

**INPUT<sup>®</sup>**

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**FEDERAL GOVERNMENT  
PROFESSIONAL SERVICES  
OPPORTUNITIES**

**John E. Frank  
Vice President  
INPUT**

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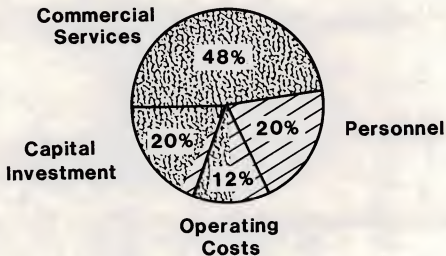


## **FEDERAL GOVERNMENT MARKET FACTORS**

- **Reduced Inflation Rate**
  - **Deficit Control Measures**
    - **Gramm-Rudman Act**
    - **Tax Reform**
  - **Moderate GNP Rate**
  - **Acquisition Reforms**
-



## INFORMATION TECHNOLOGY BUDGET FY87

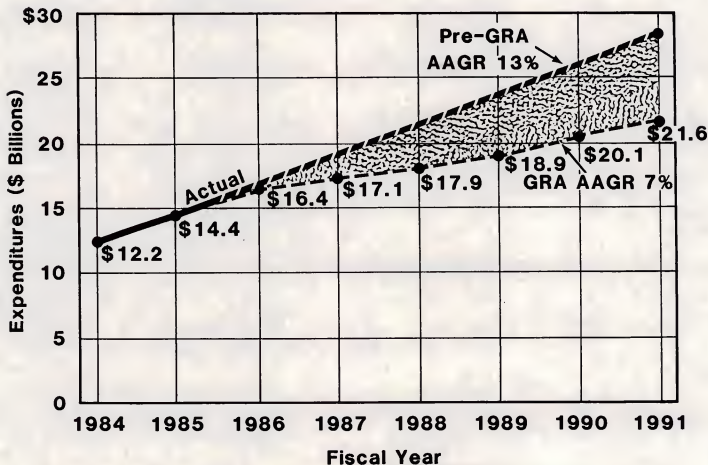


Obligations - \$17.1 Billion  
Contracts - \$12.5 Billion (73%)

External Contracts In-House



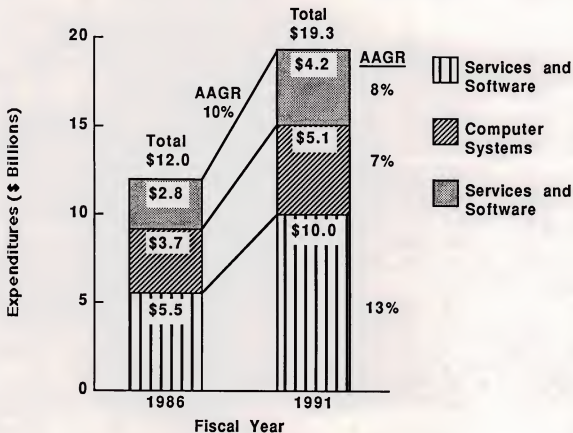
## GRAMM-RUDMAN IMPACT ON FORECAST





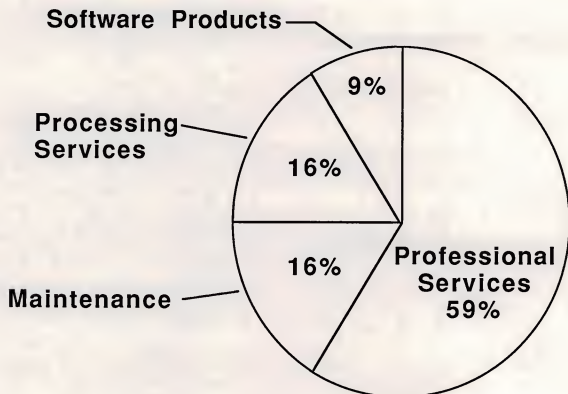


# INFORMATION TECHNOLOGY MARKET





## SERVICES AND SOFTWARE MARKET



Page 1

1. Introduction

The purpose of this study is to investigate the effects of

the proposed system on the performance of the users.

The study was conducted in a laboratory setting with

participants who were familiar with the system.

The results of the study are presented in the following

sections. The first section describes the methodology

used in the study. The second section presents the

results of the study. The third section discusses the

implications of the study. The fourth section

concludes the study.

The study was conducted in a laboratory setting with

participants who were familiar with the system.

The results of the study are presented in the following

## **PROFESSIONAL SERVICES**

- **Growth Supports ADP Rebuilding**
  - **Gramm-Rudman Impacts Growth**
    - **Technical Support**
    - **Training and Education**
  - **Maintains Existing Software Base**
  - **New Technical Solutions**
-



**FEDERAL PROFESSIONAL SERVICES  
SERVICE SEGMENTS**

- **Systems Integration**
  - **Software Development**
  - **Facilities Management**
  - **Design and Consulting**
  - **Education and Training**
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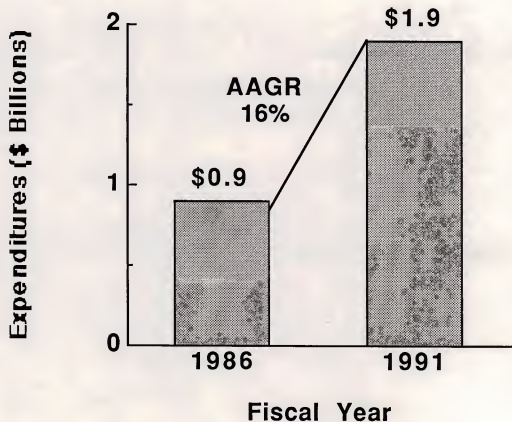
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## FEDERAL SYSTEMS INTEGRATION



1000

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## **SYSTEMS INTEGRATION**

- **Custom Hardware/Software Projects**
    - **Telecommunications**
    - **End-User Involvement**
    - **Post-Implementation Support**
    - **Risk Reduction Contracts**
-

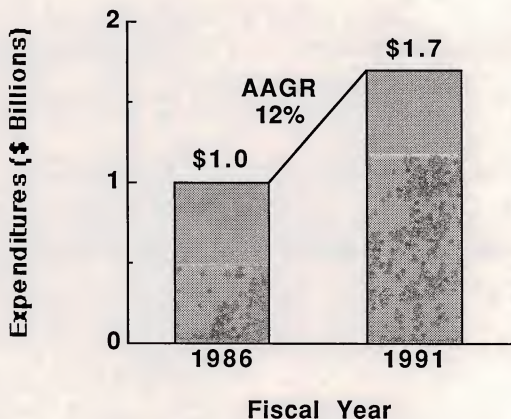


**SYSTEMS INTEGRATION PROJECTS**

- **FAA-Advanced Automation System**      **\$12B**
  - **IRS - Tax System Redesign**      **\$0.3-0.9B**
  - **PTO - Automation Program**      **\$380M**
  - **NASA - Technical MIS**      **\$66M**
  - **DOD/WHs - International Treaties  
Data System**      **\$1.4M**
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# FEDERAL SOFTWARE DEVELOPMENT







## SOFTWARE DEVELOPMENT

- Custom Software
  - Software Maintenance
  - Independent Validation and Verification
  - Software Conversion
  - Software Package Modification
-



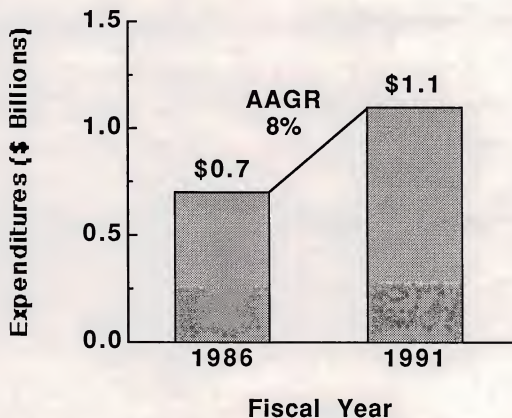
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**SOFTWARE DEVELOPMENT PROJECTS**

- |  |         |
|--|---------|
| ● Air Force-Command Budget System                      | \$6.3M  |
| ● USDA-Software Maintenance and<br>New Development     | \$9.0M  |
| ● IRS-Information Return Process MIS                   | \$10.6M |
| ● Army-Engineering and Science<br>Applications         | \$9.4M  |
| ● Navy-Stock Point Application<br>Programs Maintenance | \$21.3M |
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**FACILITIES MANAGEMENT/OPERATION  
AND MAINTENANCE - GOCO**

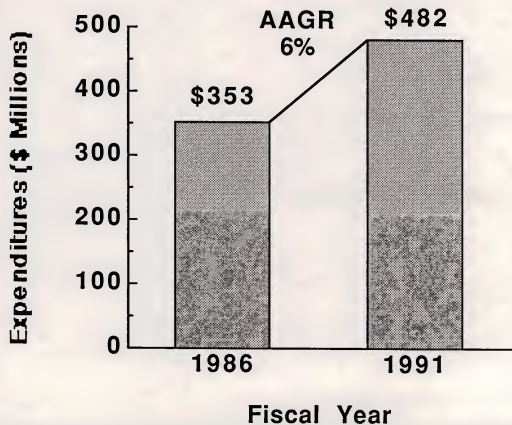


**FACILITIES MANAGEMENT/OPERATION AND  
MAINTENANCE (GOCO) SERVICES**

- **Government-owned, Contractor-operated  
ADP Facilities Contracts**
  - **Three to Five Year Contracts (Options)**
  - **Shift from Labor-hour to Mission Support**
  - **Low Overhead, Price Sensitive**
  - **Recompetitions versus New Starts**
-





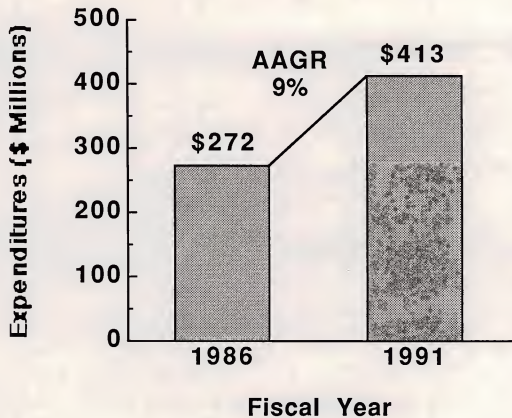
**FEDERAL DESIGN AND  
CONSULTING SERVICES**



## DESIGN AND CONSULTING SERVICES

- Design Shift to System Integrators
  - Role of Not-for-profit Entities
  - Borderline between Personal and Non-personal Contracts
  - Conflict-of-interest Restrictions
  - Contract Range: \$50K to \$5M
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**FEDERAL EDUCATION AND TRAINING**



## **ADP EDUCATION AND TRAINING**

- **Impact of Gramm-Rudman**
  - **Includes CAI, CBE Systems**
  - **Excludes Trainers and Simulators**
  - **Increase Expected 1988 and Later**
  - **New Systems Include Training**
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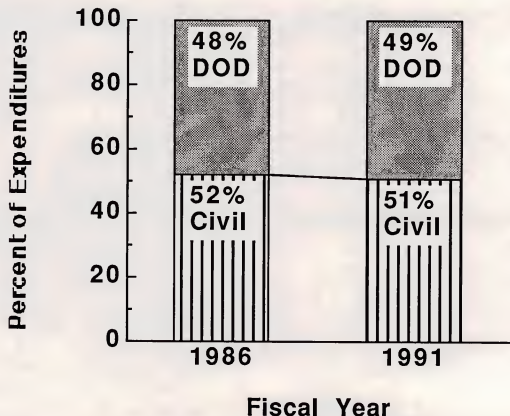


**RELATIVE IMPORTANCE OF PROFESSIONAL  
SERVICES VENDOR CHARACTERISTICS**

<b>Comparative Rankings</b>		
<b>Civil Agencies</b>	<b>DOD Agencies</b>	<b>Vendors</b>
<b>Staff Experience</b>	<b>Price</b>	<b>Applications Experience</b>



## PROFESSIONAL SERVICES MARKET SPLIT BETWEEN DOD AND CIVIL AGENCIES





## **COMPETITIVE FORCES**

- **New Competitors**
    - **Small Businesses**
    - **Minority-Owned Firms**
    - **Aerospace Companies**
  - **Price Sensitivity**
  - **Presolicitation Intelligence**
-



## **FEDERAL MARKET ISSUES**

- **FIRMR Amendments**
  - **Defense Acquisition Reforms**
  - **OMB Circulars A76 and A130**
  - **Competition in Contracting Act**
  - **Congressional Micro-Management**
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