring the prices shown are current and are up to date will also be critical. Several agreed. One participant noted that in GSA Advantage, routinely, prices are six months old or have expired.
  - GSA Response - Another initiative is looking at e-commerce tools. This information regarding GSA Advantage will be passed on.

- Quantity, price adjustment history, technical specifications, and rebate history were all cited as other data elements that should be included in a pricing tool.
- Aggregated prices paid across the government would also be helpful and allow tool users to see the price range that has been paid, not necessarily what one agency had paid.
- Another participant noted that extracting information by socio-economic designator may also be quite helpful.
- Participants discussed how the tool could be used in their market research?
    - GSA Response - There are models in the commercial world that we could mirror. With the right data elements, such a tool will help when developing independent government cost estimates and for other budget planning purposes. A pricing tool will also help to confirm whether the best prices are being paid. The actual tool details are still being refined.

6. The crux of the Flexible Contracting Solution Set reflects recognition from GSA that the current structure of over 31 separate MAS schedules makes it difficult for customers to navigate, particularly when their requirements cross multiple schedules. A draft solution set that reduces the number of schedules down to the following eight solution sets was offered:
    Facility & Security
    Office and Furniture
    Engineering, Environmental, Logistical, & Scientific
    Business Management
    Information Technology
    Travel/Transportation
    Automotive

7. Highlights from the Flexible Contracting discussion are shown below:

REDUCED NUMBER OF CONTRACTS

- One participant commented that 30+ schedules is an issue when trying to figure out which schedule to use. The number of schedules can also make finding a small business even harder.
- In response to the question, are there too many schedules now and would reducing the number of schedules improve usability, one participant noted the difficulties they'd experienced, particularly using broad schedules such as

Schedule 70. It was stated that it is hard to determine which company carried particular products or services. When "blasts" were sent out to all vendors, typically they'd received hundreds of responses indicating that either the vendors did not carry what was needed or the vendors would reply with recommended solutions that did not meet the customer's needs and/or technical specifications. The whole process turned out to be very time consuming and arduous. The customer really wanted a way to drill down into schedules to find specific supplies and services and the corresponding vendors.

- o Per one participant, a reduced number of schedules will make retaining SINs, NAICS, or some other classification too hard to wade through an increased number of vendors.
- o Key takeaway— a more robust search tool, and better more through product and services descriptions are needed if schedules are consolidated. Several agreed.

8. Enhanced Service Delivery was discussed. The crux of this solution set area focuses on establishing a consolidated contact center, tiered support, and providing access to subject matter experts throughout GSA. Focus group participants were asked to respond to the following set of questions:

- o Modernization includes centralization & making things easier. We will begin consolidating customer contact functions where it makes sense. Will this help?

- o What level of customer services or support from GSA do you find necessary or unnecessary?

9. Enhanced Service Delivery, general discussion notes are shown below:

- o Regarding the concept of a consolidated Contact Center, participants discussed the importance of accountability in order to ensure calls made to the contact center are addressed and don't just go into a black hole. One participant stated that after three weeks, they are still waiting for someone to contact them on an unresolved issue.

- o Another participant commented that access to GSA people with industry knowledge and expertise would also be helpful.

10. The Transaction Level Data / Increased Knowledge Management (TLD /IKM) Solution Set was discussed very quickly, at a very high level. The crux of this solution set area focuses on compiling data at a transactional level in order to aid government buyers when making their purchasing decisions. TLD /IKM will also provide vital program management information and will provide other information that will help enable strategic sourcing. Discussion highlights are below:

   o Participants were asked if they would be able to provide transaction level data to GSA. One participant responded that smaller agencies don't have the capability to supply such detailed information. Several agreed.

   o Regarding transaction level data, several agreed that it would be helpful to know what other agencies are buying.

   o One participant noted that it would also be helpful to know what items were being purchased within their own agency.. So a transaction level tool could be pretty helpful.

11. When asked if there are other modernization solutions that participants would like to see from GSA, several participants stated that schedules were their vehicle of first choice and that they always prefer to purchase using schedules because it is faster and more efficient.

12. Participants requested copies of the presentation. Meeting adjourned.