

Feedback to the Office of the Government Chief Information Officer on the SOA-QPS2

In II. Background

1. The paper states that “The Government adopts a vigorous IT outsourcing strategy so as to meet its IT needs and to benefit from the state-of-the-art technologies and services to enhance its operation and the delivery of public services.”

>> Our view is “Government is leading in the field of IT Outsourcing with QPS program. This could also be a model for the business to follow. However, the IT Outsourcing cost shall be managed with some revision of the Brief requirement in general. The revision includes the following:

- full-time on-site requirement for the project – the residency requirement shall be based on the role of the team member instead of duration of the project stage or the whole implementation period of the project.
- duration of the free warranty period – it is suggested in a range of 2 to 6 months depend on the duration of the implementation timeframe.”

2. The paper states that “we also continue to find ways and means through our procurement arrangements to facilitate the development of the local IT industry, particularly the participation of small and medium enterprises (SMEs) in Government IT projects.”

>> Our view is “small and medium enterprises (SMEs) can participate in the QPS as direct and indirect: direct – participate and qualify in the first stage of the SOA-QPS2’s two-stage procurement process indirect – participate as sub-contractor or secondment of the qualified contractors in the second stage of the SOA-QPS2’s two-stage procurement process. However, the working experiences of the sub-contracts or secondments shall be recognized.”

In III. Consultation – (a) Categorisation of Services and Suppliers

3. (a) Categorisation of Services and Suppliers

>> Our view on service categories is “we fully support the existing four (4) service categorisation.”

>> Our view on new technology is “Since the service categorisation is designed to be independent from technical platform/technology, new technology like Electronic Information Management (EIM), Cloud Computing, Mobile Applications shall be fulfilled with the existing service categories. However, mobile application or social networking application may be very common in Cat 3 minor.”

>> Our view on Independent Testing is “It is recommended to introduce new service category for Independent Testing with existing staff categories requiring from 2 years to 15 years of IT experience, including specified length of experience in the relevant function/specialty.”

>> Our view on the demarcation limit is “It is recommended to adjust upward the demarcation limit with the consideration of inflation and industry salary rates.”

4. (b) Participation by Suppliers

>> Our view on number of contractors is “we fully support the idea of increasing number of contractors in each service category. However, in order to maintain the work assignments to be awarded within 30 and 60 working days, we recommend about 10 contractors per service category.”

5. (c) Length of Contracts

>> Our view on validity period is “we fully support the existing duration of 48 months in order to cover the administrative costs of the programme management system.”

6. (d) Bidding Performance

>> Our view on bidding performance is “we support the full mark suggestion and also, we recommend to reduce the General Technical Sub-score to 20 and increase the Work Assignment Technical Sub-score to 80”.

7. (e) Categorisation of Human Resources

>> Our view on service charging is “we suggest the ceiling unit price should be adjusted with the consideration of inflation and industry salary rates annually. That means the unit price can go either way.”

8. (f) Sub-contracting

>> Our view on sub-contractor is “there is no need to obtain the Government’s approval. This is strictly commercial arrangement between the principal contractor and sub-contractor. However, the signed contract agreement between the Parties should be submitted with the tender proposal.”

9. (g) Timing for Proposal Submission

>> Our view on timing is “we suggest 25 working days for Cat major. Time is required to review and approve the bidding price to be submitted.”

10. (h) Payment for Services

>> Our view on payment is “we suggest the initial payment should be 20%. This will ease the cash flow for SMEs.”

11. (i) Continuity of Project Staff

>> Our view on continuity is “staff turnover is normal phenomenon in the industry. The turnover rate is affected by the basic rule of the economy - supply and demand of the market. The impose of penalty will not correct the situation. The existing staff replacement guidelines/policies ensure the continuity of the project team. However, we suggest the contractor to provide the transition plan including what, when, who and how to be agreed by both parties.

12. (j) Project Delay

>> Our view on project delay is “we fully support to award marks on the General Technical Scores for contractors who complete projects on-time and receive compliment from the client.”