

ADDRESSING THE NEEDS OF GSA'S NETWORK SERVICES CUSTOMERS FOR

GSA stands ready to help you lower costs to provide networking and telecommunications solutions. GSA's Networx, Connections II, and IT Schedule 70 offer services that increase user satisfaction, offer new features, and lower overall cost per employee.

EFFICIENT, COST-SAVING, SECURE, AND MISSION-FOCUSED SOLUTIONS.



How do federal IT executives and managers know if we're doing a good job? Quantitative measures for performance, reliability, user satisfaction, and security help us gauge success, failure, or need for improvement.

Could we measure success by financial performance? We can't simply compare our agency's telecommunications budget to other agencies to see how we perform because of differing requirements. Networking requirements and telecommunications budgets vary from agency to agency, depending on number of employees, number and size of locations, agency's mission, bandwidth demands of applications used, and number of user devices within the agency.

One way to gauge financial success in the area of telecommunications and networking is to normalize the measurement on a key metric that drives expenditures. At federal agencies, most employees have a computing device, a desk phone, and/or an agency paid mobile

telephone. The number of employees determines number of Local Area Network (LAN) ports and capacity of Wide Area Networks. The number and types of employees determine how voice, data, and video applications are provided and how many mobile devices and device plans are required. Indexing telecommunications financial success on spending per employee has merit.

You could measure financial performance each year, compare to Figure 1 data, and identify where to reduce costs, continue to meet mission, and deliver value to users.

In 2012, Networx saved customers over \$700M compared to commercial pricing. Further opportunities to cut costs include:

 Government spends over \$60M per year on long distance charges via Networx.
Adopting Voice over Internet Protocol (VOIP) Technology can reduce the need for desk phones, inside plant wiring for voice, and local/long distance charges.

 Wireless LANs can lower yearly cost per employee and make employees more mobile, which lowers facility costs.

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- The government has thousands of separate contracts with the same few carriers for wireless devices and services. With GSA's upcoming federal strategic sourcing initiative Blanket Purchase Agreement (BPA), agencies can consolidate and fulfill requirements with fewer contracts to lower per employee annual cost.
- Web conferencing services available on Networx and other GSA contracts include a voice capability that can replace more costly toll-free services. In FY2012, the federal government spent over \$120M on toll-free services.

Let us know what else GSA can do to deliver better value and savings to help lower costs. Contact your <u>Technology Service Manager</u> for more information.



GSA's Network Services Program

Email: fasnetworkservice@gsa.gov

Web: <u>Telecommunications and</u> Network Services

COSTS	North American Enterprises (Gartner IT Key Metrics Data)	Federal Government (GSA Estimate)
Year	2011	2012-2013
Cost for voice/year/employee	\$562	\$662
Cost of data/year/per employee	\$742	\$794
Total Cost/year/employee	\$1,304	\$1,456

Figure 1: The government estimate is within 12% of Gartner data. Overall, government is an information oriented enterprise where demand on network services is generally greater than an average enterprise. The \$1300-\$1450 baseline range per employee may help you baseline your own network services costs and look for ways to lower them.