



**Your Preferred Source for
IT Acquisition Across the DoD**

DoD IT Consolidation Roadmap:

What's Ahead with Dod ESI

and

DoD ESI Web Site: New Features and Upcoming Changes

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DON IT Conference, West Coast 2012 – January 2012

www.esi.mil

Agenda

- DoD ESI Overview
 - DoD IT Enterprise Consolidation
 - ESI Consolidation Projects
 - Summary
-
- *Followed by:*
 - ***ESI Web Site: New Features and Upcoming Changes***



ESI Overview



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DoD ESI Overview

- Summary: Joint DoD strategic sourcing initiative to save time and money on acquisition of commercial software, IT hardware and services
- Executive Sponsor: DoD CIO
- Goals:
 - Enterprise leverage and efficiencies in COTS IT acquisition
 - IT asset management



DoD ESI Operations

- Team Composition: Army, DON, Air Force, DLA, DISA, NGA, DIA, and OSD
- Operations:
 - Award enterprise agreements for IT products and services
 - Implement unified vendor and contract management strategy
- Results:
 - Over 80 agreements with 48 separate software publishers and research/advisory firms
 - Over \$4 billion cost avoidance since inception
 - IT asset visibility of DoD ESI suppliers
 - More efficient acquisition processes for ESA users



ESI Targets DoD Customer Needs and Enterprise Efficiencies

- Lead implementation of DoD **enterprise agreements** for Commercial Off the Shelf Information Technology (COTS IT) to leverage enterprise scale
- Lead establishment of software **enterprise licenses** for common use software
- Influence Federal and DoD **IT acquisition policy to lower the total cost of IT ownership** for the DoD enterprise
- Establish and maintain **enterprise strategic sourcing relationships** with leading IT vendors
- Operate using **an agile, low overhead model** executed through Software Product Managers (SPMs) in five DoD Components
- Coordinate development of **enterprise IT asset management (ITAM)** policy, standards, and best practices
- Provide DoD buyers of all size **access to enterprise IT acquisition expertise**



DoD ESI Model: Lean and Agile

- **Lean Enterprise Governance and Management Structure**
 - Recognized in FAR/DFARs, DoD 5000, and CIO policy and guidance
 - Aligned under Enterprise Governance Board (EGB)
 - Matrixed team structure
- **Agile Operations**
 - Empowered Working Group with minimal decision points
 - Flexible framework for selecting target technologies
- **Small team footprint embedded in OSD**
 - Minimal dedicated staff
 - Execution through five Components



DoD ESI and GSA SmartBUY

- GSA SmartBUY
 - Aligned under the Federal Strategic Sourcing Initiative (FSSI)
 - Federal government strategic sourcing program for software
- DoD ESI partnership with SmartBUY
 - SmartBUY is implemented within DoD through DoD ESI
 - DoD manages 21 GSA SmartBUY agreements
 - GSA SmartBUY participates in regular DoD ESI Team meetings
- Requirements for DoD ESI and SmartBUY Use
 - **In Acquisition Planning** – DoD 5000.2 requires maximum use of and coordination with DoD ESI when use of commercial IT is viable
 - **During Procurement** – DFARS mandates use of DoD ESI process when fulfilling requirements for software and related services
 - **DPAP/DCIO Memorandum** mandates use of GSA SmartBUY agreements where requirements match the offerings



ESI Agreements

- Software, Hardware and Commercial IT Services
- Special contract terms and conditions for enterprise needs
- Open to all DoD Components, Intelligence Community (IC), NATO, and Authorized Contractors
- Vehicles for products widely-used across DoD



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DoD IT Enterprise Consolidation



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DoD IT Enterprise Challenges*

- DoD's information technology (IT) investments have been made to **meet the needs of individual projects, programs, organizations, and facilities**
- This **decentralized approach** has resulted in large cumulative costs and a patchwork of capabilities that create cyber vulnerabilities and limit the ability to capitalize on the promise of new developments in IT
- COCOMs are provided with **Service-centric IT networks and IT services** ... The result is an IT infrastructure that **does not effectively support the joint warfighting** environment
- Together, we must **modify existing processes to reduce complexity and optimize** our networks for the joint environment
- Our goals are to dramatically increase our **cyber security** posture, increase our **effectiveness** across joint and coalition lines, and **reduce the resources our networks consume**

* Source: DoD CIO Information Technology Enterprise Strategy and Roadmap (5 Oct 2011)



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Top-Level Objectives and Guidance are Driving Change in IT

- Reduce \$100B overhead to redirect to programs and warfighting
(Former SECDEF Robert Gates 8/29/2010 briefing)
 - Improve efficiencies in contracting
 - Reduce duplication in overhead functions
 - Fewer, flatter, more agile, and more responsive structures
 - Centralize IT processes to achieve economies of scale
 - Consolidate IT infrastructure
- Effectively Manage Large-Scale IT Programs
(U.S. CIO “25 Point Implementation Plan to Reform Federal Information Technology Management” 12/9/2010)
 - Develop IT acquisition professionals
 - Use Working Capital Funds (WCF) and pool funds
 - Increase transparency in use of IT funds
 - Consolidate IT spending
 - Adopt strategic sourcing solutions



DoD IT Enterprise Strategy and Roadmap (ITESR): Goals

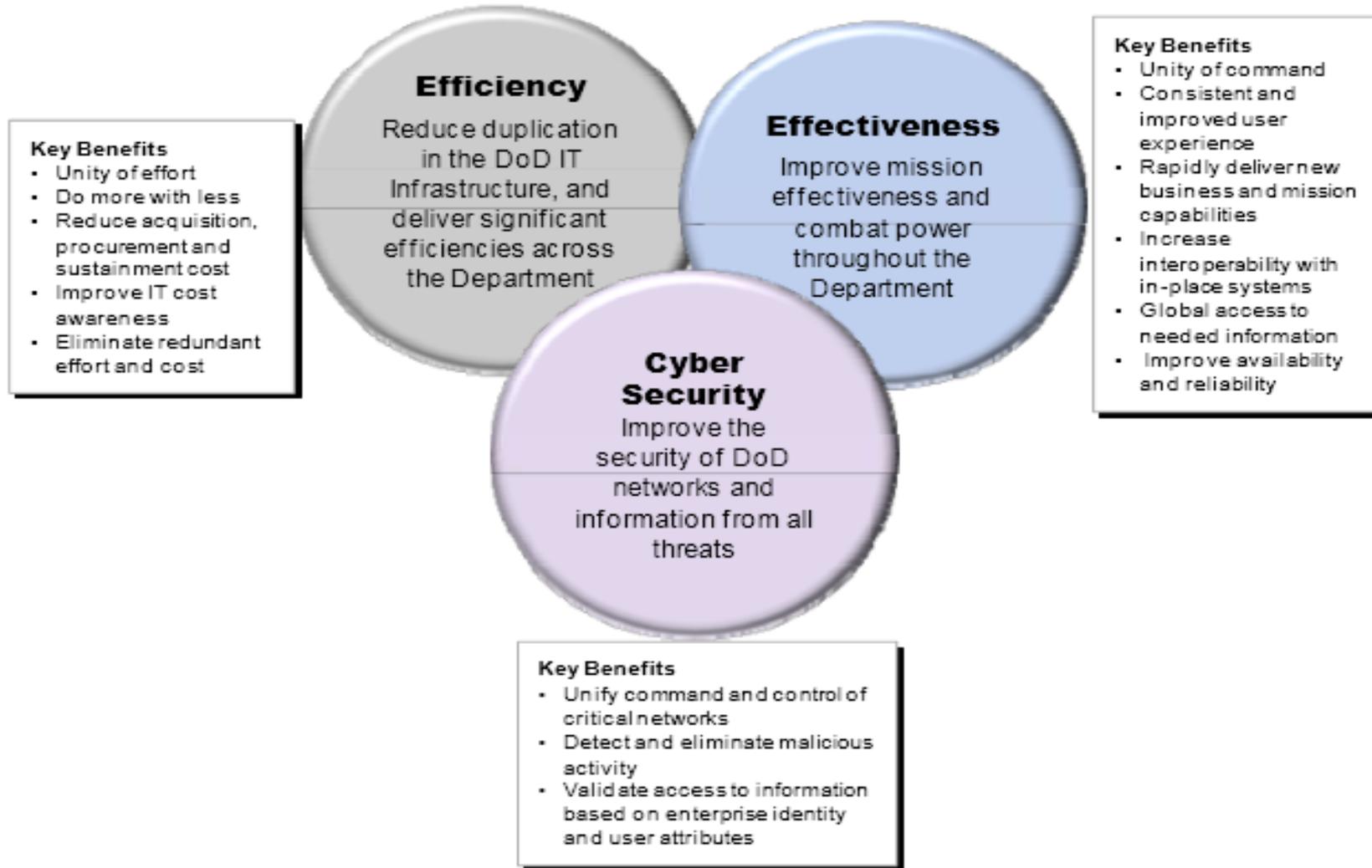


Figure 4-1: IT Infrastructure Enterprise Goals



ITESR: Consolidation Initiatives

- Working Groups identified **specific initiatives** in the following functional areas:
 - **Network Services (NS):** Services (including hardware, software, and labor) that provide telecommunications, long-haul networks, installation campus area networks (ICAN), and network management and IA services
 - **Computing Services (CS):** Services that provide the ability to process, store, and access information, including data centers and servers, storage, and other hardware inside of them
 - **Application and Data Services (ADS):** Common shared applications, services, and processes
 - **End-User Services (EUS):** Subset of computing services that enable end users to access information applications and services locally and via the network
 - **IT Business Processes (BP):** Processes used to procure the hardware, software, and services needed to operate and maintain the DoD IT infrastructure

ESI Focus Area



ESI Consolidation Projects



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IT Business Process (BP) Initiatives - Objectives

- Leverage economies of scale in purchasing
- Identify DoD-wide approaches to common IT business needs and direct IT-related business and operational practices
- Limit COTS hardware and software procurements to enterprise-wide vehicles to reduce lifecycle costs for procurement and contract administration
- Reduce the number of IT hardware configurations to reduce testing, patch management, and software upgrade installation costs

Initiatives	Increase Mission Effectiveness	Improve Cyber Security	Deliver Efficiencies	Technical Risk	Cultural Barriers
BP1: Consolidate COTS Software Purchasing			◆	Low	Medium
BP2: Consolidate COTS Hardware Purchasing	◆	◆	◆	Low	Medium
BP3: Optimize IT Service Purchasing	◆		◆	Low	High
BP4: Common Business Process Foundation	◆		◆	Medium	High
BP5: Promote and Adopt "Green" IT			◆	Low	Medium

◆ Significant Contribution

◆ Some Contribution



Consolidate Software Purchasing

- Centralize DoD-wide enterprise licenses for the most widely used commercial software products
- Consolidate existing major Component-level enterprise licenses, or establish new DoD enterprise licenses and manage these licenses at the DoD level
- “Follow-the-Money” and focus on products and services from proven providers already accepted and in use within DoD
- Lower expenditures associated with patching and maintaining heterogeneous software products
- Reduce contract administration overhead



Consolidate Hardware Purchasing

- Drive procurement of all DoD commodity IT hardware (desktops, laptops, monitors, servers, printers) through large-scale, proven enterprise-buying processes such as:
 - Air Force Quarterly Enterprise Buy (QEB)
 - Army Consolidated Buy (CB)
 - Marine Corps Hardware Suite (MCHS)
- Modify these processes to ensure capture of other Components' basic configuration requirements
- Adopt other Component IT hardware buying processes or establish new vehicles to ensure coverage of other IT hardware devices, as needed
- Reduce lifecycle costs by reducing procurement expenditures, easing testing and maintenance support tasks, reducing aggregate contract administration overhead, and using “green” specifications to reduce power consumption



DoD Unified Master Gold Disk

- Approach:**
- * Provide core OS and common applications as “build-from” disk from which Components create standard desktop images
 - * Leverage use of enterprise software licenses
 - * Leverage shared/reciprocal network certification
 - * Align hardware lifecycle management with unified golden master
- Impact:**
- * Enhance security by providing tested and approved configurations
 - * Reduce duplicative gold disk management and certification processes
 - * Drive creation and adoption of DoD-wide enterprise licenses
 - * Increase interoperability and enable joint operations through common standards
- Alignment:**
- * Economies of scale
 - * Consolidate [IT infrastructures, processes and application ware] assets
 - * Standardize approach -- address “the problem ... that too many parts of the department, especially in the information technology arena, cling to separate infrastructure and processes”
 - * Specialized IT acquisition teams ... a model to scale more broadly



Enterprise Standards for ITAM

- Approach:**
- * Incorporate ITAM into the Defense ITIL (DITIL) Service Asset Configuration Management (SACM) process guide
 - * Pilot emerging ITAM industry standard(s) (ISO 19770-2 Software Tagging Standard, NIST Common Platform Enumerator (CPE) unique software identifiers)
 - * Establish DoD ITAM data standards for DPAS, WAWF and EDA
 - * Coordinate across DoD and with GSA Federal ITAM program
- Impact:**
- * Optimize management and use of assets by
 - * Align disjointed ITAM processes across Acquisition, CIO, and IA
 - * Enable enterprise-level visibility into IT assets
- Alignment:**
- * Reduce costs in the contracting arena
 - * Get better buying power
 - * Consolidate [IT infrastructures, processes, application ware] assets
 - * Effective IT acquisition requires ... deep understanding of the dynamic commercial IT marketplace
 - * Increasing transparency in the use of IT funds
 - * Effectively coordinate or consolidate the procurement of IT-related goods and services and demand is aggregated within agencies



Summary



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DoD ESI Summary

- Promotes cross-Component **sharing of IT acquisition “lessons learned”**
- Protects **enterprise-level IT management** interests in IT vendor negotiations
- **Leverages economies of scale** for IT acquisitions
- Returns significant **cost avoidance, improved software use rights** for ordering agencies
- **Reduces administrative** costs by reducing duplicative IT agreements and contracts
- Promotes enterprise-level **visibility into IT asset acquisitions**
- Enables buyer access to **professional licensing expertise**
- Ensures that unique **DoD enterprise needs are communicated at the Federal level** for COTS IT acquisition policy and initiatives



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