

KEY TAKEAWAYS

The Sharing Quality Services (SQS) strategy intends to:

1. Improve mission support services to agencies so they can focus on delivery to taxpayers
2. Create process improvements so our workforce can focus on higher value work that aligns with agency missions (NOT reducing workforce)
3. Agreed upon standards so we can bring new and modernized tools to government in a common and efficient way
4. Increase use of existing shared services, like fleet, that already produce value
5. Begin to plan for QSMOs that will create marketplaces for specific mission support functions

FREQUENTLY ASKED QUESTIONS

1. What are the benefits of shared services?

- Shared services is an industry best practice that can improve the effectiveness and efficiency of the federal government.
 - State governments, nonprofits and businesses (including more than 90% of Fortune 500 companies) have reduced costs and improved effectiveness by adopting shared services. By driving standards in capabilities, data, business processes and technology to streamline administrative activities, leaders in these fields have found the greatest gains in efficiency.
 - Reducing administrative burden on non-mission critical work -- like processing financial or human resource transactions -- through shared services empowers agencies to devote resources to their most critical missions.
 - Shared services enable data-based decision-making through access to reliable, standardized and just-in-time data for better management.
 - In many mission support areas, agencies benefit more from being similar to other agencies and leveraging a shared solution rather than from maintaining their own practices and systems that don't produce value by being unique.
 - Shared services can help agencies attain economies of scale through consolidating and modernizing technologies across the government.
- The SQS Cross Agency Priority (CAP) Goal is designed to increase government efficiency, not eliminate jobs.
 - Sharing services can help agencies save time and money and create a more nimble workforce focused on higher value work.
 - The knowledge and expertise of federal employees will be critical to its success. It is important that the federal government retain that expertise, even if specific day-to-day activities evolve.

- As duplicated functions are consolidated over time, agencies have many tools available to help optimize, reskill and shift resources to higher value work.
- By focusing more time and effort on the core functions that fundamentally make one agency different from another, we are able to further develop deeper levels of expertise.
- Shared services can bridge the current disconnect between the costly investment in administrative services and low satisfaction rates among federal leaders.
 - As stewards of taxpayer dollars, we owe it to the American people to spend them wisely. Each year the federal government spends billions on administrative services, but 38 percent of federal leaders report low satisfaction with mission support services.
 - Adopting shared services will allow agencies to introduce innovations like robotics, data analytics, automation and continual improvement that drive further efficiencies and performance gains, while freeing up our workforce to focus on achieving their most critical missions.
- Change is difficult and we are just getting started. Achieving the benefits of shared services is a long-term effort that will challenge leaders to rethink their decision-making.

2. Shared services has been tried before, what will make it different this time?

- This strategy is informed by the successes and lessons learned from previous initiatives and identifies a long-term vision that will deliver better value and outcomes for American taxpayers.
- There are great examples of how shared services work in government today – such as the efficiencies and scale GSA can deliver when managing agencies' vehicle fleet. Managing this shared service resulted in a savings of \$0.23 cents per mile driven when GSA manages an agencies' fleet compared to when agencies manage their own.
- We are using a well-researched, data-driven approach to identify common standards. The underpinning of this entire effort is ensuring we follow standards to help determine where sharing opportunities make sense and where they do not. It is the essential first step that will drive economies of scale and leverage the government's buying power.
- This effort moves away from the current "one size fits all" model and creates long-term options for agencies based on their own maturity and readiness. It allows agencies to partner with Quality Service Management Offices (QSMOs) to incrementally implement a sharing model at their agency, which may include technology, services or both.

3. How are the QSMOs different than the current federal providers?

- Each QSMO will operate as a government storefront/manager of the marketplace for a specific functional area and will serve in important capacities such as offering and managing marketplace solutions based on government-wide standards, commonly integrating shared solutions, working with customers to ensure they have a voice and addressing the need for any federal-unique requirements. QSMOs will offer multiple solutions for technology and services.
- Legacy providers¹ traditionally offered one solution with varied flexibilities to respond to agency needs for technology and/or services or both. In addition, legacy providers were

¹ AGENCIES LISTED WERE PREVIOUSLY DESIGNATED BY EITHER THE OFFICE OF MANAGEMENT AND BUDGET (OMB) OR AN E-GOV MANAGING PARTNER. PLEASE SEE THE LIST OF LEGACY PROVIDERS ON [HTTPS://USSM.GSA.GOV/QSMO/](https://ussm.gsa.gov/qsmo/).

sometimes housed in agencies whose mission was inconsistent with the services provided, limiting their capacity to scale, innovate or implement fair governance models. Now, we have aligned services with agency missions for long term stability.

- The QSMOs will partner with legacy providers/agencies who are providing services external to their agency to determine their modernization strategy and timing for migrating themselves and their customers to one/many of the new QSMO technology offerings (via a Joint Business Case document). Approval to partner with the legacy provider/agencies must come from the agency Deputy Secretary (in collaboration with the Senior Accountable Point of Contact (SAPOC)), as well as final approval on the path forward. Agencies that have a need for new investment to modernize or enhance their software or services in an area where a QSMO is pre-designated or designated must engage with the QSMO to discuss their goals, business needs and timelines. QSMO offerings will leverage the government wide standards (also known as the Federal Integrated Business Framework).

4. How will you ensure offerings meet agency needs and federal requirements?

- We have identified lead agencies to work on creating standards for each functional area, in partnership with their cross-agency community, to make sure every agency has the opportunity to contribute their own requirements to the enterprise-wide effort.
- Once the majority of the standards are agreed upon by the cross-agency community, it may be considered a good candidate for sharing. If there are regulatory or legislative reasons for something to be different for an agency, that will be addressed outside of the standards process.
- There is also a set of QSMO criteria, informed by industry best practices and many years of lessons learned, to guide the QSMO agencies as they stand up new service offerings. The role of the Shared Services Governance Board (SSGB) is to validate that those offerings align to the criteria and to help propose corrective actions when necessary.
- The governance board membership consists of two representatives from each federal CXO management council, or the “voice of the customer.”
- QSMOs will institute a customer engagement and feedback model that allows for continuous improvement and performance management of solutions.

5. What is the vision for governance associated with this effort? How will the voice of the customers (aka agencies) be heard?

- Agencies have been involved for years in building the standards that are the backbone of this strategy.
- The Office of Management and Budget (OMB), GSA’s Office of Shared Solutions and Performance Improvement (OSSPI), the SSGB and the President’s Management Council (PMC) will continue to guide the future vision for this effort, hold the QSMOs accountable for their objectives, share the voice of the customer and provide guidance on challenges and risks as they arise.

6. Now that M-13-08 has been rescinded, how will OMB ensure customer agencies share?

- As the memo states, it will take time to stand up QSMO offerings that will give agencies options for modern technology and services. Once an agency is pre-designated as a QSMO for a particular set of mission support functions, agencies should engage with the QSMO to discuss their goals, business needs, and timeline.

- Please refer to the Investment Action Plan process on ussm.gsa.gov for further detail on working with the QSMO to assess business needs and, if needed, submitting an Investment Action Plan to leverage services outside of the QSMO.

7. How will the government ensure the systems are not heavily customized?

- Standards will be completed before the government pursues the designation of a QSMO or the acquisition of any new solutions. The governance for standards is included in the CAP Goal slide deck.
- The QSMO will be responsible for helping agencies rethink legacy business processes to drive to the new standard solutions and services offered through the QSMO.
- QSMOs will establish Task Order Review Boards to review task orders for compliance with standards and approve any federal-unique requirement.

8. Is the memo actually “mandating” using the QSMO or just noting that OMB will review investment requests?

- The QSMO will be the centralized location for future services and solutions for their designated service areas once established. Agencies should engage with the QSMO to discuss their goals, business needs, and timeline. Any deviation from the QSMO services will require QSMO and OMB agreement.

9. What will be the role of industry and government?

- The partnership with industry is critical to the success of this strategy. Industry will be asked to bring modern, configurable and service-oriented solutions to government to reduce any unnecessary or duplicative footprint and the risk of operating aging technology. Additionally, industry is expected to bring solutions that are innovative and improve customer service.
- Industry will also be instrumental in helping to provide business support to allow government to be more agile and responsive to changes in demand.
- QSMO determinations about the sourcing of these solutions will be made in accordance with the FAR. Specifically, FAR sections 10-12 require, among other things, that the government: perform market research to determine if commercial items can meet the Government's needs before looking at developing something exclusively for the Government's use; use commercial items when they are available and require prime contractors and subcontractors to also use commercial products to the maximum extent practicable and; write its requirements in such a way that it encourages offerors to supply commercial solutions.
- However, there also is still an inherently governmental role with the QSMO to drive standardization across government, manage contracted solutions, coordinate how government will satisfy unique federal requirements and manage the integration of solutions across QSMOs and with agency systems through common interfaces for example. Government learned this lesson the hard way with the implementation of the travel systems - just because a common contract exists does not mean that there will be shared solutions and economies of scale. The role of developing and enforcing the standards falls to government.

10. I am at an agency whose system was recently modernized. Are you going to make my agency move to a QSMO?

- As agencies begin to set their strategic plans, they should engage with the QSMOs. The SQS memo does not set timelines for transition but rather encourages agencies to engage with QSMOs to plan for the next phase of the technology/service prior to its end of life.

11. Your memo says that agencies need approval prior to soliciting proposals for modern solutions. Does that apply now even though the QSMOs were just set-up and do not have solutions yet?

- Agencies that have a need for new investment to modernize their software or services in an area where a QSMO is designated or pre-designated, should engage with the QSMO to discuss their goals, business needs and timelines. Please refer to the Investment Action Plan process on ussm.gsa.gov for further detail on working with the QSMO to assess business needs and, if needed, submitting an Investment Action Plan to leverage services outside of the QSMO.

12. You pre-designated Treasury as the financial management QSMO; does this mean Oracle is the only Financial Management (FM) system since that is the offering of Treasury ARC?

- As the pre-designated QSMO for Financial Management, Treasury will be looking to offer Federal agencies access to a variety of financial management services and solutions to achieve their agency goals. As part of this offering, Treasury's QSMO will provide options (beyond software) offering financial services and systems which meet Federal laws, regulations and standards. The options will exist to foster continuous innovation, standardization and cost savings.

13. What functions are being designated under each service area (e.g. Core Financial Management (FM), Human Resources (HR) Transaction Services, Grants, Cybersecurity) that require OMB approval for investment?

- The pre-designation phase is to allow the QSMOs to begin to plan for implementation and what services will be provided when. Specific scope of timeline of services offered by the QSMOs will be determined and defined during the pre-designation phase.
- The DHS Cybersecurity QSMO has been designated for the following services: Security Operations Center standardization, Vulnerability Management standardization, and DNS Resolver service.

14. How are designation decisions made? Who is involved?

- Once a pre-designated QSMO submits its 5 year Marketplace Implementation plan for consideration, the plan is reviewed by the SSGB, GSA OSSPI and OMB;
- OSSPI coordinates the feedback/comments and provides a consolidated set of questions/feedback/comments to the pre-designated QSMO;
- The pre-designated QSMO presents its marketplace plan to the SSGB (intended to be a verbal summary of their plans and an opportunity to address additional questions from the SSGB);
- SSGB votes on their designation recommendations and this recommendation is send to OMB for consideration;

- OMB and pre-designated QSMO engage in direct discussions to finalize the plans including funding strategies; and
- OMB makes final determination and announces QSMO designations.

15. Will QSMOs be designated for additional services in the future?

- Based on need or customer demand, additional services could be added to any QSMO designation.

16. Are designated (and pre-designated) QSMOs open for business to new customers now? If I have an investment request in a functional area where there is a designated (and pre-designated) QSMO am I required to contact the QSMO?

- As memo M-19-16 states, once an agency is pre-designated as a QSMO for a particular set of mission support functions, agencies are to engage with the QSMO to discuss their goals, business needs, and timeline.
- Please refer to the Investment Action Plan process on ussm.gsa.gov for further detail on working with the QSMO to assess business needs and, if needed, submit an Investment Action Plan to leverage services outside of the QSMO.

17. Where I can find out more information, if I am interested in being a customer of a designated QSMO? Will the QSMO's 5-year Marketplace Implementation plan be made public?

- QSMO information and POCs are provided on the SQS MAX pages.
- Once designated the approved plan will be made available to the agencies via the MAX community page.
- Key milestones will be made publicly available via the CAP Goal update materials.

18. How will QSMOs be held accountable for delivering on their goals?

- The PMC, OMB, the SSGB, SAPOCs, and GSA's OSSPI will continue to guide the future vision for this effort, hold the QSMOs accountable for their objectives, share the voice of the customer and provide guidance on challenges and risks as they arise. See more on the governance structure on ussm.gsa.gov