



Special Report – April 2008

A series of overlapping, wavy lines in shades of blue and grey, flowing across the upper half of the page.

Industry Leaders' Guide to the 2008 Administration Transition

Capturing Mindshare in the New Administration

Abstract

The 2008 administration transition will change the government landscape in many ways: a new President, a potential shift in the Presidential/Congressional balance of power, and a potential change in policy direction. While many members of the IT community will take a “wait and see” approach and respond to the changes presented by the transition, industry leaders are taking a more proactive approach by planning for the transition ramifications now.

There are a multitude of factors shaping the environment in which the new administration will operate, such as spending levels, budget constraints, and human capital challenges. These factors will shape the needs of the government as it weathers the transition, and beyond.

There are several reasons why industry leaders should begin thinking about this now:

- In the near-term, the transition can impact human capital, budgets, programs, and procurement, and reveal near-term (FY09 and FY2010) needs that industry leaders can begin preparing for now.
- Although the full influence of the President-elect will not be felt for roughly 18 to 24 months into the term, industry leaders can begin to evaluate key policy areas and begin strategic planning now.
- Agency leadership is beginning the process of reviewing programs for weaknesses, performance issues, and risk factors. They are also working to deemphasize political affiliations with programs. Agency customers will need contractors' help now to develop plans for identifying, mitigating, and solving problems before the new administration takes office, and contribute an external perspective on the program.
- Changing priorities within the new class of appointees may require contractors to reassess their solutions, value propositions, and sales strategies, which could require significant time and investment.
- As political appointees begin leaving (if they haven't already), contractors will need to identify and recruit more program champions among the remaining stakeholders.

This report will examine the potential impact on government and the IT community during the transition process, provide analysis of the impact of the Democrat and Republican agendas on technology, and offer recommendations for supporting agency partners and finding critical areas to support the pipeline during the transition and beyond.

Published by
INPUT
11720 Plaza America Drive
Suite 1200
Reston, VA 20190
United States

INPUT

Industry Leaders' Guide to the 2008 Administration Transition: Capturing Mindshare in the New Administration

Copyright © 2008 INPUT. All rights reserved.

Published in the United States of America. No part of this publication may be reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written permission of INPUT.

The information provided in this report shall be used only by the employees of and within the current corporate structure of INPUT's members, and will not be disclosed to any other organization or person including parent, subsidiary, or affiliated organization without prior written consent of INPUT.

INPUT exercises its best efforts in preparation of the information provided in this report and believes the information contained herein to be accurate. However, INPUT shall have no liability for any loss or expense that may result from incompleteness or inaccuracy of the information provided.

INPUT, the INPUT logo, is a trademark or registered trademark of INPUT in the United States and other countries.

Acknowledgements

INPUT would like to thank all the members of the government and industry communities for their insights and participation in this study. INPUT would especially like to thank the following people for their in-depth perspectives and contributions to the development of this report.

Dan Chenok, Pragmatics, formerly OMB

Casey Coleman, GSA

Lt. General (Ret.) William J. Donahue

Tom Hewitt

Maryann Hirsch, Knowledge Consulting Group

Charlene Shaw, EPA

Martha Shimkin, MShimkin Consulting, formerly EPA

Elizabeth Smith, ESmith Consulting, LLC

Barry West, SE Solutions, formerly Department of Commerce

Bob Zachariasiewicz, formerly Department of Labor

Table of Contents

- I. Introduction vi
- II. Executive Summary 7
- III. A Look Inside the Transition 23
- IV. Examining the Transition Environment..... 30
- V. Finding Opportunity within Change 54
- VI. Conclusions and Recommendations 65
- APPENDIX A..... 72
- APPENDIX B-1..... 77
- APPENDIX B-2..... 78

List of Exhibits

Exhibit I-1: Transition Framework of Opportunity.....	1
Exhibit II-1: Administration Transition Timeline	7
Exhibit II-2: Transition Framework of Opportunity	8
Exhibit II-3: Agencies Most Impacted by Leadership Losses	14
Exhibit II-4: Government Contract Usage.....	16
Exhibit II-5: Candidate Position Analysis and Technology Impact.....	19
Exhibit III-1: Administration Transition Timeline.....	23
Exhibit III-2: Leading Federally Funded Research and Development Centers .	27
Exhibit IV-1: Transition Framework of Opportunity.....	30
Exhibit IV-2: Mandatory and Discretionary Spending, 1965-2008 (est.).....	32
Exhibit IV-3: Revenue and Spending Growth per Administration	32
Exhibit IV-4: IT Spending Priorities, FY2007-FY2009.....	33
Exhibit IV-5: Federal IT Budget and Growth Rates, 1989-2012	34
Exhibit IV-6: Health Expenditures, 1980-2012	35
Exhibit IV-7: Gasoline and Heating Oil Costs, 1980-2008.....	36
Exhibit IV-8: Most Important Issue Determining Vote for President.....	37
Exhibit IV-9: Government Leadership Positions Subject to Change.....	40
Exhibit IV-10: Government Leadership Positions Subject to Change, Top 10 IT Spenders	41
Exhibit IV-11: Government Contract Usage	50
Exhibit IV-12: DHS Leadership Distribution.....	51
Exhibit IV-13: DHS Administration Transition Task Force Recommendations	52
Exhibit V-1: Transition Framework of Opportunity	54
Exhibit V-2: Candidate Position Analysis and Technology Impact.....	62