

Feedback on SOA-QPS2 Review

Prepared by: Accenture Company Limited

Date: April 11, 2012

1. Categorization of Services and Suppliers

[Accenture's comments] There is a growing demand in the enquiries by various B/D with regard to consultancy works, in particular the strategic study. Some B/D representatives expressed that they were unable to engage Contractor for strategic studies project through the current service categories demarcation in SOA-QPS2, and thus have to go for open tendering. We propose to add an additional service category in SOA-QPS3 for providing "Consultancy Service" or add this service to Service Category 1.

2. Participation by Suppliers

[Accenture's comments] Due to confidentiality agreement, some clients are unwilling to endorse us to release their names and related contract information. Likewise, customer satisfaction assessments or commendation letters are unlikely to obtain. As such, Contractors will not be able to get prestigious marks in the technical evaluation of the proposal and thus lowering their chance of delivering projects for B/D. OGCIO should assess the capability of the suppliers via publicly available information, e.g. company size, length of services, annual revenues, etc.

3. Bidding Performance

[Accenture's comments] As part of our global standard, we have quality assurance processes to manage our issuance of proposal, and only qualified proposal (i.e. proposal with reasonable win probability) would be approved. As this is a firm-wide standard which local office cannot over-rule, we would not be able to submit proposal for all opportunities. As a result, we suggest OGCIO to consider waiving the mandatory proposal submission as part of the bidding performance calculation.

4. Categorization of Human Resources

[Accenture's comments] We believe OGCIO should increase the weighting on technical competence on two fronts. Firstly, other than individual skill set (e.g. year of experience of key resources), other advantages such as global resourcing, international experience, ability to mobilize subject matter experts, knowledge assets, etc should also be taken into account. In addition, we recommend OGCIO to have different technical / price weighting for different projects - our view is that for large-scale, highly complex project, technical weighting should be at least 50% of total score.

5. Continuity of Project Staff and Project Delay

[Accenture's comments] Unlike an open tender for procurement of a total solution, the "service-only" SOA-QPS2 contractors have to deal with a number of uncertainties, e.g. technology gap of the endorsed technical solutions against the skill sets of the project team member, the lengthy procurement of hardware/software, etc.

5.1 For “Continuity of Project Staff”, to ensure successful delivery of the project, it is inevitable to replace staff with right mix of skills for the endorsed technical solutions. We suggest OGCIO to offer a bonus scheme (say 5% of the original contract value) for contractors who are able to minimize the staff turnover rate to a certain percentage, e.g. zero turnover rate for key project team members and 20% for non-key members.

5.2 For “Project Delay”, to encourage timely delivery, we suggest OGCIO to offer a bonus scheme (say 10% of the original contract value) for contractors who they are able to deliver the project (except Service Category 2) within the agreed tolerance period of the original timeline.

6. Indemnity

[Accenture’s comments] We suggest putting a cap of 1.5 times of the original contract value of the work assignment on the indemnity for internal risk management.

7. Intellectual Property Rights

[Accenture’s comments] Vesting in the Intellectual Property Rights to contractors (or co-own by B/D and Contractors) may create a win-win situation because contractors may lower their bidding price by re-selling the deliverables to another client in future.

Ends