

11/14/2012 Schedules Modernization Industry Focus Group

11/14 - 15+ Industry Participants from: CSC; LexisNexis; MAXIMUS Federal; Coley and Associates; Ginetiq North America; PricewaterhouseCoopers LLP; Coalition for Government Procurement; C&S Companies; CTI Resource Management Services; BH Sky Associates; Valley Forge Fabrics, Inc.; George Mason Univ; TASC, Inc; LJB Inc.; and others. 6 GSA participants including facilitator.

1. Facilitator opened the meeting by welcoming participants, covering ground rules, and discussing the key objectives of the session such as:
 - GSA's business drivers and the high-level objectives for the Schedules Modernization Initiative.
 - 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 of 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 industry. Information regarding how the team developed the solutions was discussed.
4. Focus group participants were asked to respond to the following set of questions:
 - Are you interested in using product price comparisons tools as part of your offer/mod process?
 - How do you currently assess your prices against other providers who are offering the same or similar products? Do you use an automated tool? If so, which features of the tool do you find most valuable?
 - What are your top concerns about the existing GSA pricing tools?
5. Highlights from the Data Driven Pricing discussion are shown below:

PRICING TOOL

- Some participants felt a pricing tool would be helpful provided it is not too time consuming and arduous.
- All wanted to know how the information would be captured and would the tool interface with other tools? Batch items? Spreadsheet? Part number normalization?
 - GSA Response – Explained that part number normalization will be a key aspect of any solution.
- GSA noted the tool will be used during the offer and mod process because it could serve as a way for providers to see where their pricing is, compared to others.
- Others questioned what will happen if a provider's price for an item is too high or is outside of the range?
 - GSA Response - TBD-pending solution refinement. Also, by providing a tool, at least providers will know where their prices fall as compared to others.
- Others explained some price variation is due to the fact that resellers may have additional costs that are reflected in pricing.
- Some wanted to know how the tool would work with services?
 - GSA Response – TBD - pending solution refinement.
- Others raised concerns that standardized labor categories could result in an excessive number of categories in order to cover all of the services represented on schedules. Comparing “like” experience and educational levels per labor category will add to the complexity.
 - GSA Response – Feedback will be considered during solution refinement.
- Some expressed that it is too time consuming to go to Advantage to compare prices; therefore, a tool to assist in market research would be easier.

PRICING POLICIES

- Volume Tier Discounts were discussed. Some pointed out that discounts are driven by several factors such as geographic location, customer volume, task level needs, etc. Therefore, across the board mandates for volume tier discounts may be difficult to implement.

- One participant expressed a concern regarding escalation rate limits. The participant believed the limits can cause problems for some providers depending on item and service.
 - GSA Response – It was pointed out that limits should be discussed with CO and several factors are considered when establishing the limits.

- 6. The crux of the Flexible Contracting Solution Set reflects recognition from GSA that the current structure of over 30 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. Focus group participants were asked to respond to the following set of questions:
 - In general, would you agree that fewer Schedules improve the usability of Schedules?
 - Are there recurring requirements that cut across more than one Schedule?
 - What are the most common instances where your customers need more than one Schedule to meet their requirements?
 - Specific Schedule Consolidation Questions

- 8. Highlights from the Flexible Contracting discussion are shown below:

REDUCED NUMBER OF CONTRACTS

- A participant suggested that GSA complete Business Case Analysis prior to establishing each new consolidated contract solution set.
 - GSA Response – absolutely and in process.
- Several expressed concern regarding the need for GSA to ensure there's minimal negative impact to small businesses.
 - GSA Response – absolutely and in process.

- Others expressed concern that GSA should ensure there are no unintended consequences to existing task orders once a base schedule is consolidated into a new solution set. Specifically, some were concerned how GSA will handle a contract's end date if there is a migration?
 - GSA Response – We want to hear from you, please let us know your concerns.
 - Question raised: if the schedules are consolidated, won't that result in more contracts per schedule?
 - Several agreed and made the point that Special Item Number (SIN) consolidation is critical. This may be even more important than schedule consolidation.
 - In addition, several agreed that Government-wide NAICs and PSCs streamlining could also be beneficial.
9. Enhanced service delivery, transaction level data, general discussion notes, other concerns, and other approaches discussed are shown below:
- Enhanced customer service with acquisition or some technical expertise would be valuable. Sometimes customers are looking for a perspectives and information different than typically offered by Contracting professionals.
 - Regarding Transaction Level data:
 - Some wondered if such information will be meaningful for services because each services task order can be unique and based on the specific requirements of each customer.
 - Others expressed concern over what level of information can be extracted from invoices.
 - Others cautioned that typically task order data collection processes can be labor intensive and expensive. A current GWAC, Alliant, uses a module process that was described by a participant as being very labor intensive, taking one person to input the information, just for one contract.
 - Others noted that whether an electronic or manual process is used, it will be a burden.
 - Regarding general comments:
 - Others mentioned that outreach to state & local, SBA, and SBA state level was critical to ensuring there are no unintended consequences.

- Advantage loading features should also be enhanced. One “outside of the box” recommendation was to permit uploads to Advantage without using SIP. When there’s a need to load lots of products into SIP, it is very labor intensive and time consuming.
- Rollout timeline line was discussed, noting that each solution will have its own implementation schedule. Expect updates periodically and at EXPO.
- Meeting adjourned. Participants thanked for their participation.