
Category Management

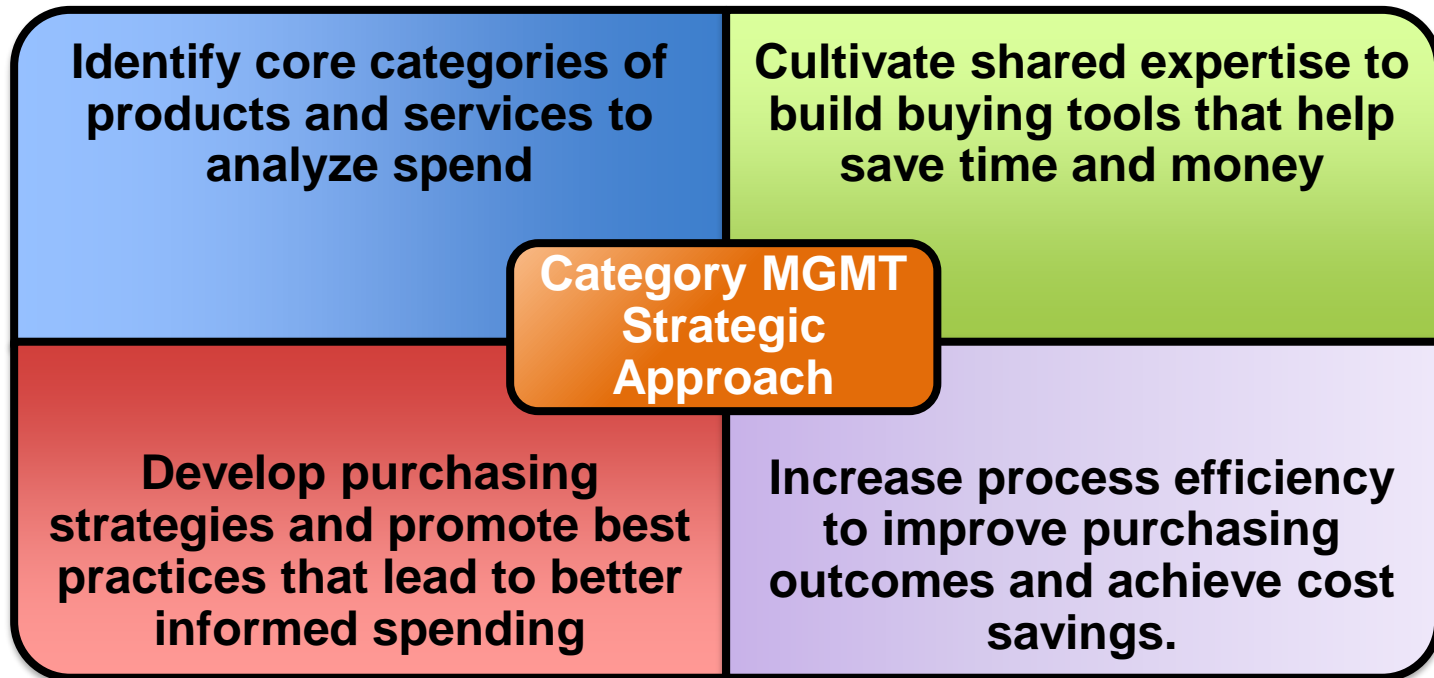
GSA'S Office of Small Business Utilization (OSBU)

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What is Category Management?

Category Management is a strategic approach that enables the Federal Government to buy like a single enterprise. It involves managing large categories of procurement spend on commonly purchased goods and services.




Navigating your Travel



As a consumer, tools are available to navigate open markets and find best prices. These tools help save time and almost guarantee that you are getting the best deal available.

Flight, Hotels, Rental Car



Category Management maximizes purchasing power to bring speed and savings consumers have, to the Federal Government, by allowing us to buy as one.

Business Case for CM

Need to Close Price Variance Gap

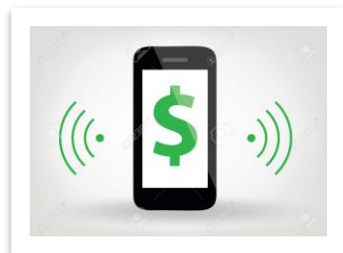
Same purchase – different prices

500%



\$5-\$25

400%



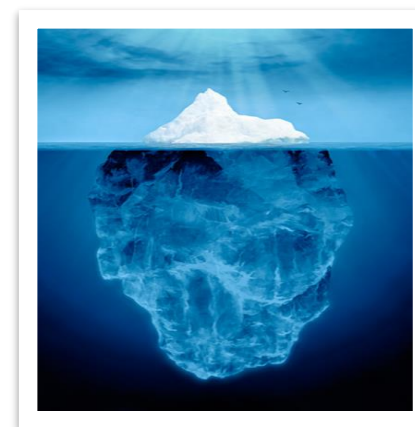
\$23-\$91

286%



\$453-\$1,298

Limited



Govt-wide
Visibility



Category Management Scope: Government-wide Common Spend Categories

Total FY17 spend **≈\$499.5B** | Common spend **≈\$307.6B** | Common spend under management **≈\$127.7B (42%)**

Facilities & Construction ≈\$83.8B

- Construction Related Materials
- Construction Related Services
- Facilities Purchase & Lease
- Facility Related Materials
- Facility Related Services

Professional Services ≈\$72.2B

- Business Admin Services
- Financial Services
- Legal Services
- Management & Advisory Services
- Marketing & Public Relations
- Research & Development
- Social Services
- Technical & Engineering Services

IT ≈\$57.3B

- IT Software
- IT Hardware
- IT Consulting
- IT Security
- IT Outsourcing
- Telecomms

Medical ≈\$42.7B

- Drugs & Pharmaceutical Products
- Healthcare Services
- Medical Equipment, Accessories, & Supplies

Transportation & Logistics ≈\$27.4B

- Fuels
- Logistics Support Services
- Motor Vehicles (non-combat)
- Package Delivery & Packaging
- Transportation Equipment
- Transportation of Things

Industrial Products & Svcs ≈\$11.3B

- Basic Materials
- Fire/Rescue/Safety/Environmental Protection Equipment
- Hardware & Tools
- Industrial Products Install/Maintenance/Repair
- Machinery & Components
- Oils, Lubricants, & Waxes
- Test & Measurement Supplies

Security & Protection ≈\$5.5B

- Ammunition
- Protective Apparel and Equipment
- Security Animals and Related Services
- Security Services
- Security Systems
- Weapons

Human Capital ≈\$4.5B

- Compensation & Benefits
- Employee Relations
- Human Capital Evaluation
- Strategy, Policies, & Ops Planning
- Talent Acquisition
- Talent Development

Office Management ≈\$2.3B

- Furniture
- Office Management Products
- Office Management Services

Travel ≈\$1.2B

- Employee Relocation
- Lodging
- Passenger Travel
- Travel Agent & Misc. Services

Spend Under Management Tiered Maturity Model

Tier3

Best in Class Solutions—Dollars obligated on Best in Class solutions

Tier2

Multi-Agency Solutions—Dollars obligated on multi-agency contracts that satisfy rigorous standards set for leadership, strategy, data, tools, and metrics

Tier1

Mandatory-Use Agency-Wide Solutions—Dollars obligated on agency-wide contracts with mandatory-use or mandatory-consideration policies, along with standards set for data-sharing and other criteria

Tier0

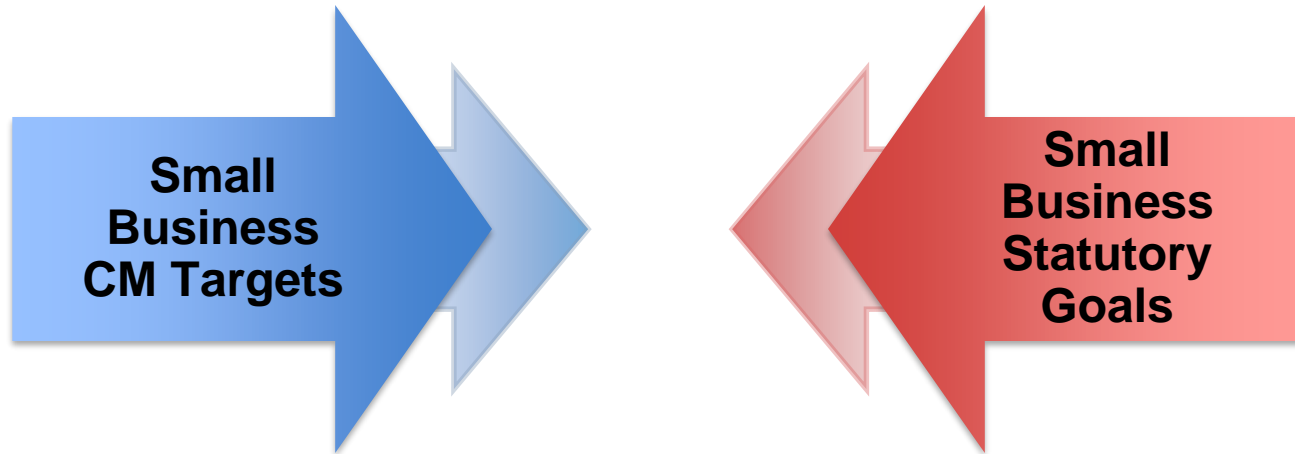
Unaligned Spend—Dollars obligated on contracts that do not fit into one of the above three tiers

GSA's BICs Solutions

- Alliant
- Alliant SB
- BMO: Building Maintenance & Operations FSSI
- City Pair Program (Mandatory)
- EIS: Enterprise Infrastructure Solutions
- FedRooms
- GSA Fleet for Vehicle Leasing
- GSA SmartPay 2
- IPS BPA: Identity Protection Services (Mandatory)
- JanSan FSSI
- MRO: Maintenance, Repair & Operations FSSI
- Networx Enterprise
- Networx Universal

There are 36 Best In Class Solutions and GSA's contracting vehicles are 13 of those solutions.

Category Management



- Each Category has Small Business Targets .
 - Each Category will be measured on the level of Small Business Participation.
 - Use of BIC vehicles will **NOT** take precedence over meeting small business goals.
 - CM will help 1102s find small businesses that meet their acquisition requirements for common spend on goods and services faster.
- Each federal agency is still required to meet Statutory Small Business Goals to include each socioeconomic category.
 - This is part of the Small Business Scorecard for each agency.
 - Ensures maximum practicable opportunity for small businesses to compete at both the prime contract and subcontracting level.

Consideration of Small Businesses in Category Management

Office of Small and Disadvantaged Utilization (OSDBU) Council

- Ongoing federal OSDBU dialogue and community of practice, including collaborating on a category management toolkit for OSDBUs
- Continuing collaboration with SBA, including providing the OSDBU practitioner's perspective to support SBA's role on the Category Management Leadership Council
- Encouraging active engagement of OSDBUs in the category management implementation governance structure, including on solutions for effective BIC on and off ramps
- Promoting a clear order of precedence for small business solutions under category management

