

Steven Kempf

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By Michael J. Keegan

Leading the Federal Acquisition Service



The goal of a sustainable, citizen-centered, results-oriented government has compelled federal agencies to find better, smarter ways to do business. The U.S. General Services Administration (GSA), through its Federal Acquisition Service (FAS), works to provide support and assistance to agencies as they work toward this goal. FAS takes a leadership role in providing centralized acquisition solutions while reducing

waste, increasing efficiency, lowering cost, and fostering emerging sectors of the economy.

"It's important to understand," explains Steven Kempf, FAS commissioner, "that we're a cost-reimbursable organization." FAS earns its business by supporting federal agencies in meeting their missions. "We provide about \$55 billion worth of cost-reimbursable work to other agencies," notes Kempf, "everything from paper clips to hybrid vehicles to large complex IT solutions, and even the acquisition support that federal agencies need to procure essential goods and services."

Delivering comprehensive products and services across government at the best value possible is no small feat. It requires a focused, strategic approach and a dedicated staff of expert professionals. "First and foremost, it's about our people. In many ways," Kempf acknowledges, "I'm a cheerleader for everything they do, helping them really set the vision for what we're doing. It's about being the leading source for government solutions and making sure that our people have what they need to be successful." He does this with 4000 employees spread across the world serving four basic business lines: assisted acquisition services, information

technology services, general supplies and services, and the travel, motor vehicle, and card services program.

Kempf believes that this portfolio structure enables FAS to provide best-value services, products, and solutions to its customers by aligning resources to key functions. "Amassing critical subject-matter expertise along with access to needed goods and services within our organization and leveraging that strength across the federal government enables agencies to get a better deal, take advantage of our expertise, and ... use their resources to do the things that are critical to their own operations."

For example, the FAS Office of Integrated Technology Services operates a suite of IT acquisition programs offering government customers the complete range of IT hardware, software, communications, and supporting products and services to meet virtually any IT need. The FAS suite of IT acquisition programs leverages that expertise across multiple acquisition vehicles (i.e., contracts) that flexibly enable customers to purchase what they want as they want it. To illustrate, Kempf highlights four pathways connecting agencies to goods and services, such as the IT Multiple Award Schedule 70, which affords almost 5000 commercial firms the opportunity to offer IT products and services direct to customer agencies; the government-wide IT acquisition contracts (or GWACs) that provide a little more flexibility in acquiring technology and supporting services as a more complete solution for customers; and the Network Services portfolio of contracts, including Networx, that satisfy a complete range of local and wide area telecommunications services and support. "We sell everything on the schedules from very small things like office products to the intricate IT systems and complex professional services," declares Kempf.



" We're constantly changing our offerings, looking for new ways to improve and innovate to support our customers."

"It's about improving our current operations, so that government has better data in order to make choices that will reduce risk and cost while improving performance and value with each transaction ... it is so important for us to drive better value for the taxpayer."



Leading such an expansive portfolio brings with it many challenges. The challenges facing FAS Commissioner Steven Kempf range from modernizing business systems to enhancing services to customers to operating in the ever-present austere budget realities of today. "We're in the process of revamping our entire suite of business systems from our enterprise acquisition system to modernizing our supply chain. These are two of our major systems that really will help us deliver services more efficiently and effectively to our customers," Kempf explains. Modernizing these systems will enable FAS to serve its customers better. "I think every customer service organization is really looking at how to deliver services more effectively," notes Kempf. "It's about being more innovative, customer-centric, and in our case industry-centric, making sure that we're doing the right things to support our customers."

One way to do this is to engage customers directly—ask them what they want and need. To that end, Kempf explains that his agency has switched to a customer loyalty survey from the old customer satisfaction survey approach. It emphasizes assessing performance and outcomes while identifying where and how the agency could improve. "The key question is, would our customers come back to us? How happy are they with our performance? Even more importantly, would they recommend us to another agency? We're receiving feedback from this survey that we're using to improve our programs."

Kempf understands that while austerity may bring uncertainty, it can also be a catalyst that sparks innovation. "Agencies have fewer resources," acknowledges Kempf. "As a result, they need to be smarter about the way they buy, so that's going to drive them to us as we [through our business model] are able to get better prices." Yet, FAS is hardly immune to today's fiscal realities. It has to pivot in order to excel in an era of budget constraints. It's about saving money while meeting customers' needs. "We need to focus our investment. Where should we put more resources? What [are the] areas [where] we might need to pull back investment? For us it's going to mean not doing some things anymore." Kempf admits that today's conditions require agencies to go beyond simply doing more with less; agencies must find smarter ways of doing business, using resources more efficiently and investing them more wisely.

Kempf believes his agency can also act as a guide for other federal agencies looking to trim their spending. "The services

we provide to federal agencies can actually cut their costs," he suggests, "and they can use that savings to do activities related to their mission." There are a number of options for agencies looking to use their travel dollars more wisely. "Our FedRooms® program offers Federal Travel Regulation (FTR)-compliant hotel rooms for federal government travelers while on official business, providing up to 11% or more savings on hotel rooms," notes Kempf. He identifies other FAS cost savings initiatives: print management, office supplies, and domestic delivery options. Many of these efforts are part of the Federal Strategic Sourcing Initiative (FSSI), which permits the federal government to leverage its purchasing power to secure the lowest prices. "There are two things to be learned from FSSI," Kempf explains. "One is the value of government agencies collaborating to leverage purchasing across the enterprise. This leads to better pricing and better use of resources. We also have the opportunity to take advantage of where the market is going. There are opportunities in strategic sourcing for changing the way government operates."

In the end, it's about supporting the mission of federal agencies so they can ultimately invest limited resources in mission activities. "I have the most fascinating job in the federal government," says Kempf. "I see how the whole government fits together and works. We touch almost every agency. It really is an amazing place to be." He also recognizes that the success of his organization rests on the ability of his staff. "When you talk to our employees, they really get what they do and how it supports our federal customers; and, most of all, why that's important ... I think if you allow people enough time, whether they're your employee, industry, or customers, if you listen to them they will tell you what they need and what you ought to be doing." ■

To learn more about GSA's Federal Acquisition Service, go to www.gsa.gov/portal/content/105080.



To hear *The Business of Government Hour's* interview with Steven Kempf, go to the Center's website at www.businessofgovernment.org.



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