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DoD ESI & The Joint Information Environment (JIE)



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Presented to:

**American Council for Technology Industry Advisory Council
(ACT – IAC)**

Enterprise Architecture Special Interest Group (EA-SIG)

July 20, 2012

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Agenda

- DoD ESI Overview
- Alignment with JIE & DoD IT Enterprise Strategy & Roadmap
 - CIO Vision & Strategy
 - Implementation
 - ESI Commodity Acquisition Initiatives
- Summary

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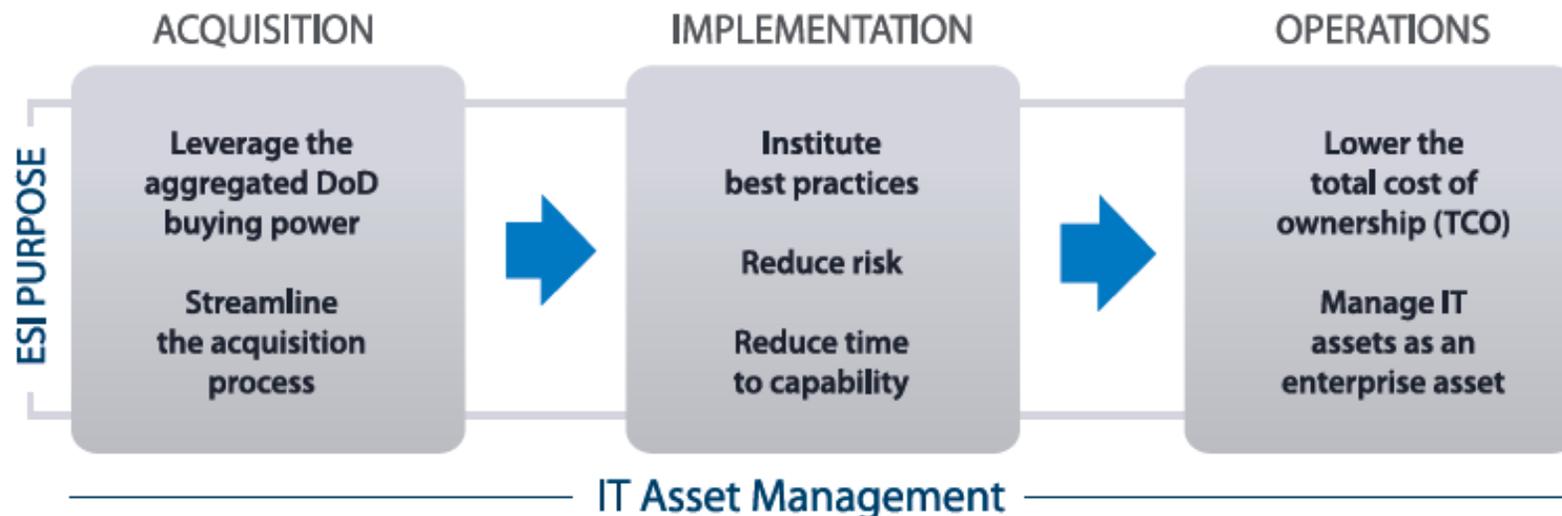
DoD ESI Overview

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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 DoD ESI Enterprise Software Agreement (ESA) users



Focus on Customers & Efficiencies

- Implement DoD enterprise agreements for Commercial Off the Shelf Information Technology (COTS IT) - leveraging DoD enterprise scale
- Establish 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
- 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 IT acquisition expertise to DoD buyers of all size
- Establish “best value” contract terms and conditions



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, leveraging in-place Component expertise
- **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 (Army, DON, USAF, DISA, DLA)



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



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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 Auth. Contractors
- Vehicles for products widely-used across DoD



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JIE & ITES&R Alignment: CIO Vision & Strategy

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ITES&R Goals

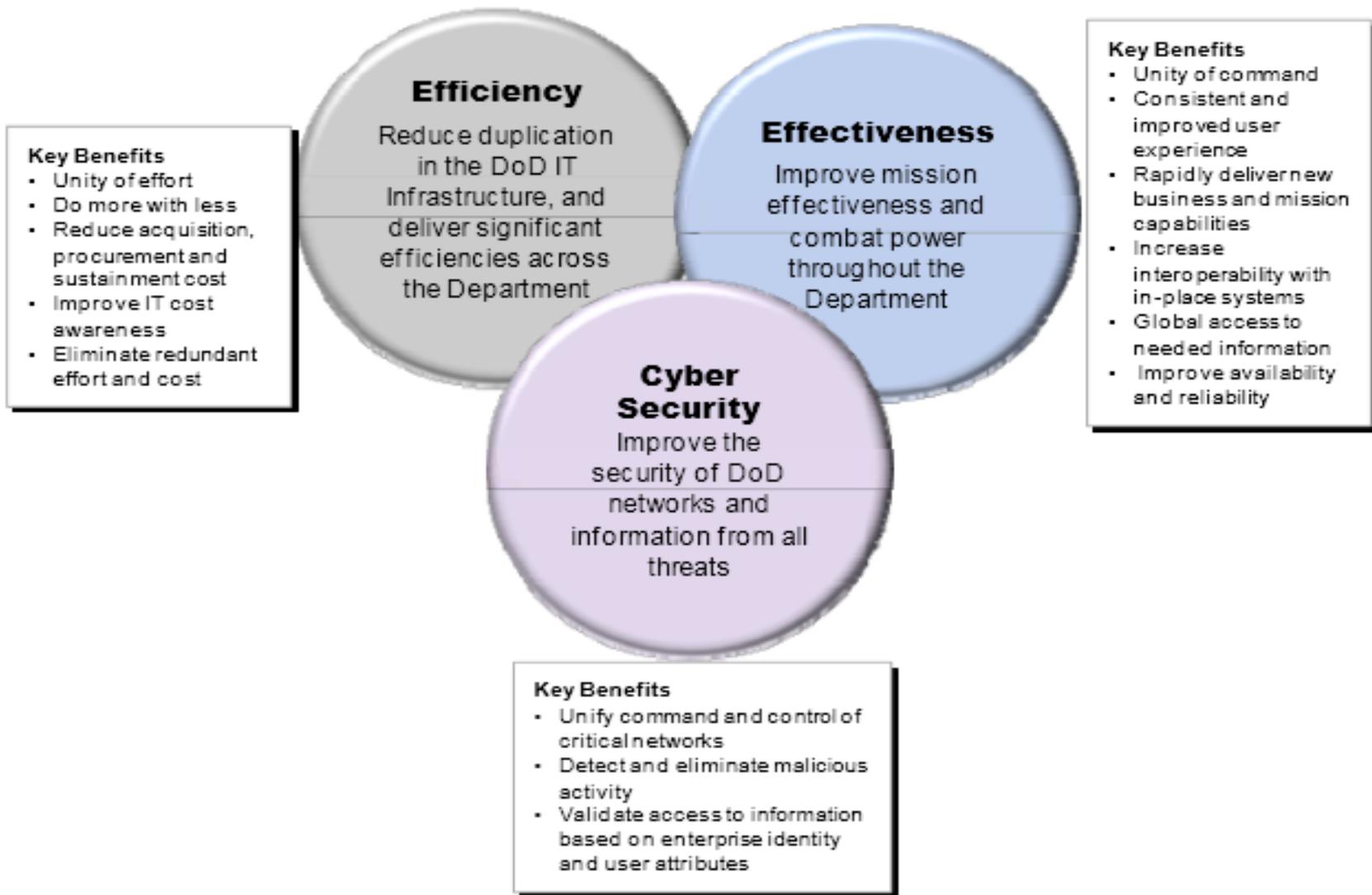


Figure 4-1: IT Infrastructure Enterprise Goals



JIE Guiding Principals & ESI

- All stakeholders commit to an enduring program
- Mission success is the first priority
- Commonality is the default; uniqueness is allowed, but only when essential for mission success
- DoD IT will operate in an enterprise model
 - We are developing the DoD plan, not separate component plans
- We will maximize utilization of existing efforts
- We will enhance security
- We will leverage the existing statutory framework

ESI Focus



IT Modernization Benefits

- Mission Effectiveness
 - Rapidly and dynamically respond to and support changing mission information needs for all operational scenarios
 - Users and systems will have timely and secure access to the data and services needed to accomplish their assigned missions, regardless of their location
 - Users and systems can trust their connection from end to end with the assurance that their activity will not be compromised.
 - Capabilities are still available during an event , even if they are degraded.
- Increased Security
 - The DoD can operate, monitor and defend the DoD's IT assets to attain and maintain information dominance.
- IT Efficiencies
 - Information assets are joint assets to be leveraged for all Department missions.
 - A consistent IT architecture supports effective fielding of Department capabilities.
 - The DoD has visibility into its IT expenditures through increased budget transparency.

ESI Focus



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Implementation: IT Modernization Plan

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DoD CIO 10 Point Plan for IT Modernization

- **IT Modernization Strategy**
 - Consolidate Infrastructure
 - Streamline Processes
 - Strengthen Workforce
- **Requires Partnerships Across DoD to achieve**
 - Improved mission effectiveness and user satisfaction
 - Reduced costs
 - Improved cyber security and interoperability
 - Agile, faster, and responsive delivery of IT capabilities

Enabling Agile, Secure, Efficient, and Effective DoD IT

Source: "DoD CIO's 10 Point Plan for IT Modernization," Ms. Teri Takai, March 2012,
<http://dodcio.defense.gov/Portals/0/Documents/ITMod/CIO%2010%20Point%20Plan%20for%20IT%20Modernization.pdf> (4/24/2012)



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IT Modernization: IT Strategic Sourcing

DOD IT MODERNIZATION

CONSOLIDATE INFRASTRUCTURE



1. Consolidate Enterprise Networks



2. Deliver DoD Enterprise Cloud



3. Standardize IT Platforms

STREAMLINE PROCESSES



4. Enable Agile IT



6. Strategic Sourcing for IT Commodities



8. Strengthen IT Investments



5. Strengthen IT Governance



7. Strengthen Cyber Security



9. Improve Enterprise Arch Effectiveness

STRENGTHEN WORKFORCE



10. Modernize IT

ESI Focus

6. Leverage Strategic Sourcing for IT Commodities

- Implement an enterprise approach for the procurement of common IT H/W & S/W
 - Develop a standard strategic sourcing process template for DoD
 - Review and analyze current IT hardware spending and identify a standard set of hardware for DoD-wide procurement
 - Save a min of 15% at purchase and another 15% over the next two years after purchase
- Establish a DoD Commodity Council
 - Co-chaired by AT&L/DPAP and DoD CIO

Source: "DoD CIO's 10 Point Plan for IT Modernization," Ms. Teri Takai, March 2012, <http://dodcio.defense.gov/Portals/0/Documents/ITMod/CIO%2010%20Point%20Plan%20for%20IT%20Modernization.pdf> (4/24/2012)



Secondary Alignment with IT Modernization Plan

CONSOLIDATE INFRASTRUCTURE

<p>1. Consolidate Enterprise Networks</p> <ul style="list-style-type: none"> Consolidate data centers and network operations Optimize to a joint enterprise architecture with secure access 	<p>2. Deliver DoD Enterprise Cloud</p> <ul style="list-style-type: none"> Develop and execute a strategy and standards for a secure DoD cloud environment. Leverage commercial clouds that meet cyber security requirements 	<p>3. Standardize IT Platforms</p> <ul style="list-style-type: none"> Minimize program-unique platforms Drive DoD use of standard platforms Design platforms that ensure a secure cyber environment
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Cloud Services (e.g., GSA EaaS)

Software Enterprise Licensing; UMGD

STREAMLINE PROCESSES

<p>4. Enable Agile IT</p> <ul style="list-style-type: none"> Lead the development of an Agile IT development methodology Provide Guidance to DoD On Agile IT Best Practices 	<p>5. Strengthen IT Governance</p> <ul style="list-style-type: none"> Restructure IT governance boards for enterprise view Improve DoD IT decisions, strategies, investments Streamline compliance processes 	<p>6. Leverage Strategy for IT Commodity</p> <ul style="list-style-type: none"> Implement an enterprise approach for the procurement of common IT H/W Establish a DoD Commodity Co
<p>7. Strengthen Cybersecurity</p> <ul style="list-style-type: none"> Develop enterprise cyber situational awareness including authentication Leverage automated tools and continual assessments Streamline certification and reinforce reciprocity 	<p>8. Strengthen IT Investments</p> <ul style="list-style-type: none"> Obtain transparency of IT investments Align IT Investments to DoD strategies Review performance of major investments 	<p>9. Improve Enterprise Architecture Effectiveness</p> <ul style="list-style-type: none"> Transition document based process to decision support model Develop EA Implementation Plan and Instruction

Compass SI Agreements

IT Asset Management

STRENGTHEN WORKFORCE

<p>10. Modernize IT Guidance and Training</p> <ul style="list-style-type: none"> Provide guidance to DoD on adoption of Agile IT best practices Leverage ongoing workforce initiatives Develop a robust IT acquisition community
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IT Acquisition Training & Tools

Source: "IT Modernization One Pager – Talking Points," (DoD CIO, March 2012), <http://dodcio.defense.mil>



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Leverage Strategic Sourcing for IT Commodities



**Enterprise approach for
procuring common IT
hardware and software**

**Establish a
DoD Commodity Council**

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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



BP1: Consolidate COTS 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



BP2: Consolidate COTS 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



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ESI – Delivering JIE Benefits



Benefits of Successful IT Modernization



Increase mission effectiveness



Strengthen cyber security



Improve outcomes of IT Acquisition



Faster capability deliveries



Improve interoperability



Save billions through cost efficiencies

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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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Questions?



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