



Challenges to Reduce Costs and Identify Efficiencies

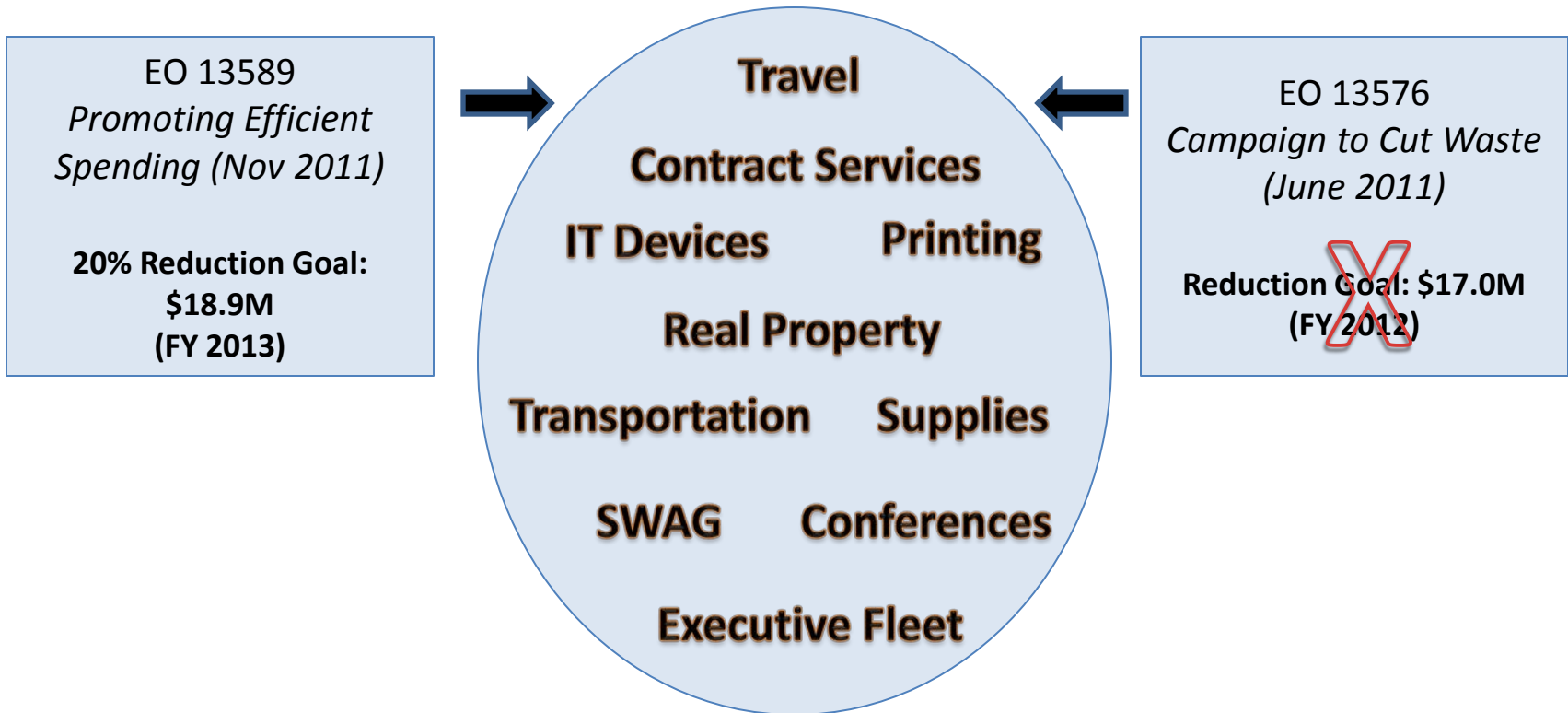
Advisory Committee for Business and
Operations

May 8, 2012



Federal Efficiencies Landscape

- A very comprehensive, complicated, far-reaching and somewhat confusing initiative ... that continues to evolve





NSF Promoting Efficient Spending Reduction Goal

- NSF Reduction Goal:
 - By end of FY 2013, reduce spending \$18.9 million below actual FY 2010 levels in these categories:
 - Travel, Printing, IT Devices, Contract Services, Real Property, Executive Fleet, SWAG, Supplies, Transportation
- Mid-Year FY 2012 Status:
 - NSF obligations are down \$1.2 million in travel (\$900,000) and supplies (\$300,000)
 - Obligations in all other areas are flat or slightly up
 - Many activities underway to achieve administrative and operating cost efficiencies



Efficiency Initiatives

- Travel
 - Implemented Travel Targets to improve awareness and reduce costs
 - Increasing use of non-refundable airfare
 - Expanding number of virtual panelists
- Real Property
 - Scheduled energy audits for 18 buildings in FY 2012
 - Reduced NSF footprint
 - Achieving energy savings (Wind Farm Facility at McMurdo Station Antarctica)



Potential Efficiency Opportunities

- IT Devices
 - Limit number of mobile communications devices per person
 - Improve management of wireless services
 - Revise policy for desktop/laptop computer refresh cycles
- Contracting
 - Achieve savings through consolidation of requirements, strategic sourcing, and resulting volume discounts
- Printing
 - Reduce paper use and number of copies printed
 - Shift printing to more cost-efficient solutions



Challenge: Change Management

- Finding the appropriate balance between
 - Rules and policies
 - Customs and norms
 - Rewards and recognition
- Identifying key motivational drivers for NSF culture
 - Sustainability
 - Reduced workload
 - Redirection of cost savings
- Achieving lasting and meaningful change



Panel / Discussant Feedback

- What has worked and not worked implementing cost-cutting and efficiency measures in your organizations?
- What best practices/war stories can you share?
- What change management issues have you encountered and addressed?
- What techniques have you used to mitigate adverse effects on staff morale?