



STRATEGIC SOURCING
IS A
TEAM SPORT

**BUILDING THE RIGHT TEAM COULD LEAD
TO BILLIONS IN SAVINGS IN THIS
NEW ERA OF COST REDUCTION**

BY GARY SUTTON, KAREN HARVEY, AND ANDREW JOHANTGEN



2. OMB's Category Management Initiative

OMB's previously mentioned category management initiative was initiated under the Obama administration to reduce costs through the strategic sourcing of 10 major categories. This initiative is likely to gain momentum because of the Trump administration's emphasis on aggressive cost reduction. Agencies participating in any of these category management initiatives will need strategic sourcing specialists who can effectively analyze spend data to identify savings opportunities and who have the skills needed to effectively team with program managers and contract specialists to deliver the savings results.

3. FITARA's Acquisition Reforms

The acquisition reforms outlined in the Federal Information Technology Acquisition Reform Act (FITARA)⁹ are rapidly being adopted across the federal government. FITARA's primary goal is to reduce waste in the acquisition of IT, and the creation of best-in-class acquisition teams to help reduce costs is a strategy growing in popularity.

4. Personnel Cuts

On April 12, 2017, the Trump administration lifted its hiring freeze, but said it is still targeting cost reductions through personnel cuts and is asking all federal agencies to submit a plan by June 30, 2017, for how they'll improve the performance of government workers.¹⁰ If part of that plan is cost reductions through strategic sourcing, more jobs can be preserved.

CONCLUSION

Priorities in Washington have changed, budgets are being reshuffled, and programs are becoming endangered because of these priority shifts. The reshuffling of these priorities is often a zero-sum game with winners and losers. If agencies want to preserve endangered programs and jobs as priorities shift, they can free up cash by making strategic changes to their acquisition teams and positioning themselves to execute the strategic sourcing process more effectively. They can add strategic sourcing specialists to help programs manage the acquisition process, and equip them with a standardized playbooks, tools, and templates that enable the consistent execution of the process.

This team structure helps to ensure that the right team members are performing the right tasks. It positions the acquisition process to be executed like a team sport where each of the players performs tasks suitable to his or her skill and training.

In his great work, "The Republic," Plato contemplated a form of justice through specialization. In this work, the idea of specialized parts working together in harmony became a central theme. To paraphrase the great philosopher, "Justice is when everybody in society does their job." When this happens, everybody wins. **CM**



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ENDNOTES

1. See "America First: A Budget Blueprint to Make America Great Again" (The White House, Office of Management and Budget), available at www.whitehouse.gov/sites/whitehouse.gov/files/omb/budget/fy2018/2018_blueprint.pdf.
2. See Kim Soffen and Denise Lu, "What Trump Cut in His Budget," *The Washington Post* (Politics Section: March 16, 2017), available at www.washingtonpost.com/graphics/politics/trump-presidential-budget-2018-proposal/.
3. White House press briefing (February 27, 2017), available at www.whitehouse.gov/the-press-office/2017/02/27/press-briefing-press-secretary-sean-spicer-2272017-17.
4. As per USASpending.Gov
5. See www.acquisition.gov/sites/default/files/page_file_uploads/Gov.%20Wide%20Category%20Structure.pdf.
6. Source: NFL.com.
7. *Ibid.*
8. Offered through the Project Management Institute (www.pmi.org).
9. Title VIII, Subtitle D, of *Pub. L.* 113-291.
10. "Trump Replaces Federal Hiring Freeze with Agency Cuts to End Billions 'Wasted,'" Fox News (April 12, 2017), available at www.foxnews.com/politics/2017/04/12/trump-replaces-federal-hiring-freeze-with-surgical-cuts.html.

