



U.S. General Services Administration

# Federal Acquisition Service

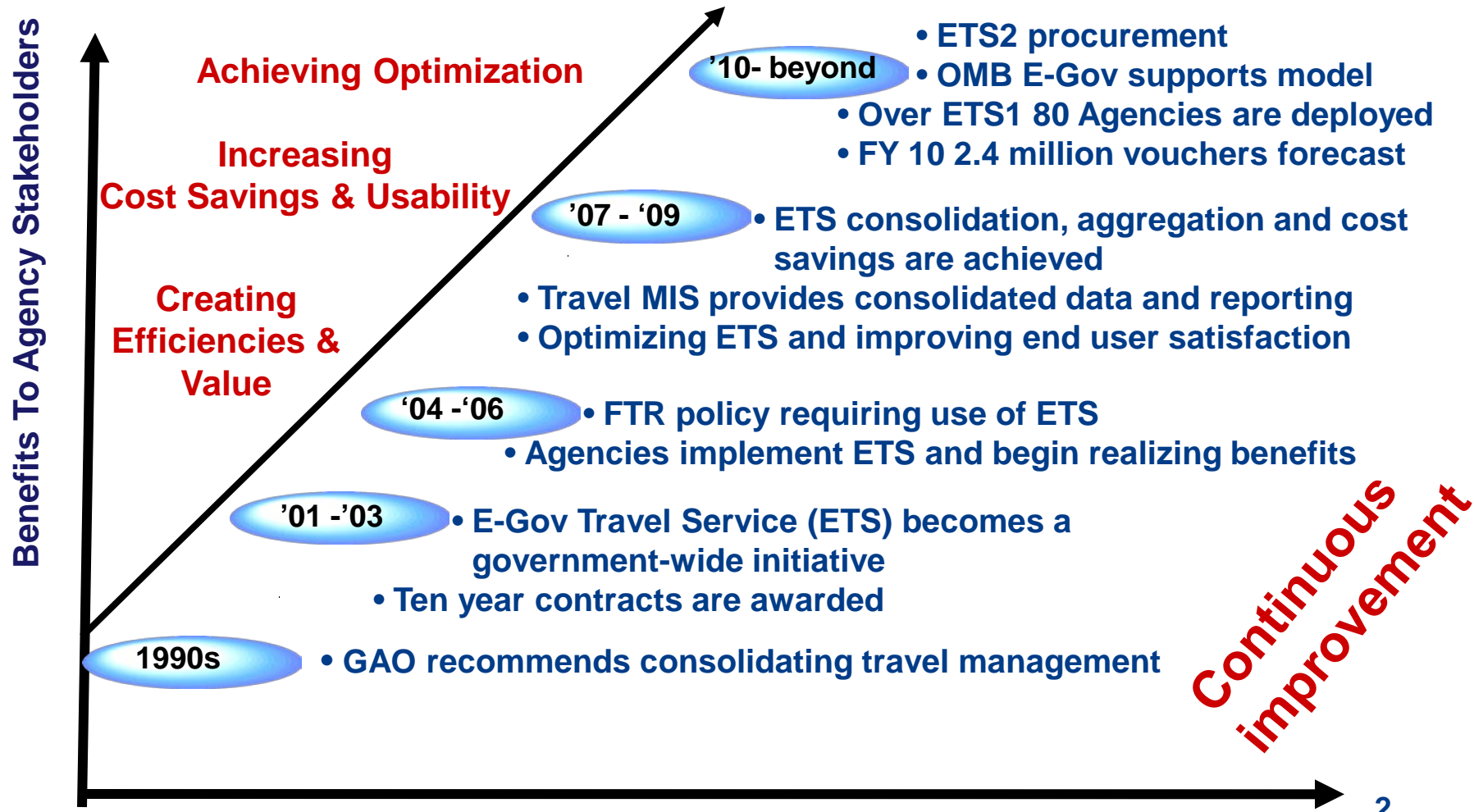
## E-Gov Travel Service 2 (ETS2)

National Travel Forum

June 29 – July 1, 2010



# Path to Date: Government-wide Travel Management





## Baseline Accomplishments of ETS1

- Over 80 Executive Branch agencies on common, secure, web-based, integrated end-to-end service
  - Eliminated over 250 disparate, non-web-based, paper driven systems costing \$180M annually
  - Positioned data transparency, accountability, and leveraged the government's purchasing power
  - Positioned commercial technology to leverage future technology such as cloud
- Increased on-line reservation use from less than 5% in 2003 to over 70% in 2010 = over \$30M savings annually
- Reduced reimbursement cycle time from 28 days to 3/4 days

ETS1 delivered a foundational platform to support **professional travel management** in the Federal government to **manage policy and cost containment** of Federal Agency travel budgets.



## **Conducted a 12 month comprehensive due diligence process**

- Performance Gap Analysis, Stakeholder Analysis, and Risk Assessment
- High-Level Requirements and Alternatives Analysis
- Performed analysis of multiple scenarios
  - Number of ETS Vendors
  - Contract period of performance
  - GSA service delivery model
- Market Research – Voice of the Customer and Industry



## Strategic Technology Buy

- ETS2 - one of the largest government-wide technology acquisition/implementations in next 4 years
- Opportunities to realize cost savings and budget offsets:
  - Economies of scale/skill through consolidation and shared services
  - Reduced Systems Integration costs through standard interfaces with general ledger
  - Improved management of agency travel budgets
  - Positioned for Cloud Computing
    - Infrastructure as a Service (IaaS)
    - Software as a Service (SaaS)



# Voice of Customer

- **Market Research and Outreach**
  - Over 50 meetings with stakeholders
  - 3 full-day meetings on customer ETS2 requirements
- **Governance Council and Committee Briefings**
  - Travel Programs Executive Governance Council
  - Chief Financial Officers
  - ETS Migration Managers
- **Administration and OMB E-Gov/OFFM Alignment**
  - Investment management, openness and transparency, collaboration, cyber security, internal efficiency/effectiveness



## Industry Updates

- Vigorous competition from existing and new entrants
- Requirements normalized for government-wide use
- IV&V before award to confirm capabilities: places a premium on a complete, comprehensive solution
  - Incumbents:
    - Must build on or upgrade 2002-2003 architecture
    - Must invest in and build to requirements they don't meet
  - Potential New Market Entrants:
    - Commercial end-to-end capabilities, scalable operations, configurable solutions, and tech refresh models
    - Must invest in and build to government requirements



## ETS2 Direction

- Conduct an acquisition in 2010-2011
- Pursue longer term contract: 15 years vs. 10 years
- Continue with a commercial performance-based contract that leverages service level agreements
- Consolidate the market: from 3 vendors to 2 or less
  - Encourages participation by new entrants
  - Results in a potentially lower price point
  - Motivates investment in service improvement and innovation
- Continue to refine the managed/shared services model

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## **ETS2 Enhancement Goals: Optimize performance through competition and consolidation**

- Improved Usability
- Optimized Online Travel Planning
- Improved Vendor Performance
- Strengthened Operational Environment
- Financial Management Controls
- Security

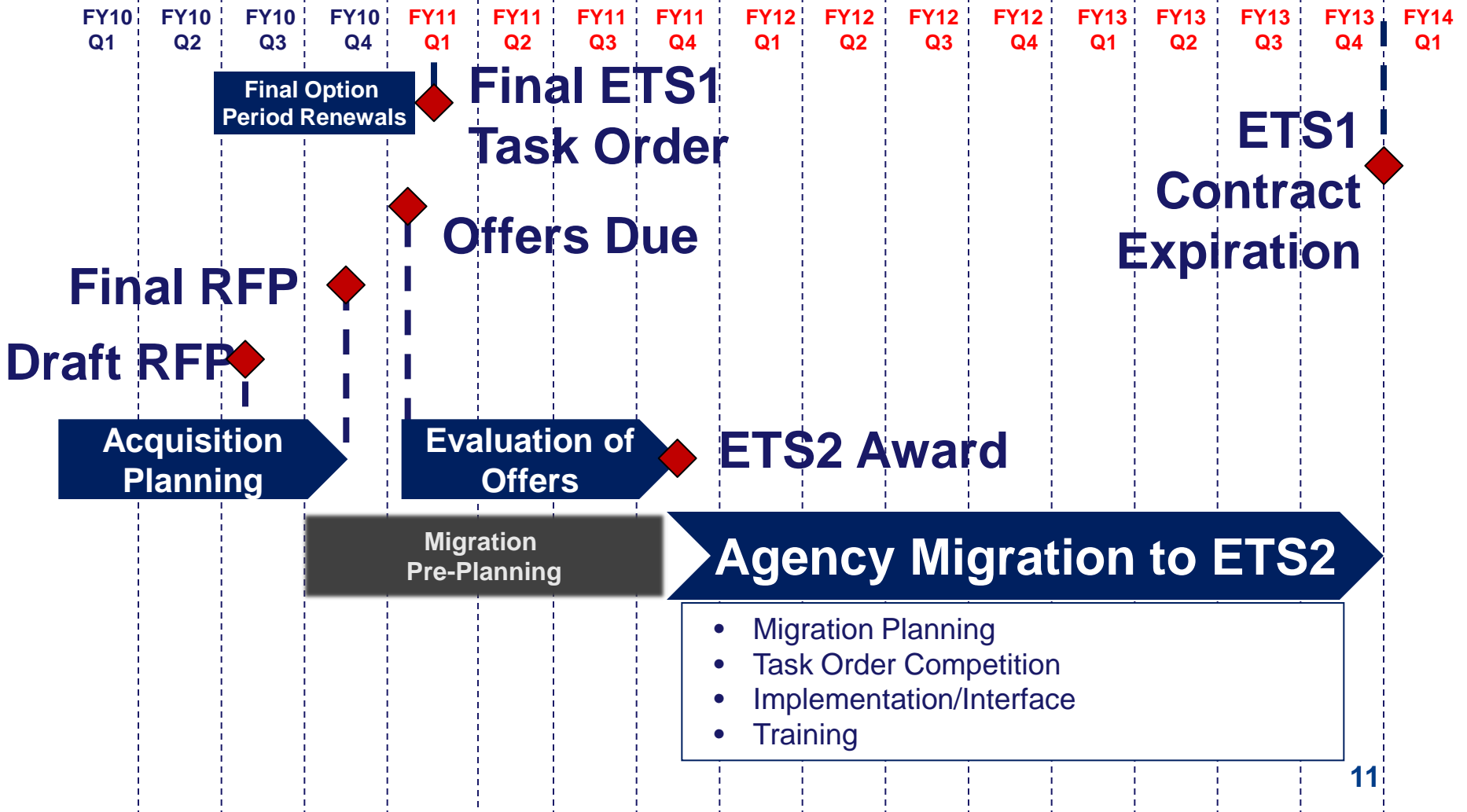


## Acquisition Goals

- Motivate New Entrant Participation and Innovation Among All Bidders
  - Aggregate government market and requirements
  - Consolidate market to increase opportunity for sustainable transaction volume
  - 15 year period of performance
    - Provides longer period to recover development costs
    - Mitigates Agency disruption from frequent cycles of acquisition and deployment
- Contain cost to government
  - Reduce implementation and transition from ETS1 levels
  - Contain transaction fee costs

# Notional Timeline

## ETS1 Period of Performance



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## **Contact Information**

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