MARKET RESEARCH ANALYSIS
FOR
AUTOMATED DATA PROCESSING SYSTEMS

(NOTE TO THE WRITER: THIS MARKET RESEARCH ANALYSIS IS BASED ON A SURVEY OF COMMERCIAL SECTOR BUSINESS PRACTICES. IT COMPARES THE GOVERNMENT REQUIREMENT FOR SERVICES TO THE COMMERCIAL MARKET TO DETERMINE HOW THESE SERVICES ARE CONTRACTED. THIS IS A GENERIC DOCUMENT THAT MUST BE TAILORED TO THE UNIQUE REQUIREMENTS AT EACH INSTALLATION. THE PURPOSE OF THIS DOCUMENT IS TO DEMONSTRATE TO THE CONTRACTING OFFICE THAT THIS SERVICE CAN BE OBTAINED IN THE COMMERCIAL MARKET AND TO SET FORTH THE STANDARD FOR THE SERVICE IF A STANDARD EXISTS. THIS DOCUMENT INDICATES THAT THE SERVICE IS COMMERCIALLY AVAILABLE AND WILL ALLOW CONTRACTING TO USE FAR PART 12 FOR COMMERCIAL ACQUISITIONS.)

Insert Your AFB
And Date

MARKET RESEARCH
FOR
AUTOMATED DATA PROCESSING SYSTEMS

1. OBJECTIVE. The objective of this market research is to determine if automated data processing systems services are customarily available in the commercial market and to determine the most suitable method for acquiring those services. If commercial services are not customarily available to meet the stated requirement, it will be determined if the commercial services can be modified to meet the requirement or if the requirement has to be modified to meet the commercial standard. Finally, the results of this research will determine commercial practices for the method of contracting, types of contracts, performance standards, and the methods of inspection.

2. REQUIREMENT. The contractor shall provide all personnel, equipment, tools, materials, transportation, supervision, and other items and services necessary to perform all automated data processing system tasks and functions. Services will include computer hardware, software applications, e-mail accounts, internet, web page design, local area network, and associated training. Services will also include computer security and inventory control.

2.1. WAN/LAN SERVICES. The contractor must support Microsoft NT, Novell, Beta, or any other leading WAN/LAN product. Services for the WAN/LAN system include initial pre-purchase consulting, design, cabling, implementation, integration, documentation, and training. The contractor must be able to design network layer infrastructure, design servers, recommend products, develop security, recover from disasters, archive data, and backup data. The contractor must develop a remote access capability. The contractor will accomplish all cable connections and additional cable requirement.

2.2. INTERNET DEVELOPMENT SERVICES. The contractor must provide web page development, web server implementations, firewall and security systems, Internet access, and web hosting.

2.3. SOFTWARE APPLICATIONS. The contractor will install and update all software applications. All system data must be protected from disaster loss.

2.4. TRAINING AND USER SUPPORT. The contractor must provide remote and on-site management and support services. A help desk will be established to assist users with software and training needs. Sufficient training must be provided to users when new software or hardware is installed.

2.5. INVENTORY MANAGEMENT. All computer components and peripherals are accountable. The contractor must develop and maintain sufficient inventory controls of all software, hardware, and peripherals. The contractor must also recommend computer system upgrade components including software.

2.6. TROUBLESHOOTING AND REPAIR. Any problem with the system must be isolated and repaired by the contractor. The contractor will trouble shoot the hardware and software systems to determine the best method of repair.

3. PARTICIPANTS. HQ AFCESA/CEOC, 139 Barnes Drive, Suite 1, Tyndall AFB, FL 32403-5319.

4. SOURCES CONTACTED. See attached listing.

5. FINDINGS AND ANALYSIS. The commercial market was surveyed for commercial standards, practices, and procedures.

5.1. GENERAL. Because of the nature of the computer business, the Internet named thousands of companies offering professional computer expertise, advice, and service. The Help Desk Institute is a professional organization that provides information about the technologies, tools, and trends of the help desk and customer support industry. (http://www.helpdeskinst.com/) They are an excellent source for industry standards, company directories, and salary costs. The availability of services is varied. Both small and large companies are capable of providing quality service. Some companies specialize in software development while others specialize in web and Internet development. Other companies specialize in help desk assistance functions.

5.2. STANDARDS. The private sector indicated there are no formal or published standards for automated data systems. Most available software and computer hardware systems are standardized, so the determining factor for good quality service is the level of technical knowledge within a company. The main criterion for determining acceptable services is customer satisfaction. If the company functions with minimal computer failures or downtime, then customers are satisfied. Most customers hire companies that provide the latest technology in computer system trends. Customers want quick response when help is needed. Help desks seem to be the standard for providing fast and reliable assistance. Some help desks are located on site and provide support during the workday hours. Other help desks are located off-site and provide 24-hour assistance to more than one company or customer. Customers want their web pages continually updated so they look for companies with design creativity. Since companies want their LAN systems protected from computer hackers, security is very important. Security is considered adequate if the system is impenetrable.

5.3. SPECIFICATIONS/DESCRIPTION OF WORK. The private sector's specifications and work statements are performance oriented. Most descriptions of work are specified by the following examples:

"perform hardware upgrade"

"install local area network"

"provide user support within 4 hours"

"provide 24-hour service with a network technician available by pager or phone in case of emergencies"

"answer help calls within 10 minutes"

"respond on-site within 1 hour"

"maintain 20 computer stations"

"provide remote network access and diagnostic support"

Additionally, customers allow the contractor to visit their facilities to determine the scope of work. A complete contractual document, when written, comprises 3-4 pages.

5.3.1. Quality Control. A formal Quality Control Program was not a contract requirement in the commercial sector; however, most contractors performing the service had their own internal quality control program.

5.4. METHOD OF SURVEILLANCE. The private sector has no defined methods of surveillance. The primary method is similar to the Air Force's customer complaint method. If a customer is not satisfied, they call the contractor and complain. Very few customers provide written complaints. Because there are so many contractors available, competition promotes fast response to customer complaints. In situations where the contract is for a large company, an officer manager or business manager usually inspects the work performed by the contractor. The business managers we contacted did not have experience in inspection methods or procedures. Their measure of performance is the successful operation of the computer system, network, or software. They were very adamant about the need for consistent operations. Any disruption in service is considered a serious impact to their production.

5.5. METHODS OF CONTRACTING. The procurement methods for the private sector varied based on the size of the procuring company. All size companies hire contractors based on experience, technical knowledge, education of employees, customer references, past performance, and cost. Smaller companies, with fewer than 25 computer stations, usually hire contractors by verbal notification and make payment on completion of satisfactory work. For help desk needs, they call a contractor that charges an hourly rate for telephone help assistance. Medium size companies, with 25-100 computer stations, will hire a contractor by a combination of fixed

price contract for hardware and help desk need and negotiated price for installation or repair contracts. Trouble shooting services are contracted on an hourly basis and are a preliminary to an installation or repair contract. Training services are contracted as needed and are usually fixed price. Larger companies, with over 100 computer stations, use fixed price contracts. These companies will usually solicit bids and will select the contractor that will provide the best product at the best price. Fixed price contracts are paid monthly. Fixed price contract lengths varied from 60 days to one year.

5.6. PRICING FACTORS. Pricing is usually based on number of computer stations, type of equipment and system, required response time, location of support (on-site or off-site), and level of service required. Basic service contracts range from $95.00 to $145.00 an hour.

5.7. REMEDIES FOR NONCONFORMING SERVICES. All private sector firms give a contractor the opportunity to resolve defects. If a defect is not resolved, it is usually grounds for termination of the contract. Also, provisions allow either party to terminate or cancel the contract with proper notification (usually 30 to 90 days).

6. CONCLUSIONS. Automated Data Systems services are commercially available and the requirement should be a FAR Part 12 acquisition. The work statement or specifications used by private industry to contract for services are similar to Air Force requirements. Since there are no industry standards or licensing requirements, the Air Force should thoroughly investigate references. It is important to ensure the contractor possesses the level of technical knowledge and service quality required. The most powerful weapon the private sector has for ensuring acceptable performance is its ability to cancel or terminate the contract for any reason upon proper notification.

ATTACHMENT 1
POINTS OF CONTACT DURING THE MARKET RESEARCH FOR
AUTOMATED DATA PROCESSING SYSTEMS

Company	Name	Address1	Internet address
Computer NERDZ (P)	**Rob Lewis**	**(512) 441-NERD (210) 408-NERD 1 - 800 - 496 - NERD**	**http://www.nerdz.com**
ACS Services (P)	**Eric Bala**	**1550 Hotel Circle North, Suite 200 San Diego, CA 92108**	**http://www.acssd.com**
AIS International (P)	**Oscar Acevedo Castell∫n**	**PO Box 157-3006 Barreal, Heredia, costa Rica**	**http://www.AISInternational.com**
Chenault Systems (P)	**Tom Chenault**	**2407 Glen Morris Carrollton, TX 75007**	**http://www.chenaultsystems.com**
Comtech Services, Inc (P)	**Cort Smith**	**19512 Amaranth Drive, Suite C Germantown, MD 20874**	**http://www.comtechonline.com**
Computer Support Services (P)		**166 Caroline St. Clyde, NY 14433-1046**	**http://www.tds.net**
EngiCom (P)	**Audrey Butler**	**7400 Marlboro Pike, Suite 100 Forestville, MD 20747**	**http://www.engicom.com**
Global Business Solutions (P)		**501 Main Street, Suite 200, Covington, KY 41011 Phone 606/491.5900 Fax 606/491.5985**	**http://www.globalbusinesssolution.com**
NorthPoint (P)		**411 Bradwick Drive Units 2 & 3 Concord, Ontario, L4K 2P4, Canada**	**http://www.northpt.com**
T^2 T-Squared Business Systems (P)	**Tim Tungett**	**PO Box 61344 Jacksonville, FL 32236-1344**	**http://firstdesign.com**
TAB Computer Systems, Inc. (P)		**105 Filley Street Bloomfield, CT 06002**	**http://www.tabinc.com**
Boulder Corporation (P)	**John McGuiness**	**3210 Valmont Road, Suite A Boulder, CO 80301**	**http://www.bouldercorporation.com**
ACT-Systems (P)		**3473 Clairmont Road, Atlanta, GA 30319 / 86 Fycke Lane Teaneck, NJ 07666**	**http://www.act-systems.com**
Amdahl Corporation (P)		**4190 Belfort Road, Suite 200 Jacksonville, FL 32216**	**http://www.amdahl.com**
City of San Antonio (R)	**Blanca Garcia**	**PO Box 839966 San Antonio, TX 78283-3966**	**http://www.ci.sat.tx.us**
Lusardi Construction (R)	**Harold Bell**	**1570 Linda Vista Drive San Marcos, CA 92069**	**http://www.lusardi.com**
ADS	**Gordan Lincecum**	**Walnut Creek, CA**	
O'Connor Construction Management (R)	**Jeannette Singletary**	**19600 Fairchild, Suite 300 Irvine, CA 92612**	**http://www.ocmi.com**
Search by City then by category "computer services" for other sources			**http://yp.yahoo.com/py/yploc.py?ycat=7737166&desc=&btype=**

(P) - SERVICE PROVIDER
(R) - SERVICE RECEIVER