

Future Office Automation Environment: Next Steps

Problem statement

The current contracts for the Commission's office automation environment expire in May 2014. The procedure to procure future office automation solutions now needs to be launched rapidly. The Commission is in a situation of effective captivity with Microsoft as regards its desktop operating system and office productivity tools (word processing and spread sheets, etc.). The procurement of the future office environment poses two distinct challenges:

- (i) the extent to which it is possible to identify and deploy viable **technological alternatives** to the current environment, and over what timeframe;
- (ii) ensuring that the **procurement channels** for whatever solutions are found are open and competitive as well as efficient and cost effective.

This paper examines both aspects and proposes a way forward.

Context

(i) **technological alternatives**: the current captivity situation as regards desktop operating systems and productivity tools is not new or limited to the Commission. The vast majority (98%) of public bodies are in a similar situation. For example, the UK government holds a Memorandum of Understanding with Microsoft guaranteeing preferential prices to government agencies in the procurement of desktop solutions. The use and development of Open Source solutions in these core areas has been slow, adoption of such solutions remains marginal and tended to result from political decisions (eg. the need to develop a local industry for IT services) rather than superior fitness-for-purpose. Those that do exist have severe limitations both in terms of functionalities (eg. multilingualism) and as regards (the lack of) support and service. The same could be said of other niche market solutions.

The market dominance of Microsoft is not even across the entire "stack" of office tools. Diversity already exists in the Commission, as roughly 2/3 of office desktop solutions (€5.4m/y) involve Microsoft products, while the other 1/3 (€2.8m/y) comes from a range of other independent suppliers. The lack of choice is almost total as regards the desktop operating system and productivity tools, whereas in other areas eg. e-mail, social and collaborative tools, some more mature market alternatives do exist, although some of these offerings pose other challenges for public administrations (eg. they are cloud-based). It should also be noted that the provisioning of significant proportion of the "stack" from one manufacturer offers certain advantages in terms of cost, functionality, interoperability and coherence, that levels of user satisfaction with the functional solutions currently provided are high, and that the procurement procedure covers the needs of all EU institutions.

(ii) **procurement options**: the relative lack of technological alternatives in turn presents particular challenges as regards the procurement of office tools for the Commission. In reality, the combination of (i) the effective non-availability of viable alternative products at the bottom end of the "stack", (ii) the need to ensure business continuity and respect some specificities of the EU environment (eg. multilingual support), and (iii) the sunk cost investments - both hard (including the interconnections with underlying information systems eg. reliance on Excel files, etc.) and soft (eg. investments made in training) - make an

immediate switch away from the current desktop environment effectively impossible. Even a partial switch to eg. an alternative e-mail system is impossible to achieve in short order, given also that IT consolidation across the institutions is at varying degrees of maturity.

In view of the above, and in particular the fact that the bottom end of the market is too well defined and too constrained to make procurement (exclusively) through a competitive procedure suitable, the most appropriate and best value procurement procedure in the immediate term remains a combination of negotiated procedure and open call for tenders. However, while this can deliver an economically competitive and functionally viable solution - valuable in itself given current resource constraints - it also further increases the impression of effective captivity.

Future requirements

It is vital to ensure that the technological and procurement solutions now chosen maximise the possibilities to open up and change in the future, especially when considering that:

(i) **technologically speaking**, the market is currently undergoing a paradigm shift:

- new products and entire market segments are emerging and/or maturing (eg. desktop video conferencing, tablets, etc.). While these developments are unlikely to shake the current lack of technical alternatives at the bottom end of the "stack" in the near future, they will continue to open up a greater range of choice at the higher levels.
- there is a clear trend across the market towards further integration: bringing together different elements of the "stack" will bring advantages in terms of seamless user experience (eg. possibility to send e-mail directly from social media or collaborative sites, possibility to work in the same environment across different devices eg. desktop, mobile, smartphone), but also potentially increase risks of captivity as providers integrate functionalities across a unified "stack".
- user needs and patterns of usage are changing as the consumerisation of office tools continues and the market delivers new and innovative products, especially as regards collaborative tools and mobile work equipment.

Taken together, these developments will increasingly challenge the traditional desktop environment. It is vital to fully seize the potential of these developments to drive forward more collaborative ways of working and enable more mobility. Captivity must not be a barrier to this. At the same time, the market and technology is not right now mature enough to enable an immediate shift to an alternative model - hence the need for transitional solutions.

(ii) in terms of **procurement options**, the fact that the Commission is still driving forward internal consolidations (eg. ITIC and the migration of intranets to SharePoint) will, once this is completed, provide a more solid basis on which to consider alternative ways of procuring desktop services. This could include the purchase of full service agreements in which the choices of products and suppliers is left to the service provider, with the Commission simply setting out its functional requirements. In effect, this would remove the need for the Commission to choose or procure the products itself; it would merely buy a service. Such options would not necessarily overcome the captivity situation as regards desktop operating systems, given the lack of effective market alternatives, but they would at least provide an alternative procurement solution.

Solutions

Taking account of the above, it is proposed to pursue a **triple track strategy** designed:

- (i) in the immediate term, to ensure the necessary **business continuity and scale economies** flowing from the investments that have already been made, while at the same time
- (ii) in the short to medium term, seeking actively to "**disrupt**" the **status quo situation and force the pace of innovation** so as to mitigate future captivity and drive forward the transformation of the workplace that is needed to drive productivity and promote more collaborative ways of working; and
- (iii) in the medium to longer term, prepare the ground for a **tender for provision of office automation solutions in full service mode** as from 2017-18.

Track one will ensure continuity of service and the current desktop environment by putting in place a stable framework to ensure the transition from the current contracts to the next contracting period. It will involve a combination of negotiated procedure and open call for tenders, so as to obtain the best value for money possible. It will take account of the current effective lack of alternative solutions as regards the desktop environment, while at the same time maintaining all efforts to avoid unnecessarily prolonging or reinforcing any captivity (eg. annual renewals, buy out clauses, etc.).

Track two, which will run in parallel, will explore ways in which aspects of the current desktop environment can be positively "disrupted" through the introduction of alternative or competing technologies or solutions at different levels of the "stack". By targeting different points in the "stack" it will be possible to explore alternatives in a way that is detached from the current reliance on the underlying operating system. The aim will be to introduce greater overall variety in the existing mix of products and technologies, as well as with respect to delivery models (on-premises vs. cloud).

Exploration of alternatives will target three main areas of the "stack":

- (i) **e-mail and calendaring**: here the main objective will be to take advantage of the market offering for enterprise e-mail services. Delivery models based on a software-as-a-service (SaaS) or cloud-based delivery will be explored, as will their compatibility with the applicable security standards. It should be noted that the upgrade to the existing e-mail platform, which was completed in 2012 for an investment of 5M€ in infrastructure and project costs, will be operational until the end of 2017.
- (ii) **social collaborative tools**: here the idea will be to integrate social networking capabilities (similar to those found in consumer systems like Facebook, Google+ and Twitter) into the core of our corporate collaboration and office automation platforms. Social collaboration represents a novel feature set for Commission users, with only limited pilot experiences based on Yammer and Jive, and a DG HR-DIGIT working group is already looking at functional requirements and solutions in this area.
- (iii) **portal and collaborative**: the aim here is to enable and implement a transition towards cloud-based service delivery of the Commission's (team) collaboration services, content management, social collaboration, enterprise application integration

and publishing portal capabilities. The existing portal and collaboration platform (ie. "My Intracomm" based on Sharepoint 2010) was upgraded in 2012 (collaboration) and 2013 (publishing portal) and has a life expectancy until 2017. In parallel, a number of functionally equivalent open source solutions, mainly in the context of Europa, are also currently being used (Wiki-Confluence, Drupal, CIRCABC). This strand will also take account of the on-going work on web rationalization led by DG COMM.

Procurement of the alternative products to be introduced under track two will be taken forward in a variety of ways. In some cases it could be carried out very rapidly, using existing mechanisms such as the framework contract for a software acquisition channel, which has been awarded through an open call for tenders. In other cases, particularly where the choice involves alternative delivery models, full-blown open and competitive procurement procedures would need to be issued. It has to be recognised that this would necessarily prolong the timetable and could in some cases complicate the preparation of track three.

The high level governance bodies will need to be closely involved in this process, so as to provide guidance and, in some cases, adopt strategic decisions as regards major choices about products or procurement approaches.

The assumption underlying track two is that effective alternatives should be identified and introduced where possible. While by default the desktop environment on day one will be identical to that of the last day of the previous contract (thereby guaranteeing continuity and a seamless user experience), provided the market offerings identified are viable and deemed to be appropriate by the governance bodies, changes can be introduced, either as pilots or as fully fledged alternatives, as soon as the necessary procurement procedures are completed. At the same time, it is important to understand that such changes will not necessarily be neutral in terms of overall cost, and that there will be a need to guarantee certain basic functional requirements (eg. interoperability, user friendliness, appropriate levels of support, etc.).

Track three will be to prepare the ground for the next tender, which will be carried out in full service mode, once the current consolidation efforts have been completed and the current paradigm shift in the market has stabilised. It will take as its starting point the "as is" situation which will be the result of tracks one and two at a given point in time (eg. mid-2016), including the completion of the current consolidation efforts (ITIC etc.). It will aim to buy in services at all levels of the "stack", rather than specific products, leaving service providers to compete between themselves both on price and on the choice and mix of products to offer in the "stack". This solution will be introduced by 2017-18, coinciding also with the end of the next ITIC service contract.