



NASA Shared Services Center (NSSC) Overview

**Presentation to the NASA Advisory Council
(Institutional Committee)**

November 20, 2014



NSSC Vision and Mission



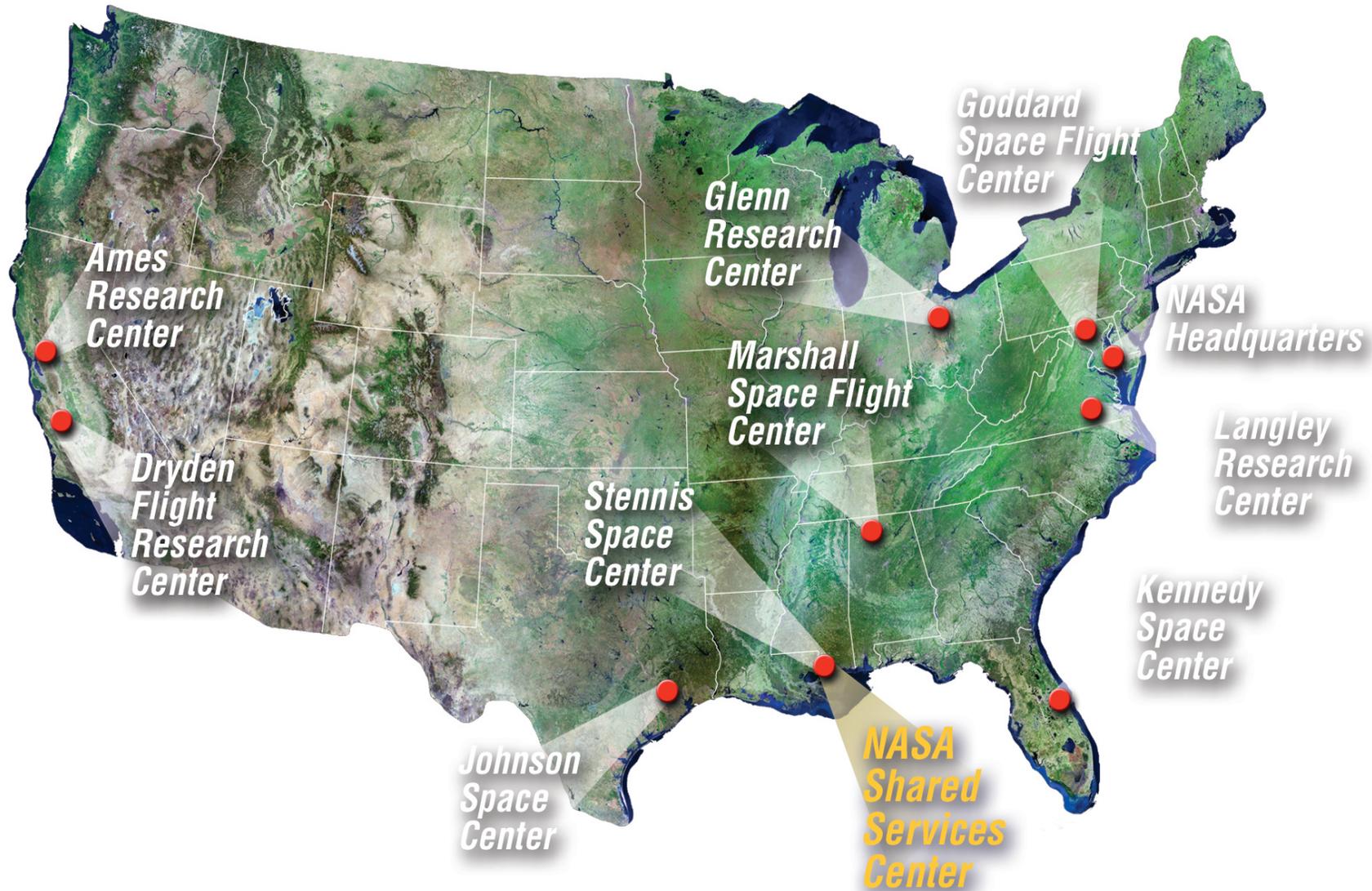
Vision:
Unparalleled Service



Mission:
To provide timely, accurate, high-quality, cost-effective and *customer-focused* support for selected NASA business and technical services.



NASA Centers





What is the NASA Shared Services Center (NSSC)?

- Performs a variety of transactional and administrative activities in five lines of business:
 - Procurement: Grants & Cooperative Agreement award and administration, Small Business Innovative Research/Small Business Technology Transfer award and administration, Consolidated Contract Management, Training Purchases, Enterprise License Management
 - Financial Management: Accounts Payable, Accounts Receivable, Travel Voucher processing, Payroll, Financial Reporting
 - Human Resources: Benefits & Retirement processing, Personnel Action Processing, SES Case Documentation, HR Information System operations & maintenance
 - Information Technology: Enterprise Service Desk (Tier -1 Help Desk)
 - Agency Business Support – IT Infrastructure Integration Program (I3P) Business Office
 - » Budgeting and Resource Management for Agency Consolidated IT Support Contracts
 - » Administration and Reporting



What is the NASA Shared Services Center? (continued)

- A business model for delivering support services
- The NSSC opened for service in March 2006
- The NSSC provides high-quality service and achieves cost savings for NASA through: Consolidation, Standardization, and Automation

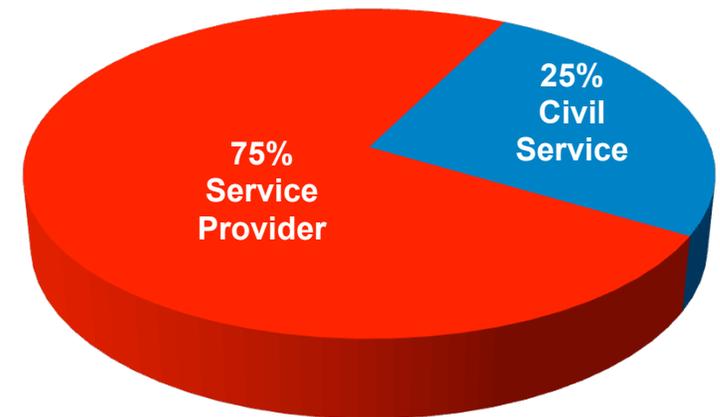


Why Shared Services for NASA?

- Reduces resources expended for support
 - Provides better quality, more timely services at lower cost
 - Improves data integrity, consistency, and accountability
 - Standardizes core business processes
- Facilitates process re-engineering and automation
- Leverages consolidated spending with vendors to negotiate better terms and prices
- Promotes strategic management of NASA resources

Economic Impact

- The NSSC workforce is composed of 75 percent service providers and 25 percent civil servants. The NSSC's operating budget for FY 2014 is \$66 million in the Working Capital Fund (WCF) and approximately \$364 million in additional agency provided funding for training and initiatives of benefit across the agency.
- As stated in the FY12 Economic Impact Report, (a bi-annual report) the NSSC spends approximately \$0.79 out of every dollar it receives within a 50-mile radius of its current facility location at Stennis Space Center, Miss.
- In FY12, the NSSC directly poured nearly \$53 million into the coastal Mississippi counties of Hancock, Harrison, and Pearl River and St. Tammany Parish in Louisiana in the form of salaries and purchases.



Civil Service	127
<u>Service Providers</u>	<u>389</u>
Total	516

(Totals as of October 2014)



The NSSC's Financial Profile

- NSSC is a Working Capital Fund (WCF) fee-for-service organization
- Fee-for-service supports the shared services business model
 - Matches cost, consumption and service
 - Promotes transparency of cost and services
 - Supports goal of operating in a business-like manner
 - Customers modify behavior to achieve the optimum balance between service and cost
 - Promotes a long-term approach to asset management
 - Encourages process efficiencies
- Provides better allocation of Agency resources – from institutional and transactional support to mission-related areas



NSSC Service Rates

- Established once a year in the budget formulation cycle and remain stabilized throughout the year of execution; rates finalized about five months before execution
- Designed to equitably charge the actual cost of services to customers based on demand or utilization of the services
- Long term strategy for funding NSSC requirements is to charge the Centers and NASA Headquarters for the services they receive based on a usage-driven assessment methodology wherever applicable
- Customers must provide accurate data for projected utilization so that NSSC costs can be developed appropriately resulting in less fluctuations in rates and total chargeback bills...ownership and accountability on both sides of the relationship
- All NSSC operating costs are recovered through the service rates



NSSC Budget Formulation

- Follow NASA's full cost initiative...build budget by service, using bottom-up approach
 - Direct Costs for each service
 - » Civil Service salary and benefits
 - » Service Provider fully loaded costs
 - » Other Procurements (travel, training, supplies, Other Direct Costs, etc.)
 - Allocated Direct Costs
 - » Shared Services IT (based on cost per services)
 - » Customer Contact Center (based on historical calls per service)
 - » Document Imaging (based on historical documents scanned per service)
 - Indirect Costs
 - » SP Program management costs (based on Direct SP costs by service)
 - » Functional management costs allocated to all services within a Functional area
 - Overhead costs allocated across all services based on cost of service
 - » Office of the Executive Director
 - » Business & Administration Office
 - » Service Delivery Directorate office



NSSC Chargeback Overview

For each Service (FY15 portfolio shown to the right):

Cost of Service (Government & SP Direct + Allocated Direct costs)

+ Allocated SP & functional mgmt cost (Indirect)

+ Allocated NSSC mgmt (Overhead)

Full Cost of Service

÷ Total projected utilization for that Service

Service rate per unit of measure (transaction or headcount)

X Projected units by Center

Chargeback by Center by Service for each year of the budget profile

- Centers then transfer appropriated funds to the NSSC for advance funding of services
- Advanced funding converts to the Working Capital Fund when the Center is billed for consumption of a service on a monthly basis...it is earned by the NSSC at this point

Financial Management Services

- Accounts Payable
- Accounts Receivable
- Fund Balance with Treasury
- Domestic Travel Services
- COS, Foreign, Extended TDY Travel Services
- COS Relocation Assistance

Human Resources Services

- Support to Personnel Programs
- Employee Development and Training
- Employee Benefits
- Human Resource and Training Information Systems
- Personnel Action Processing
- eOPF Record Keeping
- SES Case Documentation
- Financial Disclosure Processing
- On Line Course Management
- Offsite Training
- Payroll/Time & Attendance Processing

Procurement Services

- Procurement Processing and Other Admin Svcs
- Agency Contracting Services
- Grants Awards and Administration
- SBIR/STTR Awards and Administration
- Onsite Training

IT Services

- Enterprise Service Desk

Agency Business Support

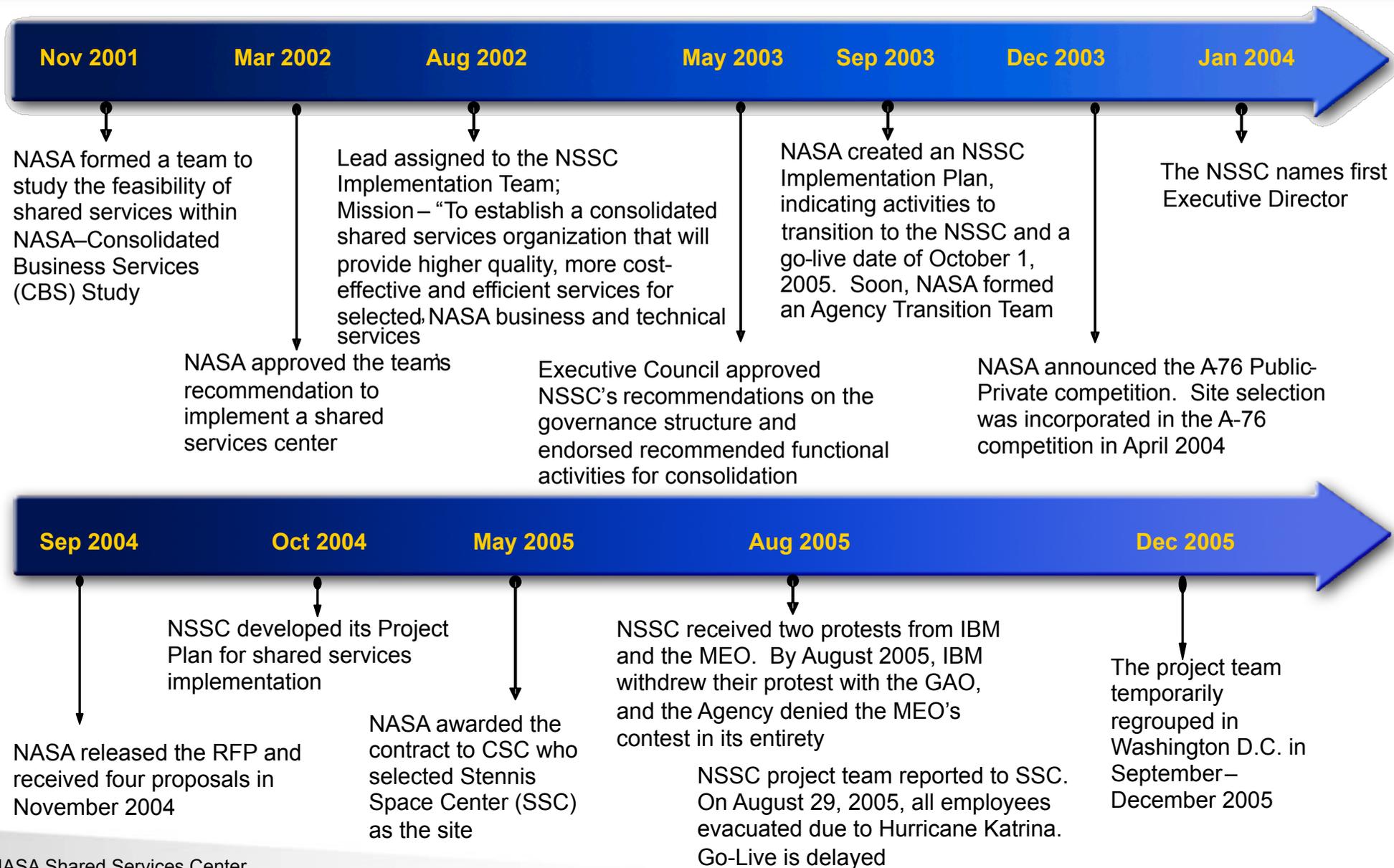
- I3P Business Office

Pass-thru Funding

- Off-site Training Purchases
- On-site Training Purchases
- ACES Contract Funding
- EAST Contract Funding
- WEST Contract Funding
- NICS Contract Funding
- Networx Contract Funding

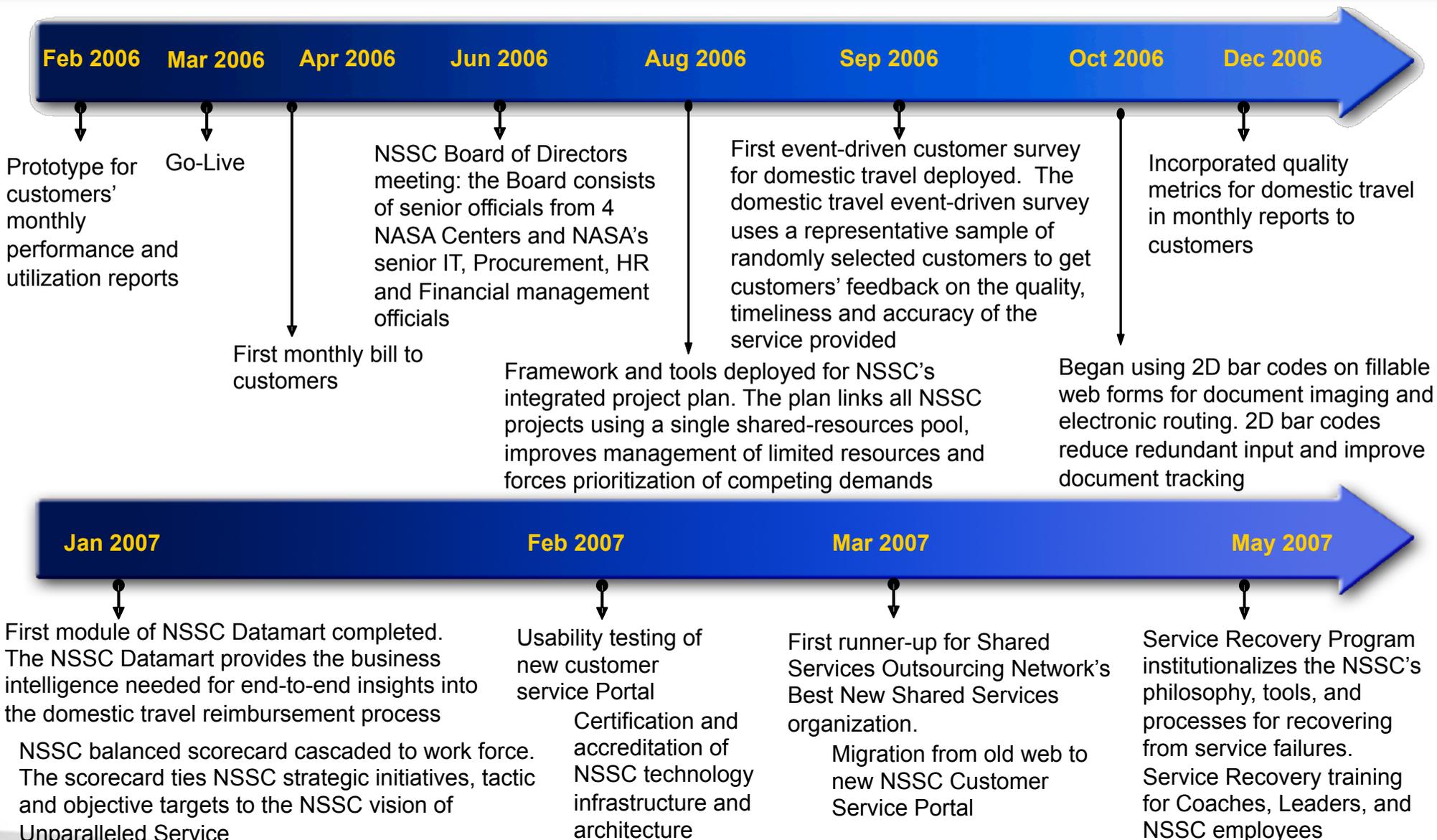


The NSSC's History



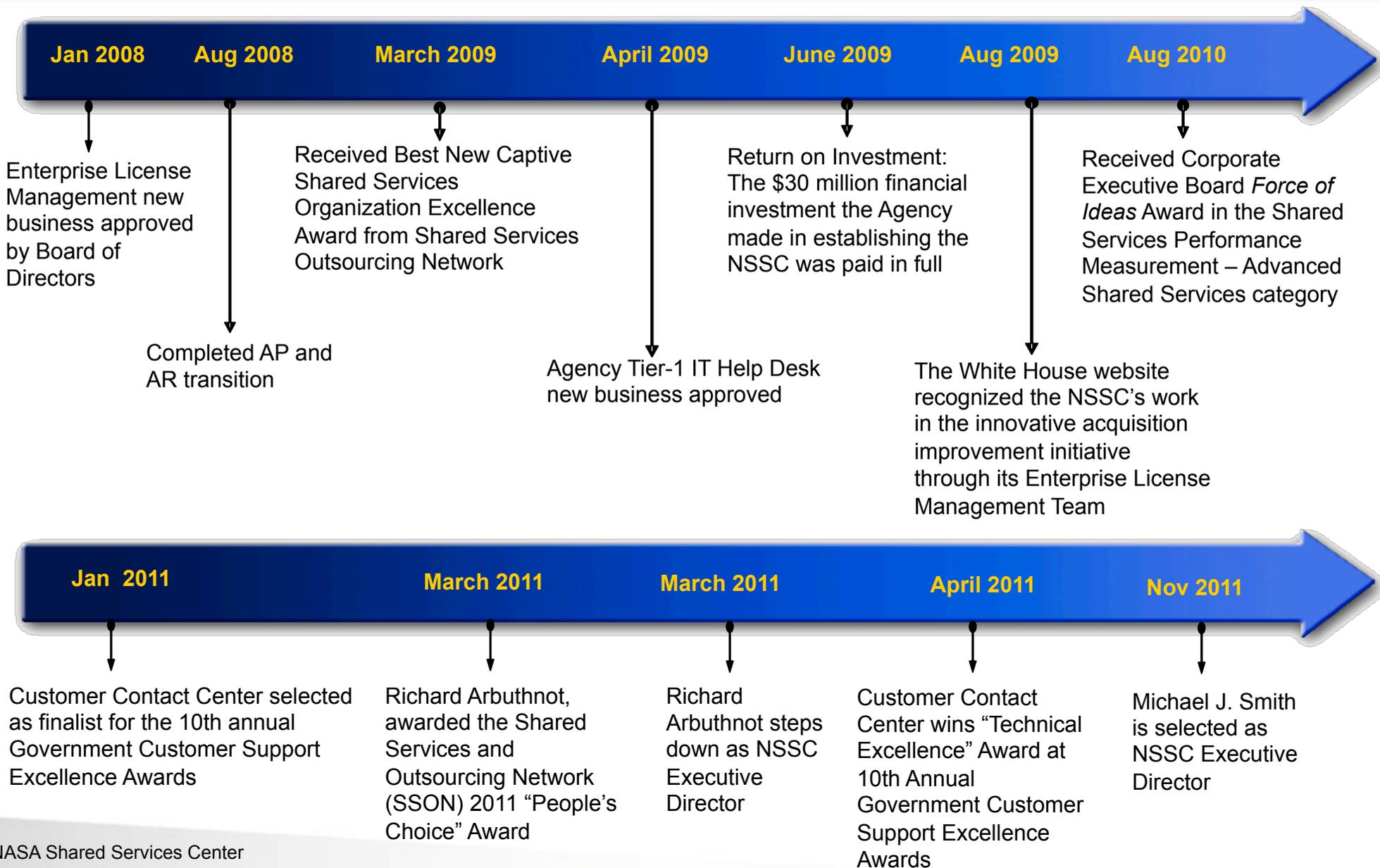


The NSSC's History (continued)



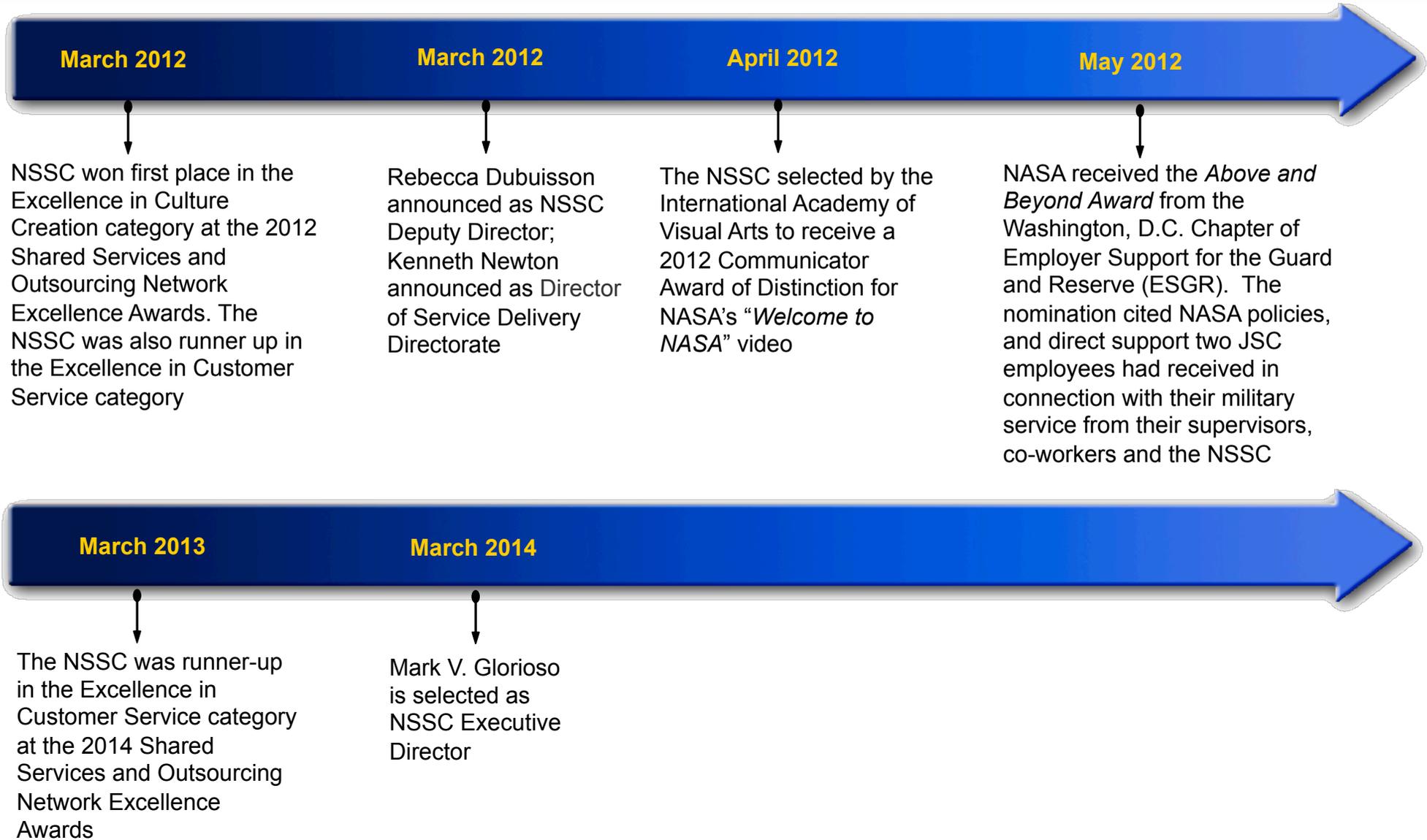


The NSSC's History (continued)





The NSSC's History (continued)





Lessons Learned – Process

- The least offensive process is often the least efficient
- Validate SLIs before transition
- Equal attention should be given to how rejects are handled
 - Design the optimum process for handling rework
- Baseline the pre-transition process
 - Volume
 - Timeliness
 - Quality (conduct a pre-transition failure analysis)
 - Customer satisfaction



Lessons Learned – Process (continued)

- Develop a Service Recovery Plan (including communication templates) for common service failures in advance
 - Systems outages
 - Network failures
- Resist designing a process that involves customers in performing the work
 - Requires customer to retain resources
 - Resources remain with customers when:
 - » Focus is on the least offensive process design rather than the most efficient; and
 - » The SSO is not given the authority needed to handle failures, necessitating customer involvement



Lessons Learned – Process (continued)

- Resources remain with customers when:
 - The process is designed by people who currently perform the work (higher-level review is absent), predictably leading to customers continued involvement in the work
 - The scope of work is not clearly understood or defined
 - Customers insist on unique requirements outside of the standard process
 - New systems do not deliver all the promised functionality
 - Work that must be performed on site is not identified up front



Culture of Excellence

- March 2014: The NSSC was runner-up in the Excellence in Customer Service category at the Shared Services and Outsourcing Network Excellence Awards
- May 2012: NASA received the Above and Beyond Award from the Washington, D.C. Chapter of Employer Support for the Guard and Reserve (ESGR). The nomination cited NASA policies, and direct support two JSC employees had received in connection with their military service from their supervisors, co-workers and the NSSC
- April 2012: The NSSC was selected by the International Academy of Visual Arts to receive a 2012 Communicator Award of Distinction for NASA's "Welcome to NASA" video
- March 2012: The NSSC won first place in the Excellence in Culture Creation category at the Shared Services and Outsourcing Network Excellence Awards; the NSSC was also runner-up in the Excellence in Customer Service category

(Continued in Back-up)

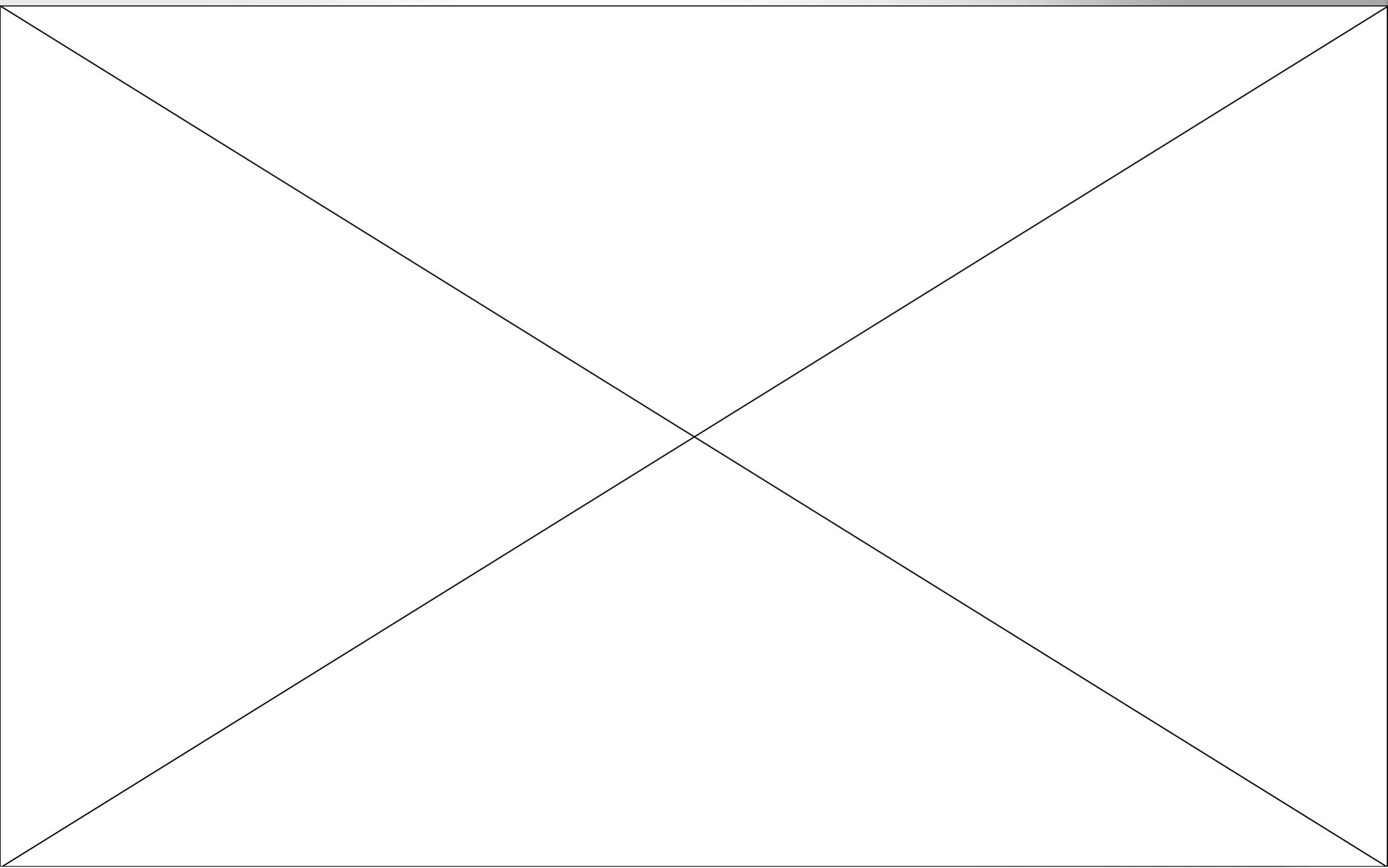


Demonstrated Results

- Mission accomplished!
 - Since its opening, NSSC has met or exceeded over 92% of its metrics, or Service Level Indicators (SLI)
 - NSSC's Return On Investment (ROI) calculation shows that NASA paid off its initial investment of \$42 million in December 2009...a little over four years
 - NSSC is exceeding its annual savings projection of \$6 to \$8 million with projected savings of \$20 million a year by 2015
 - NSSC is projected to save NASA over \$200 million by 2015



“Who We Are...What We Do”





Future State

- Implement the planned re-org to create an emphasis on growth and continual service improvement based on deliberate Agency direction to consolidate standard support
- Partner with the newly formed Agency Business Services Assessment team to identify areas of consideration for consolidation under the NSSC (located at NSSC or badge-in-place where the work is currently performed)
- Continue to work with Agency CIO to identify IT services and partnership opportunities that fit the shared services model and make sense to move under the NSSC
- Develop and implement an Information Delivery Strategy with a focus on data analytics, customer reporting, delivery of information to a mobile workforce, and an interactive customer portal





Culture of Excellence (continued)

- April 2011: The NSSC Customer Contact Center was the 2011 winner of the Government Customer Support Excellence Award (GCSEA) in the Technical Excellence category
- March 2011: Richard E. Arbuthnot, Executive Director, NSSC, awarded the Shared Services & Outsourcing Network (SSON) 2011 “People’s Choice” Award
- January 2011: The NSSC Customer Contact Center has been selected as a finalist in the categories of Technical Excellence and Overall Excellence for the tenth annual Government Customer Support Excellence Awards
- August 2010: Corporate Executive Board “Force of Ideas” Award winner for Shared Services Performance Measurement – Advanced Shared Services Category; award recognizes best demonstrated practices, key business processes, and the creation of sustainable, measurable value



Culture of Excellence (continued)

- August 2009: Enterprise Licensing Management Team (ELMT) cited on White House Web site as an innovative acquisition best practice
- March 2009: Winner of Best New Captive Shared Services Organization Excellence Award; recognizes the most successful shared services organization launched within the last three years; nationally recognized as the highest accolade for shared services organizations; and runner-up: Wal-Mart Stores, Inc.
- January 2009: Help Desk Certification by Help Desk Institute
- March 2008: Government Information Technology Executive Council (GITEC) Project Management Excellence Award in the category of Cost Savings/Cost Avoidance (OMB)
- March 2007: Runner-up - Best New Shared Services Organization Excellence Award