

BEYOND THE RED TAPE

CONVERSATIONS WITH FEDERAL IT BUYERS ON IT AS-A-SERVICE

UNDERWRITTEN BY:



RESEARCH METHODOLOGY

GBC in partnership with ViON Corporation and Dell Technology launched a qualitative research campaign in December 2019. From December 2019 to January 2020, GBC conducted interviews with federal government technology leaders on topics surrounding organizations' cloud and as-a-service initiatives. The list of featured interviewees is as follows:

- **Benjamin Berry**, Chief Information Officer, Bonneville Power Administration (BPA)
- **Frank Konieczny**, Chief Technology Officer, U.S. Air Force (USAF)
- **Swarnali Haldar**, Chief Information Officer, National Archives and Records Administration (NARA)
- **Dovarius Peoples**, Chief Information Officer, U.S. Army Corps of Engineers (USACE)

INTRODUCTION

Government acquisition of IT services is experiencing a major transformation - the shift from traditional buy-a-box procurement to as-a-service.

In recent years, more federal agencies have found existing procurement models to be inadequate for acquiring and deploying the latest technologies to the workforce. While requirements-laden service level agreements can result in a solution that meets the exact criteria, these acquisitions often take months or even years to finish -- and fall far short of the pace at which IT innovations enter and exit the market on a daily basis.

This is why agencies are considering a new type of acquisition approach: buying IT as-a-service. By transitioning services to a public or private cloud environment and leveraging as-a-service OpEx consumption-based agreements, IT leadership can relinquish the high cost of owning and maintaining IT and instead focus their resources and their workforce more effectively to the mission.

To understand how the federal government is rethinking its approach to purchasing IT, Government Business Council (GBC) interviewed senior technology personnel and acquisition officials about their buying journey and early forays into as-a-service purchasing.

WHAT CHALLENGES HAVE YOU FACED WITH THE TRADITIONAL ACQUISITION MODEL?

DOVARIUS PEOPLES (USACE):

“Within the government, we’ve had trouble refreshing a lot of our equipment to where we’ve become dependent upon hardware that’s three to five years past end-of-life. We’ve run into issues regarding the level of description outlined in SLA’s [service level agreements]. Where the government may request five or six nines for availability [i.e. 99.999% uptime], in reality many contractors and private industry can’t keep up with five nines. That being the case, as-a-service has allowed us to be more interactive with our mission partners and scope -- what those requirements are -- and allow them to be innovative and to execute on a solution that they know is acceptable.”

SWARNALI HALDAR (NARA):

“The budgeting process and execution of the Federal Acquisition Regulations (FAR) will continue to be among the challenges facing our acquisition process. Specifically, the asynchronous relationship between the budget formulation process and the execution of the traditional acquisition methods and statutes. These challenges include over-engineered solutions or requirements for commercial as-a-service items; establishing an acquisition strategy, coupled with funding restrictions, that can support true modular and agile development; and completing procurement actions within the procurement action lead time based on funding source and cost constraints.”

BENJAMIN BERRY (BPA):

“From Bonneville’s standpoint, obviously we have mission critical applications that serve the electric grid, and then we have enterprise applications that serve the rest of the organization. So we have two sets of customers that we’re really dealing with, and really around cyber that encompasses both sets of customers. But there may be even more critical infrastructure that we have to protect because of the cyber concerns. From the cybersecurity perspective, we’ve run across a lot of vendors that are not familiar with FISMA, they’re not familiar with FedRAMP, they don’t understand federal requirements. And I’d say from my perspective, dealing with a lot of software purchasing, SaaS, and so on -- that’s a definite challenge.”

HOW DOES BUYING IT AS A SERVICE HELP YOUR AGENCY TO FULFILL ITS MISSION?

DOVARIUS PEOPLES (USACE):

“The Corps is a very unique organization, a unique Army entity. We have three major mission critical areas that we support. One of those is a Mil [military] program. The next is the civil works and critical infrastructure aspect. And then we have the disaster relief mission. All of those various areas support the nation in many different ways, and what as-a-service does is, it allows us to be flexible as well as agile with regard to how we provide response to disaster relief aspects of the mission. It also enables us to be more responsive from the service delivery component with regards to delivering laptops as well as a user capability due to the fact that our mission is so dispersed.”

SWARNALI HALDAR (NARA):

“As-a-Service products can help reduce developmental costs. Additionally, As-a-Service products and services eliminate the need to manage the IT infrastructure in order to run the applications, which results in optimizing limited IT resources and staff to handle higher priority workloads. It also helps to optimize our purchasing process by eliminating the need to acquire up-front IT infrastructure, resulting in faster delivery of products or services to the customer.”

WHAT HAS YOUR ORGANIZATION GAINED BY ADOPTING THE AS-A-SERVICE ACQUISITION MODEL?

DOVARIUS PEOPLES (USACE):

"First, it gets you out of the business of having to do lifecycle refresh on your own as an organization, which requires capital and an extensive forecast in a roadmap, to be able to ensure that you are on track with refresh and those type of things. So what as-a-service pretty much does is it allows an integrator to be able to provide you these capabilities and services. It gives them the ability to be agile with regards to the solutions that they're providing to you. So now, instead of me dictating the rules, I'm more so receiving what they're providing and I, as the government, I'm doing the adjudication within.

But the as-a-service construct has not just assisted us from an IT standpoint, it's also assisted us from a workforce modernization standpoint. It allows us to have our technicians be less technical-oriented with regard to services and allows them to be more strategic and provide that oversight that the government should have over a lot of these capabilities. It's really transforming the technical person into more of a modernized, futuristic thinker who can keep up with evolving technologies."

HOW DOES CLOUD FACTOR INTO YOUR BUYING PROCESS? IS IT THE GAME-CHANGER MANY HAVE PREDICTED IT WOULD BE?

DOVARIUS PEOPLES (USACE):

“Cloud has allowed us to develop more of a triple active architecture, which means there’s no zero perceived maintenance or downtime. Your capability is always up. I think on average most organizations spend at least a hundred hours downtime, patching and those types of things on-prem that are not in the cloud. So cloud provides us with those zero perceived maintenance windows, meaning we won’t have to take systems offline. From a productivity standpoint, that means that application can always be up and always accessible.”

BENJAMIN BERRY (BPA):

“What makes business sense for the business? That’s the first thing we have to consider. Who’s gonna use it, who will have access to it -- those questions have to be figured out first. We ask: is it cost-effective to host it in the cloud and does that speed the implementation? The mental gyrations we go through means it’s never just “Okay, we’re going to put everything in the cloud.”

IS IT IMPORTANT FOR IT AND ACQUISITION FOLKS TO HAVE ACCESS AND VISIBILITY TO THE SAME FINANCIAL MODEL SO YOU CAN AGREE ON HOW TO ADJUST WORKLOADS WHEN THE NEED ARISES?

DO YOU SEE PROBLEMS HERE WITH MISALIGNMENT?

FRANK KONIECZNY (USAF):

"I think the acquisition team is not being educated as to what is really going on in technology. I mean, you have to pull them together. The old buying way was, look at requirements and make sure that they're satisfied and pay money. That's not necessarily what you have to do in the new way. The new way is: look at what I'm going to get out of it and the capability. We've gone from requirements to capabilities. This is a big deal, and it changes what the financial community has to look at. You have to have unison there."

SWARNALI HALDAR (NARA):

"Yes, acquisition folks should have visibility of the out-years budget including our IT Portfolio life cycle management roadmap since their workload planning, i.e. procurement action lead time (PALT), is based on the budgeted total estimated implementation cost. My Leadership Team also established a monthly Acquisition Status Review Meeting to address exactly this concern."



FROM AN INDUSTRY EXPERT:

ROB DAVIES, EXECUTIVE VICE PRESIDENT OF OPERATIONS, VION

When considering how to make the most of their multi-cloud environment, federal buyers should look to management solutions that provide centralized automation, orchestration, provisioning, and monitoring of all their cloud environments. Some key features that should be considered include:

- **Self-service IT and user empowerment**, so users can order what they need, when they need it. This is especially critical in a DevOps environment, where requirements are dynamic and can shift quickly.
- **Centralized Management** via a unified dashboard across the entire technology spectrum that includes existing infrastructure, private, public and hybrid clouds. In addition to management, you want a solution that can provide instant insights, reporting and analytics for maximum performance and efficiency.
- **Integration** with new and existing deployments to seamlessly build-out future cloud environments. Extensibility between future and legacy technology is essential for to expand and support new capabilities and applications.
- **Service lifecycle management and orchestration** that enable systems, applications and environments to be deployed in minutes with end-to-end automation. Workloads should be able to move seamlessly between Cloud environments.
- **Role-based access control and governance** that defines and enforces access by user role across all systems. Organizations need to be able to control who submits orders, who approves and where charges are billed, to be able to effectively manage costs

WHAT LESSONS HAS YOUR AGENCY LEARNED BY TRANSITIONING FROM A CAPEX MODEL TO AN OPEX MODEL LEVERAGING CLOUD SERVICES?

FRANK KONIECZNY (USAF):

"Let's take a particular instance. We moved one of our ERP systems over to a cloud in a SaaS environment and it's been marvelous. It actually works well. We don't have to worry about maintaining it. We don't have to pay for it as much. Actually, we probably pay a little less because it's only being served and used accordingly. People are seeing that it's more effective and resilient -- and if they have to make changes, they can make the changes immediately as opposed to anything else. We have a bunch of airmen who are very young and expect this anyway; they expect everything to happen really quickly. If a change comes, they want it to be transparent to what they have to do. We have to manage that environment in a way at the top level that says, "yes, we do support what you're doing in your mission."

SWARNALI HALDAR (NARA):

"It is very important to educate our workforce and stakeholders not only regarding this OpEx model but also the implementation of improved and new processes that complement the OpEx model. Our agency-tailored processes will help all stakeholders have a better understanding of their role in the IT investment and procurement processes. To help build this awareness we are now in the process of documenting and formalizing the improvements as part of our standard business processes."

DOVARIUS PEOPLES (USACE):

"We have learned that if you don't identify all of your boundaries and just move everything in the cloud without sculpting it, since there are multiple cloud environments out there, it will cost a significant amount of money if you don't properly scope it and identify the landing spot, the environment, and then consolidate everything into that environment."

WHAT ARE YOUR TOP TECHNOLOGY BUYING PRIORITIES IN 2020?

FRANK KONIECZNY (USAF):

“Mobility. We want to be more mobile and provide the communications capability as well as the device capability to the airmen, especially on the battlefield and maintenance field. Second, we want more technologies in terms of data management, data guarding, data capabilities, and securing data because we’re going from a network-centric defense to application data-centric defense. And finally, I would say we are looking at how new technologies like AI and analytics and quantum can be applied to the particular mission sets we have in the Air Force.”

SWARNALI HALDAR (NARA):

“Our top buying priorities for 2020 include Enterprise Infrastructure Solutions and Enterprise Cloud. As CIO, my top technology priorities include infrastructure modernization (ie. bandwidth and storage) and cloud-based services and solutions such as customer relationship management (CRM) application and digitization.”

DOVARIUS PEOPLES (USACE):

“4G and 5G are at the top of our list. We’ve deployed 4G to a plethora of sites within the Corps now, in distant locations, for the disaster recovery mission. Data management, cloud migration, data strategy. Being able to untether the end user from the desktop since we are a dispersed organization and dispersed geographically. Having users at their desks is not optimal or feasible to move the mission. So we’re trying to make those end users more mobile. Other priorities are two factor authentication for mobile devices, IT transparency, cybersecurity, and workforce modernization.”



ABOUT GBC

As Government Executive Media Group's research division, Government Business Council (GBC) is dedicated to advancing the business of government through analysis, insight, and analytical independence. An extension of Government Executive's 50 years of exemplary editorial standards and commitment to the highest ethical values, GBC studies influential decision makers from across government to produce intelligence-based research and analysis.



ABOUT VION CORPORATION

ViON Corporation is a cloud service provider with over 39 years' experience designing and delivering enterprise data center solutions for government agencies and commercial businesses. The company provides a large portfolio of IT as-a-Service, including infrastructure, multi-cloud and artificial intelligence (AI) solutions. Focused on supporting the customer's IT modernization requirements, ViON's Enterprise Cloud is changing cloud management for the market, providing a streamlined platform to audit and control technology in an evolving multi-cloud world. The ViON Marketplace™ allows customers to research, compare, procure and manage a full range Everything as-a-Service solutions from leading manufacturers via a single portal. ViON delivers an outstanding customer experience at every step with professional and managed services, backed by highly-trained, cleared resources. A veteran-owned company based in Herndon, Virginia, the company has field offices throughout the U.S. (vion.com).



ABOUT DELL TECHNOLOGIES

Dell Technologies' integrated solutions bring the power of our portfolio together in workload specific solutions such as ready solutions for machine learning and other forms of AI. Sold as an on premise as-a-Service capability in an open model or an easy to deploy and support capital investment for research and development, these solutions accelerate adoption of AI. Learn more at www.dellemc.com.