

Justice to Streamline IT Buying through Service Broker

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In the coming year, the Justice Department will join the ranks of agencies leveraging service broker arrangements for acquisition of IT infrastructure and services.

In recent years, Department of Justice (DOJ) has progressed efforts to consolidate contracts, reducing redundancy of acquisition efforts and improving enterprise capabilities. Some of these initiatives began as informal strategic sourcing efforts. The department has actively leveraged Enterprise License Agreements (ELAs) and Blanket Purchase Agreements (BPAs) to achieve cost savings. The majority of the department's mobile device and wireless services were consolidated through several contract vehicles. By leveraging strategic sourcing and shared services for wireless and telecom needs, DOJ can lower equipment expenditures by moving to contracts with best negotiated prices.

Now, it seems that the Justice Department is taking the next step by pursuing service broker. Other federal agencies that have adopted a service broker model include Defense Department and the National Nuclear Security Administration (NNSA). These broker arrangements allow agencies to identify solutions for common requirements and simplify technology buying within organizations.

According to [recent reports](#), DOJ expects to target infrastructure and commodity IT services initially. These technologies would include wide area network (WAN), data centers, storage, email, telecommunications, security, and Trusted Internet Connection (TIC) services. The "next tier" of services that would be addressed, according to Justice's CIO Klimavicz, cover business enterprise services, such as voice and collaboration.

The decision to formally adopt service brokerage aligns with the department's strategic plans and technology initiatives. For a number of years, DOJ has actively leveraged Enterprise Level Agreements and Blanket Purchase Agreements to achieve cost savings. In 2012, Justice established ten commodity area working groups focus on IT functions, like data centers, email, and mobility. These groups provide recommendations to the DOJ CIO Council to address commodity investment areas, to identify potential for consolidation and cost savings, as well as to manage milestone and performance metrics.

DOJ's near term information resource planning highlights 5 goals including institutionalizing IT portfolio management, streamlining operations, enhancing IT security, delivering innovative solutions, and expanding information sharing. The shift to centralized delivery of IT capabilities, such as multi-component (enterprise) IT services, and use of enterprise platforms is expected to drive greater value than silo solutions. Ongoing assessments and continuous enhancement of existing IT assets and vendor relationships will improve the value of the IT portfolio by evaluating the risks of adopting new technologies too soon or sustaining legacy technology for too long.

Brokerage would facilitate increased use of shared services, enable enterprise capabilities, and consolidate departmental purchasing power to improve pricing through strategic sourcing. The Department of Justice's vision for strategic sourcing has led to the establishment of a Vendor Management Office (VMO) targeting improvement of buying practices for IT infrastructure. The VMO will lead efforts to analyze procurement data, to identify best practices, and to centralize enterprise procurement vehicles.

As with other federal markets being impacted by strategic sourcing, vendors will need to be increasingly mindful of market positioning. IT spending will be increasingly directed through agencies strategic sourcing and preferred contract vehicles, but that shift inhibits spending as government organizations look to achieve economies of scale for commodity IT purchases. The establishment of Vendor Management Offices means contractors can expect increased oversight and greater need to partner smartly.

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